

Meeting No. 1,262

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

Pages 1 - 138

February 18 - 19, 2026

Austin, Texas

MEETING NO. 1,262

WEDNESDAY, FEBRUARY 18, 2026.-- The members of the Board of Regents of The University of Texas System convened at 1:01 p.m. on Wednesday, February 18, 2026, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the below meeting participation:

ATTENDANCE.--

Present

Chairman Eltife
Vice Chairman Weaver
Regent Crain
Regent Gauntt
Regent Jiles
Regent Perez
Regent Stedman
Regent Warren
Regent Schwartz, Student Regent, nonvoting

Absent

Vice Chairman Longoria

CONVENE THE BOARD IN OPEN SESSION.-- At 1:01 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

Chairman Eltife introduced members of the public who submitted a request to speak before the Board on Academic Affairs Item 2 relating to the establishment of a School of Computing, within the College of Natural Sciences, at The University of Texas at Austin. The following individuals spoke: Daniel Ramirez, Sydney Wilson, Izabella De La Garza, Sofie Gomez, and Elise (Ellie) James. He explained that, to respect the speakers' time, they were invited to speak first prior to Committee meetings and that the full Board would consider action tomorrow following the report from the Academic Affairs Committee. Written testimony from members of the public provided prior to or at the meeting is on file in the Office of the Board of Regents and is available at this [link](#).

COMMITTEE MEETINGS.--The Board recessed Open Session for Standing Committee meetings from 1:13 p.m. – 2:33 p.m.

RECONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551.-- At 2:34 p.m., the Board recessed to Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.0761, and 551.089 to consider the matters listed on the Executive Session agenda.

Prior to recessing for Executive Session, Chairman Eltife commented on the future home of the U.T. Austin/U.T.M.D. Anderson Cancer Center medical center project.

Remarks by Chairman Eltife

Before we recess into Executive session, I want to make a comment on the future home of the U.T. Austin/M.D. Anderson medical center project. As our two institutions continued to work collaboratively over the last year, it became apparent that the proposed Erwin Center location would not be as conducive to the fully integrated, patient-centered approach that was being envisioned and there would be limits to future growth on that site.

Over the course of the last few months at the Board's request, our teams studied and have now recommended moving the future medical complex to U.T. land west of the J.J. Pickle Research Campus in North Central Austin. One of the benefits of this new site is the fact that it can accommodate any needs for expansion well into the future.

This change will allow the Erwin Center Site to be available for future use by the university; however, at this time there are no long terms plans for that site.

We could not be more excited about bringing this project forward, uniting U.T.M.D. Anderson's renowned cancer care with U.T. Austin's Academic Medical Center and world-class research enterprise. The result of this partnership will allow Texas to harness both institutions' missions of patient care, education, innovation and research to create a once-in-a-generation opportunity to define the future of health care in Texas.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS.-- At 3:15 p.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

1. 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

No action was taken on this item.

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

Regent Stedman made the following motion:

I move that the U.T. System Board of Regents authorize Chancellor Zerwas, Vice Chancellor Safady, and the Presidents of U.T. Austin, U.T. Southwestern Medical Center, and U.T.M.D. Anderson Cancer Center to conclude negotiations

necessary to finalize, approve, and accept gifts and to finalize and execute any agreements related to gift-associated namings consistent with the terms and conditions outlined and recommended in Executive Session.

The motion was seconded by Regent Crain and carried unanimously.

3a. U.T. System Board of Regents: Discussion with Counsel on pending legal issues

No action was taken on this item.

3b. U.T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U.T. System

No action was taken on this item.

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

No action was taken on this item.

5. 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

No action was taken on this item.

RECESS.--There being no further business, the meeting was recessed at 3:17 p.m. to reconvene on February 19, 2026.

THURSDAY, FEBRUARY 19, 2026.-- The members of the Board of Regents of The University of Texas System reconvened at 9:00 a.m. on Thursday, February 19, 2026, in the Board Room, Second Floor, The University of Texas System Building, 210 West Seventh Street, Austin, Texas, with the below meeting participation:

ATTENDANCE.--

Present

Chairman Eltife
Vice Chairman Weaver
Regent Crain
Regent Gauntt
Regent Jiles
Regent Perez
Regent Stedman
Regent Warren
Regent Schwartz, Student Regent, nonvoting

Absent

Vice Chairman Longoria

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS.--At 9:00 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session to consider action on the following items.

Chairman Eltife introduced members of the public who submitted a request to speak before the Board on Meeting of the Board Agenda Item 6 relating to System Expectations of Academic Integrity and Standards for Teaching Controversial Topics. The following individuals spoke: State Representative Donna Howard, Adele Nelson, Nora Comstock, David Widder, Peter Onyisi, Allen Liu, Lena Mose-Vargas, Jo Hsu, Alex Karner, and Alfonso Ayala. Written testimony from members of the public provided prior to or at the meeting is on file in the Office of the Board of Regents and is available at this [link](#).

STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD.--

At 9:44 a.m., Chairman Eltife announced the Board would hear the reports and recommendations of the Standing Committees, which are set forth on Pages 5 - 52

REPORT OF THE AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE
(Page 5).--Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

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

There were no items referred from the Consent Agenda.

2. U.T. System: Approval of non-audit services to be performed by U.T. System's external audit firm, Deloitte & Touche LLP, for Inflation Reduction Act coordinating services to be utilized by any interested U.T. institution

This item was for consideration only by the Committee.

3. U.T. System: Report on Systemwide internal audit activities, including update on internal audit strategy as mandated by the new Global Internal Audit Standards

This item was for consideration only by the Committee.

4. U.T. System: Fiscal Year 2025 Consolidated Annual Financial Report, including the Independent Auditor's Report, and audits of the financial statements of U.T. Austin, U.T.M.D. Anderson Cancer Center, U.T. Southwestern Medical Center, and U.T. Medical Branch - Galveston and for funds managed by The University of Texas/Texas A&M Investment Management Company (UTIMCO)

This item was for consideration only by this Committee and the Finance and Planning Committee (Item 1) in a joint meeting.

REPORT OF THE FINANCE AND PLANNING COMMITTEE (Pages 6 - 8).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

1. U.T. System: Fiscal Year 2025 Consolidated Annual Financial Report, including the Independent Auditor's Report, and audits of the financial statements of U.T. Austin, U.T.M.D. Anderson Cancer Center, U.T. Southwestern Medical Center, and U.T. Medical Branch - Galveston and for funds managed by The University of Texas/Texas A&M Investment Management Company (UTIMCO)

This item was for consideration only by this Committee and the Audit, Compliance, and Risk Management Committee (Item 4) in a joint meeting.

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

There were no items referred from the Consent Agenda.

3. U.T. System: Financial Status Presentation and Monthly Financial Report

This item was for consideration only by the Committee.

4. U.T. System Board of Regents: Adoption of a Supplemental Resolution authorizing the issuance, sale, and delivery of Revenue Financing System Bonds and authorization to complete all related transactions

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor and Chief Operating Officer that the U.T. System Board of Regents

- a. adopt a Supplemental Resolution, substantially in the form previously approved by the U.T. System Board of Regents, authorizing the issuance, sale, and delivery of Board of Regents of The University of Texas System Revenue Financing System (RFS) Bonds in one or more installments in an aggregate principal amount not to exceed \$1.5 billion to be used to refund certain outstanding RFS Bonds, to refund RFS Commercial Paper Notes, to provide new money to fund

construction and acquisition costs of projects in the Capital Improvement Program, and to pay the costs of issuance; and

- b. authorize appropriate officers and employees of U.T. System as set forth in the Supplemental Resolution to take any and all actions necessary to carry out the intentions of the U.T. System Board of Regents within the limitations and procedures specified therein; to make certain covenants and agreements in connection therewith; and to resolve other matters incident and related to the issuance, sale, security, and delivery of such RFS Bonds.

BACKGROUND INFORMATION

On August 21, 2025, the Board of Regents adopted the 43rd Supplemental Resolution authorizing the issuance of additional RFS Bonds in an amount not to exceed \$1.5 billion, which authority was largely utilized on RFS bond transactions executed earlier this fiscal year. Adoption of this 44th Supplemental Resolution would provide an additional \$1.5 billion of authority to finance additional projects approved by the Board of Regents under the same provisions as the prior resolution.

Adoption of the Supplemental Resolution would authorize the advance or current refunding of a portion of certain outstanding RFS Bonds provided that an advance refunding exceeds a minimum 3% present value debt service savings threshold. An advance refunding involves issuing bonds to refund outstanding bonds more than 90 days in advance of the call date whereas a current refunding involves issuing bonds to refund outstanding bonds within 90 days of the call date. Refunding bonds are issued at lower interest rates thereby producing debt service savings. Adoption of this Supplemental Resolution will provide the flexibility to select the particular bonds to be refunded depending on market conditions at the time of pricing.

The Supplemental Resolution would also authorize the current refunding of all or a portion of the RFS Commercial Paper Notes. The RFS Commercial Paper Note program is used to provide interim financing for RFS projects approved by the Board. Adoption of the Supplemental Resolution will permit the interim financing provided through the Notes to be replaced with long-term financing. The Supplemental Resolution would also authorize the issuance of bonds to provide new money to fund the capital costs of eligible projects.

The Supplemental Resolution would also authorize the appropriate officers and employees of the U.T. System to refund outstanding RFS Bonds pursuant to a tender program and to use lawfully available funds to defease outstanding RFS Bonds when economically advantageous.

The proposed Supplemental Resolution has been reviewed by outside bond counsel and the U.T. System Office of General Counsel.

Note: The proposed Resolution is on file in the Office of the Board of Regents.

5. U.T. System Board of Regents: The University of Texas/Texas A&M Investment Management Company (UTIMCO) Update

This item was for consideration only by the Committee.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE (Pages 9 - 18).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

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

There were no items referred from the Consent Agenda.

2. U.T. Austin: Approval to establish a School of Computing

Prior to Committee meetings on Wednesday, the Board received public testimony pertaining to this item from Daniel Ramirez, Sydney Wilson, Izabella De la Garza, Sofie Gomez, and Elise (Ellie) James.

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that authorization, pursuant to the Regents' *Rules and Regulations*, Rule 40601, related to academic program approval standards, be granted to

- a. establish a School of Computing, within the College of Natural Sciences, at The University of Texas at Austin; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Pursuant to Regents' *Rules and Regulations*, Rule 40601 (Institutions Comprising the University of Texas System), The University of Texas at Austin requests the establishment of a School of Computing. The establishment of the School of Computing represents U.T. Austin's work to strengthen interdisciplinary connections in the rapidly evolving field of computational intelligence.

This new School is designed to position U.T. Austin to lead nationally in computing, data, and information sciences by bringing together complementary strengths in computer science, quantitative inference, and human-centered information studies. The new School will comprise the following components: (1) Department of Computer Science, (2) Department of Statistics and Data Sciences, and (3) School of Information. U.T. Austin is relocating the Department of Computer Science and

the Department of Statistics and Data Sciences into the new School. Additionally, the School of Information will be reconstituted as a department within this new School. These changes are strictly organizational in nature. No degree programs, certificates, curricula, or academic pathways will be altered, and all current academic offerings will remain intact and uninterrupted. The School is designed to launch using existing resources and infrastructure in the College of Natural Sciences. The initial reorganization is resource-neutral and does not require new, recurring funding. This new School will allow cross-disciplinary collaboration in support of U.T. Austin's position as a national leader in computational intelligence over the coming decade.

Upon approval by the Board of Regents, the Office of Academic Affairs will notify the Texas Higher Education Coordinating Board of the change so that the U.T. Austin's administrative unit structure may be updated.

3. Stephen F. Austin State University: Discussion and appropriate action regarding approval of an update to the Campus Master Plan, and report on the revised Strategic Plan

Written testimony from members of the public provided prior to the meeting is on file in the Office of the Board of Regents and is available at this [link](#).

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs and the institutional president that the U.T. System Board of Regents approve an update to the Campus Master Plan for Stephen F. Austin State University, which integrates the revised Strategic Plan.

BACKGROUND INFORMATION

President Weaver will present Stephen F. Austin State University's (SFA) proposed Campus Master Plan (CMP) and Strategic Plan (SP): *Second Century 2026-2036* that will guide the university for the future. The SP provides a strategic roadmap for SFA's goals to enrich student experience, refine academic programs, promote research and creative activities, foster innovation, and enhance the workplace culture.

The CMP and SP were developed over 12 months with input from students, faculty, staff, alumni, and community stakeholders. Both plans will continuously evolve to reflect priorities and goals.

The CMP is designed to meet growing enrollment demands, address residential inventory, reduce inefficiencies with obsolete and outmoded facilities, improve space utilization within SFA's existing footprint, and blend new construction with a robust renovation approach. The scope of the CMP also included space strategy, landscape, utility, and technology plans.

Portions of the CMP are in process, including new buildings for Forestry and Agriculture and the Greg Arnold Center for Entrepreneurship, and planning for a new residence hall. Construction of a modern Science Building and re-purposing and renovation of a current building on the main campus to house the DeWitt School of Nursing are prioritized. The CMP incorporates student and auxiliary projects, including athletics and recreation facilities, and infrastructure investments. As a residential campus, the CMP addresses the future student housing needs.

With SFA known for its beautiful campus, the CMP leverages and protects SFA's natural environment, expands indoor and outdoor civic and cultural spaces, and emphasizes pedestrian safety and comfort.

The CMP and SP position SFA to meet the needs of our current and future students, faculty, staff, alumni and stakeholders.

President Weaver's PowerPoint presentation is set forth on the following pages.

The Campus Master Plan and the Strategic Plan are available on file in the Office of the Board of Regents.



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

2026 Campus Master Plan and Strategic Plan

Dr. Neal Weaver, President

U.T. System Board of Regents Meeting
Academic Affairs Committee
February 2026



The University of
Texas System

2026 Campus Master Plan and Strategic Plan Strategic Plan Goals



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

- Ensure a transformative, student-centered experience
- Refine academic programming
- Elevate research and creative activities
- Promote innovation through experiential and service learning
- Champion a meaningful and empowering workplace culture



The University of
Texas System

2026 Campus Master Plan and Strategic Plan Current Campus Overview and Zones



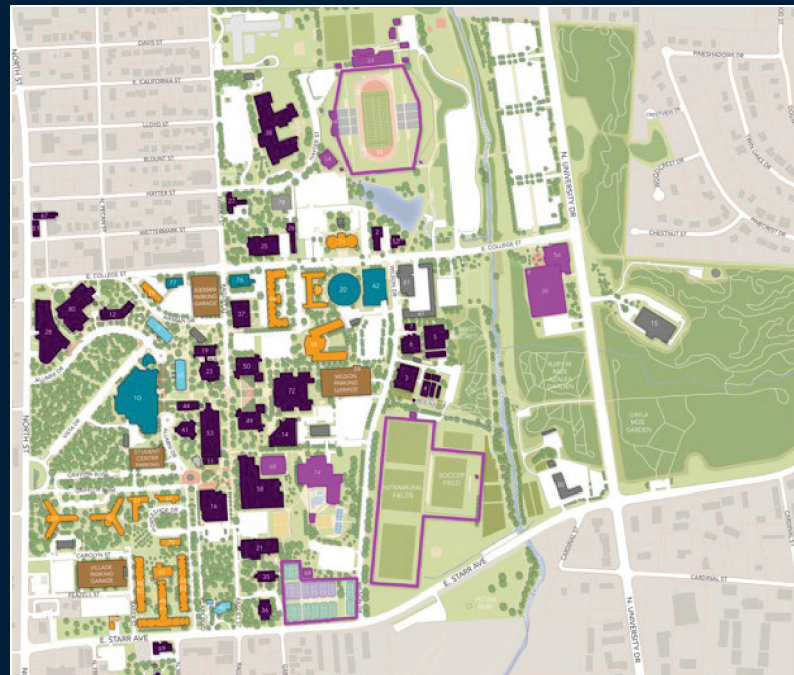
**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

Main campus

- 421 acres
- 36 academic buildings
- 9 residence halls

Off-campus locations

- DeWitt School of Nursing
- Todd Agricultural Research Center
- 2,500-acre experimental forest lands



Zones

	Academic
	Administrative
	Athletics/Recreation
	Housing
	University Services
	General Public
	Support
	Parking Structure



The University of
Texas System

2026 Campus Master Plan and Strategic Plan Priorities



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

- Strategically increase enrollment
- Invest in new and high-growth academic programs, including:
 - Entrepreneurship
 - Aviation
 - Construction Management
 - Health Professions
 - Engineering
- Enhance online and graduate programs and research opportunities
- Use new construction and re-purposing of current buildings to meet strategic goals and support growth



The University of
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2026 Campus Master Plan and Strategic Plan Campus Master Plan Highlights



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

Forestry and Agriculture Building



Future Replacement of Miller Science Building



The University of
Texas System

2026 Campus Master Plan and Strategic Plan

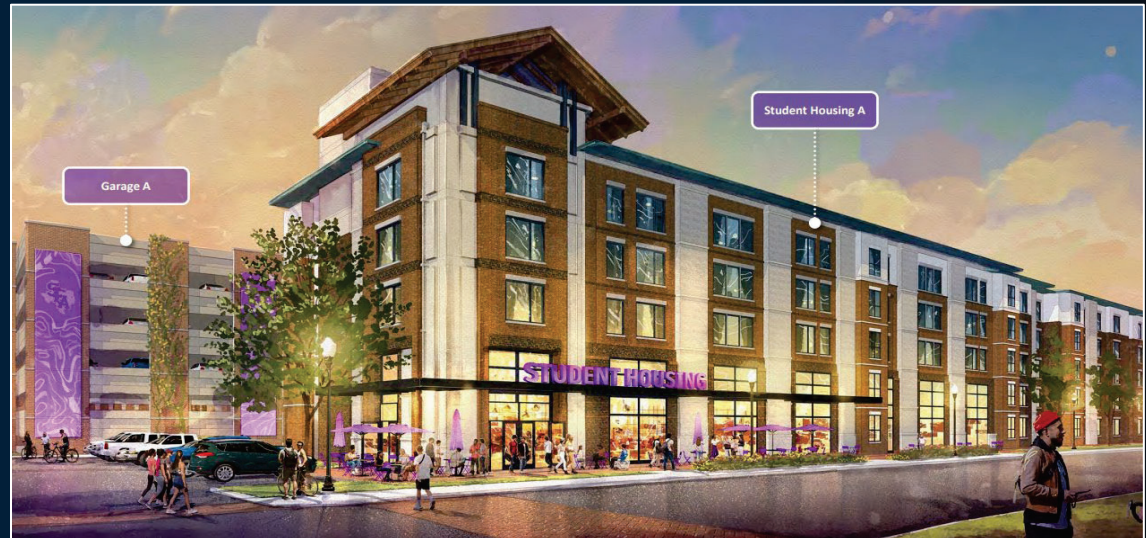
Campus Master Plan Highlights (cont.)



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

Future 535-Bed Residence Hall on Starr Avenue

- SFA is a residential campus with 4,000 students currently living on campus
- Add student housing inventory to expand to 6,000 beds to meet planned enrollment growth
- Invest in student recreation and athletics facilities



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2026 Campus Master Plan and Strategic Plan

Next Steps



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
THE UNIVERSITY OF TEXAS SYSTEM

- Prioritize projects based on the Strategic Plan
- Confirm funding sources
- Work with the U.T. System Office of Capital Projects to develop project definitions, scope, phasing, and implementation



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REPORT OF THE HEALTH AFFAIRS COMMITTEE (Pages 19 - 21).-- Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved by the Board in Open Session.

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

There were no items referred from the Consent Agenda.

2. U.T. Tyler: Approval to establish a Doctor of Physical Therapy (DPT) degree program

The Board approved the following recommendation:

RECOMMENDATION

Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, concurs in the recommendation of the institutional president that authorization, pursuant to Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Physical Therapy (DPT) degree program; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

The proposed DPT program would prepare autonomous and collaborative physical therapy practitioners who practice in a patient-centered manner, lead the profession, and have a commitment to lifelong learning. The full-time entry-level DPT program is designed for post-baccalaureate students, with or without prior physical therapy experience. The program's mission is to advance the health and well-being of the citizens of Texas, the nation, and beyond, through the preparation of highly competent physical therapists prepared for general practice. The DPT program will be dedicated to academic inquiry and expression by fostering evidence-based healthcare teaching, research, service, and public engagement.

Need and Student Demand

The demand for physical therapists in the local and East Texas region is strong, as well as across the state of Texas and nationally. In August 2025, the Texas Labor Market Dashboard included 19 job postings in the Tyler, Texas area. Texas Career

Check reported physical therapists' average annual wages to be \$106,450 and that employment is expected to increase by 21.91% over the next six years. According to the National Outlook Handbook from the U.S. Bureau of Labor Statistics, employment of physical therapists is projected to grow much faster than the average for all occupations from 2024 to 2034. On average, approximately 13,200 physical therapist openings are projected over the next decade. Many of those openings are expected to result from the need to replace workers who transfer to different occupations or retire. The Commission on Accreditation for Physical Therapy Education (CAPTE) reported the 2024 average Employment Rate at 12 months post-graduation as 99.5% (Range 86-100).

Two interest surveys were developed and data collected to provide information on prospective student demand. Surveys were sent to Physical Therapy Assistants (PTAs) practicing in contiguous states and to current U.T. Tyler students in selected feeder programs.

PTA Survey – In August 2025, surveys were sent to 3,224 PTAs. Responses were received from 91 PTAs of which 69 were very interested or somewhat interested in attending the U.T. Tyler proposed DPT program and requested additional information.

U.T. Tyler Undergraduate Student Survey – An email was sent to 1,662 students from selected science-based programs. Responses indicating very interested or somewhat interested were received from 95 students. Eighty percent were from kinesiology majors, 6% biology, 5% biochemistry, and the remaining student responses from a variety of majors such as psychology and health science.

Program Quality

The current expected program launch is June 2031 per CAPTE requirements. The CAPTE time slot for the U.T. Tyler DPT program may be accelerated upon successful U.T. System Board of Regents, THECB, and SACSCOC approvals. To continue effective program planning, a Director of Clinical Education (DCE) position was filled in November 2025. This DCE holds a DPT degree and is an American Physical Therapy Association Credentialed Clinical Instructor. The DCE position is responsible for developing clinical education affiliations (10% of workload), along with maintaining clinical expertise in the UT Health East Texas system (90% of workload). The DCE appointment will be converted to a 90% teaching and administration appointment in Fall 2028, with a 10% clinical workload.

A full-time DPT Program Director (PD) job description will be posted in December 2025 to be filled on or before a Fall 2026 start date. The PD position is predominately an administrative role with a limited teaching load. Two additional full-time (FT) core faculty positions will be hired in 2029 and 2030, prior to the start of student enrollment. These four full-time core faculty (PD, DCE, and two FT faculty) will develop policies, finalize the curriculum, recruit students, order necessary equipment, and complete accreditation documents.

When students matriculate in Summer 2031, four additional core faculty will be hired and all will have appointment responsibilities in teaching, research, and service. DPT faculty will be hired with specific clinical, teaching, and research experience based on the needs of the developing curriculum sequence and per accreditation requirements. A total of eight core faculty will be hired over a nine-year span, per programmatic accreditation requirements, as the curriculum advances and enrollment grows. In addition to the core faculty, adjunct faculty will be utilized for select courses. The adjunct faculty may teach similar content in another program or serve as faculty from other institutions with specialized expertise not available by the current core faculty. Adjunct lab assistants, commonly local clinicians, will be hired to assist with the hands-on laboratory courses to maintain a student-ratio of no more than 15 students to one instructor.

Revenue and Expenses

Projected Enrollment	5-Year Total
Number of Students Used for Formula Funding Calculation	118
Total Number of Students	186
Expenses	5-Year Total
<i>Faculty</i>	
Salaries	\$ 3,595,546
Benefits	\$ 1,692,022
<i>Staff & Administration</i>	
Administrative Staff Salaries	\$ 238,274
Staff Benefits	\$ 112,129
<i>Other Expenses</i>	
CAPTE Accreditation Fees, M&O	\$ 293,765
Total Expenses	\$ 5,931,736
Revenue	5-Year Total
<i>From Student Enrollment</i>	
Formula Funding	\$ 2,217,935
Tuition and Fees	\$ 4,633,023
Total Revenue	\$ 6,850,958

Coordinating Board Criteria

The proposed program meets all applicable Coordinating Board criteria for new doctoral degree programs.

REPORT OF THE FACILITIES PLANNING AND CONSTRUCTION COMMITTEE
(Pages 22 - 52).--Unless otherwise indicated, the actions set forth in the Minute Orders that follow were recommended and approved in Open Session.

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

There were no items referred from the Consent Agenda.

2. U.T. System: Amendment of the current Capital Improvement Program to include Deferred Maintenance Permanent University Fund (PUF) Funded Program projects; appropriation of funds for Repair and Rehabilitation projects; authorization of institutional management

The Board approved the following recommendation:

RECOMMENDATION

In accordance with the Constitutional debt capacity of the Permanent University Fund (PUF) funding for U.T. institutions, Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the Presidents of the respective U.T. institutions recommend that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the following projects as follows:

- a. amend the current Capital Improvement Program (CIP) to include the projects for the following institutions: U.T. Dallas, U.T. San Antonio, U.T. Southwestern Medical Center, and U.T. Health Science Center - Houston;
- b. approve the appropriation of \$190,640,000 of PUF Bond Proceeds for U.T. Dallas to address deferred maintenance in education and general facilities;
- c. approve the appropriation of \$68,268,833 of PUF Bond Proceeds for U.T. San Antonio to address deferred maintenance in education and general facilities - Phase I;
- d. approve the appropriation of \$94,890,000 of PUF Bond Proceeds for U.T. Southwestern Medical Center to address deferred maintenance in education and general facilities;
- e. approve the appropriation of \$68,820,000 of PUF Bond Proceeds for U.T. Health Science Center - Houston to address deferred maintenance in education and general facilities; and

- f. authorize U.T. Dallas, U.T. San Antonio, U.T. Southwestern Medical Center, and U.T. Health Science Center - Houston to manage its project budgets, appoint architects, approve facility programs, prepare final plans, and award contracts in compliance with U.T. System rules, regulations, and policies.

BACKGROUND INFORMATION

Previous Actions

On August 21, 2025, the Board approved the allocation of \$1.19 billion of Permanent University Fund (PUF) Bond Proceeds for capital projects addressing Deferred Maintenance (DM). Based on the Fiscal Year 2024 Campus Condition Report (Report), issued January 2025 summarizing the facilities condition and deferred maintenance needs across U.T. institutions, there was \$2.63 billion in unfunded deferred maintenance needs in Education and General (E&G) space as of Fiscal Year 2024. This amount excludes the deferred maintenance needs in non-E&G space, which totaled an additional \$1.2 billion.

Project Description

As described in the Report, a relevant industry metric for annual facility recapitalization is 1.5% to 3.0% of current replacement value. The proposed allocation methodology would allocate PUF bond proceeds to address deferred maintenance for E&G space allocated at 2.5% of current replacement value for academic institutions and 1.5% of current replacement value for health institutions, with each institution's allocation capped at the amount of deferred maintenance reflected on the most recent Report, subject to a minimum annual allocation of \$10 million.

The aggregate PUF allocation of \$1.19 billion would address approximately 45% of the \$2.63 billion of deferred maintenance needs in E&G space across U.T. institutions. This item addresses approximately \$422 million of the total \$1.19 billion PUF allocation, and additional phases at the remaining institutions will be presented to the Board for approval at a later date.

The proposed repair and rehabilitation projects have been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the Board of Regents, Chancellor, or the institution President for approval at a later date.

U.T. Dallas

This project would include multiple campus buildings, and various building systems. Systems to be addressed through this program include building envelope, electrical, mechanical, plumbing, life safety, elevators, and limited finishes.

U.T. San Antonio

This project will address essential infrastructure needs across various campus facilities for both U.T. San Antonio and U.T. Health San Antonio campuses. The project will concentrate on Education and General (E&G) spaces, particularly older academic and administrative buildings requiring attention. Planned improvements encompass updating legacy utility systems to enhance reliability and meet current regulatory standards. This project includes two phases; Phase I applies to the Downtown Academic campus and the U.T. Health San Antonio campus, accounting for \$68,268,833 of the total \$185,820,000 PUF allocation. Phase II, representing the net scope for both institutions, will be presented to the Board at a later date.

U.T. Southwestern Medical Center

This project includes replacement and/or modernization of physical plant components and infrastructure systems that have reached or exceeded end of useful life and/or are unreliable. Projects range from utilities infrastructure, including thermal plant components, to building components, such as HVAC and mechanical systems, HVAC controls, plumbing fixtures and piping, electrical equipment and lighting, elevators, roofs and building envelopes, and fire protection systems.

U.T. Health Science Center - Houston

This project includes multiple campus buildings and systems. Systems to be addressed through this program include building envelope, electrical, mechanical, plumbing, life safety, elevators, and limited finishes.

3. U.T. Arlington: UTA West Academic Building and Associated Infrastructure Improvement, Phase II - Approval of design development; approval to revise funding sources; appropriation of funds and authorization of expenditure; allocation of Permanent University Fund (PUF) Bond Proceeds; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents approve the recommendations for the UTA West Academic Building and Associated Infrastructure Improvement, Phase II project at The University of Texas at Arlington as follows:

- a. approve design development plans for Phase II;

- b. revise funding sources to include Permanent University Fund (PUF) Bond Proceeds;
- c. appropriate funds and authorize expenditure for Phase II of \$149,500,000 with funding of \$100,000,000 from Permanent University Fund (PUF) Bond Proceeds, \$35,500,000 from Revenue Financing System (RFS) Bond Proceeds and \$14,000,000 from Unexpended Plant Funds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System; and The University of Texas at Arlington, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$35,500,000.

BACKGROUND INFORMATION

Debt Service

The \$135,500,000 in RFS debt will be repaid from institutional funds. Annual debt service on \$135,500,000 in RFS debt is expected to be \$7.5 million. The institution's Scorecard Rating of 2.9 at Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On February 4, 2025, the Chancellor approved the project for Definition Phase. On August 21, 2025, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$169,500,000 with funding of \$135,500,000 from Revenue Financing System (RFS) Bond Proceeds, \$30,000,000 from Unexpended Plant Funds, and \$4,000,000 from Gifts.

On November 19, 2025, Phase I was approved by the Board of Regents with a total project cost of \$20,000,000 with funding of \$16,000,000 from Unexpended Plant Funds and \$4,000,000 from Gifts.

Project Description

The project entails the construction of the initial Academic Building comprising approximately 150,000 GSF on the north parcel of the UTA West campus. The project location is on the Walsh Ranch, Highland Hills development, with frontage on Interstate 30.

The first Academic Building will establish the design standards for master planning of all future buildings and improvements on the UTA West Campus. It will be programmed and designed to include open and flexible spaces accommodating and providing for reprogramming or repurposing as the campus develops further over the coming years. It will consist of flexible, active learning spaces, a small cafe, library resources, student engagement spaces, and administrative and student serving spaces, such as Admissions, Financial Aid, and Academic Advising, to support student success.

**The University of Texas at Arlington
UTA West Academic Building and Associated Infrastructure Improvement, Phase II**

Project Information

Project Number	301-1548
CIP Project Type	New Construction
Facility Type	Classroom, General
Management Type	Institutional Management
Institution’s Project Advocate	Teresea Madden – Vice President Extension and Extended Campus
Project Delivery Method	Design/Build

Project Funding

	<u>Proposed Ph. II</u>	<u>Current Ph. I & II</u>
Permanent University Fund Bond Proceeds	\$100,000,000	
Revenue Financing System Bond Proceeds	\$35,500,000	\$135,500,000
Unexpended Plant Funds	\$14,000,000	\$30,000,000
Gifts ¹	<u>\$0</u>	<u>\$4,000,000</u>
Total Project Cost	\$149,500,000	\$169,500,000

¹Gifts of \$2M are pledged and \$2M in-hand

The University of Texas at Arlington
UTA West Academic Building and Associated Infrastructure Improvement, Phase II
 (continued)

Project Cost Detail

Phase II	Cost
Building Cost	\$94,390,803
Fixed Equipment	2,850,000
Site Development	600,000
Furniture and Moveable Equipment	9,800,000
Institutionally Managed Work	6,749,166
Architectural/Design Services	\$11,663,145
Project Management	4,107,500
Insurance	3,367,204
Other Professional Fees	3,710,052
Project Contingency	12,262,130
Other Costs	-
Total Project Cost	\$149,500,000

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

UTA West Academic Building	\$629		
Texas Higher Education Coordinating Board Average – Classroom General	\$735		
	Low Quartile	Median	High Quartile
Other U.T. System Projects	\$584	\$632	\$680
Other National Projects	\$619	\$811	\$1,088

Investment Metric

- Achieve an overall student enrollment of 1,000 students by 2028

Project Milestones

Definition Phase Approval	February 2025
Addition to CIP	August 2025
Design Development Approval – Phase I Infrastructure	November 2025
Design Development Approval - Academic Building	February 2026
Construction Notice to Proceed – Phase II	March 2026
Substantial Completion	April 2028
Final Completion	May 2028

The University of Texas at Arlington
UTA West Academic Building and Associated Infrastructure Improvement, Phase II
(continued)

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 50 years
- Building Systems: 30 years
- Interior Construction: 10 - 20 years

4. U.T. Austin: Ernest Cockrell Jr. Hall Renovation, Floors 7 and 8 - Amendment of the current Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Ernest Cockrell Jr. Hall Renovation, Floors 7 and 8 project at The University of Texas at Austin as follows:

- a. amend the current CIP and approve a total project cost of \$42,000,000;
- b. appropriate funds of \$42,000,000 with funding of \$19,000,000 from Available University Fund (AUF), \$8,000,000 from Revenue Financing System (RFS) Bond Proceeds and \$15,000,000 from Gifts; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System; and U.T. Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$8,000,000.

BACKGROUND INFORMATION

Debt Service

The \$8,000,000 in RFS debt is expected to be recovered from AUF funds. Annual debt service on the \$8,000,000 in RFS debt is expected to be \$445,000. The institution's Scorecard Rating of 1.5 at Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On April 25, 2024, the Chancellor approved this project as a Minor Project, with a Total Project Cost of \$20,000,000, with funding of \$10,000,000 from Available University Funds and \$10,000,000 from Gifts. The project scope and costs have exceeded the \$25,000,000 limit and is now seeking addition to CIP. The RFS portion of this request will be redirected from the Engineering Discovery Building (102-1347), which was added to the CIP on August 25, 2022, and received approval to revise funding sources on November 16, 2023.

Not all of the gift funding authorized for expenditure is fully collected or committed at this time; however, the Office of Finance has determined that the institution has sufficient local funds to cover any shortfall.

Project Description

This proposed project will renovate approximately 26,620 GSF to meet University Design Guidelines to improve space efficiency, modernize laboratories, and restore obsolete mechanical systems that have compromised performance. Additional funding will cover higher than anticipated costs for mechanical and infrastructure upgrades, new emergency power, and improvements to graduate student and research spaces.

This proposed repair and rehabilitation project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. Pursuant to The University of Texas Systemwide Policy 199, pertaining to Management of Major Capital Projects, U.T. Austin has delegated authority for institutional management of construction projects.

**The University of Texas at Austin
Ernest Cockrell Jr. Hall Renovation, Floors 7 & 8**

Project Information

Project Number 102-1576
 CIP Project Type Repair and Rehabilitation
 Facility Type Laboratory, General
 Management Type Institutional Management
 Institution’s Project Advocate Dr. John Ekerdt - Interim Associate Dean for
 Research in Engineering
 Project Delivery Method Construction Manager-at-Risk
 Gross Square Feet (GSF) 26,620

Project Funding

	<u>Proposed</u>
Available University Fund	\$19,000,000
Gifts ¹	\$15,000,000
Revenue Financing System Bond Proceeds ²	<u>\$8,000,000</u>
Total Project Cost	\$42,000,000

¹Gifts are not fully collected

² Revenue Financing System (RFS) Bond Proceeds to be repaid from AUF funds

Project Cost Detail

	Cost
Building Cost	\$28,420,000
Fixed Equipment	600,000
Site Development	-
Furniture and Moveable Equipment	3,600,000
Institutionally Managed Work	2,100,000
Architectural/Design Services	3,100,000
Project Management	1,050,000
Insurance	550,000
Other Professional Fees	1,220,000
Project Contingency	840,000
Other Costs	520,000
Total Project Cost	\$42,000,000

Project Planning

Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

The University of Texas at Austin
Ernest Cockrell Jr. Hall Renovation, Floors 7 & 8
(continued)

Project Milestones

Definition Phase Approval	April 2024
Addition to CIP	February 2026
Design Development Approval	February 2026
Construction Notice to Proceed	February 2026
Substantial Completion	October 2027
Final Completion	December 2027

5. U.T. Austin: Hal C. Weaver Power Plant Turbine Replacement - Amendment of the current Capital Improvement Program to include project; approval of total project cost; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Hal C. Weaver Power Plant Turbine Replacement project at The University of Texas at Austin as follows:

- a. amend the current CIP and approve a total project cost of \$45,000,000; and
- b. allocate and appropriate funds of \$45,000,000 with funding from Revenue Financing System (RFS) Bond Proceeds.
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System; and The University of Texas at Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$45,000,000.

BACKGROUND INFORMATION

Debt Service

The \$45,000,000 in RFS debt will be repaid from institutional funds, which are expected to be recovered from generated utility rates. Annual debt service on \$45,000,000 in RFS debt is expected to be \$2.5 million. The institution's Scorecard Rating of 1.4 at Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Action

On December 11, 2025, the Chancellor approved this project for Definition Phase.

Project Description

The Hal C. Weaver Power Plant (PPL) Turbine Replacement Project will provide resiliency to U.T. Austin's campus microgrid and provide additional electrical generation to support new campus demand. The existing turbine number 5 in the PPL will be demolished, and the existing turbine number 4 will be retired; both have exceeded their life expectancy and can no longer provide reliable generation capacity. A new, larger single turbine will be installed to increase generating capacity and resiliency.

This proposed repair and rehabilitation project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. Pursuant to The University of Texas Systemwide Policy 199, pertaining to Management of Major Capital Projects, U.T. Austin has delegated authority for institutional management of construction projects.

The University of Texas at Austin Hal C. Weaver Power Plant Turbine Replacement

Project Information

Project Number	102-1603
CIP Project Type	Repair and Rehabilitation
Facility Type	Utilities/Infrastructure
Management Type	Institutional Management
Institution's Project Advocate	Ryan Thompson, Executive Director, Utilities and Energy Management
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	N/A

The University of Texas at Austin
Hal C. Weaver Power Plant Turbine Replacement
 (continued)

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Proposed</u> <u>\$45,000,000</u>
Total Project Cost	\$45,000,000

¹ Revenue Financing System (RFS) Bond Proceeds expected to be recovered from generated utility rates

Project Cost Detail

	Cost
Building Cost	\$15,610,000
Fixed Equipment	18,000,000
Site Development	-
Furniture and Moveable Equipment	-
Institutionally Managed Work	1,680,500
Architectural/Design Services	1,680,500
Project Management	1,125,000
Insurance	672,200
Other Professional Fees	672,200
Project Contingency	1,680,500
Other Costs	3,879,100
Total Project Cost	\$45,000,000

Project Planning

Definition Phase Completed	No
Owner's Project Requirements	In Progress
Basis of Design	In Progress
Schematic Design	In Progress
Detailed Cost Estimate	In Progress

Project Milestones

Definition Phase Approval	December 2025
Addition to CIP	February 2026
Design Development Approval	November 2026
Construction Notice to Proceed	March 2027
Substantial Completion	August 2029
Final Completion	November 2029

6. U.T. Austin: Medical Complex Project Enabling Central Utility Plant and Infrastructure - Amendment of the current Capital Improvement Program to include project; approval of total project cost; approval of design development for Phase I - Early Work; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Medical Complex Project - Enabling Central Utility Plant and Infrastructure project at The University of Texas at Austin as follows:

- a. amend the current CIP to include the project with a total project cost of \$515,000,000;
- b. approve design development plans for Phase I - Early Work;
- c. appropriate funds of \$515,000,000 and authorize expenditure of \$300,000,000 for Phase I with funding from Revenue Financing System (RFS) Bond Proceeds; and
- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System; and The University of Texas at Austin, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$515,000,000.

BACKGROUND INFORMATION

Debt Service

The \$515,000,000 in RFS debt will be repaid from institutional funds. Annual debt service on the \$515,000,000 in RFS debt is expected to be \$28.7 million. The institution's Scorecard Rating of 1.4 at Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On January 12, 2026, the Chancellor approved the MCP Enabling Central Utility Plant and Infrastructure project for Definition Phase.

Project Description

The Medical Complex Project (MCP) - Enabling Central Utility Plant and Infrastructure Project will construct a new Central Utility Plant along with the associated infrastructure to serve the MCP. A new central utility plant will generate electricity, heating, and cooling and will include new electrical generation equipment and thermal generation equipment, including new chillers and cooling towers. A new distribution infrastructure will be constructed to support the distribution of electricity, heating, and cooling. The new distribution system will also provide redundant and resilient utility services across campus.

The Central Utility Plant and Distribution Systems will be designed to support the MCP in accordance with the MCP development and the broader campus master plan, while anticipating and accommodating the future needs of the university.

This proposed project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Pursuant to The University of Texas Systemwide Policy 199, pertaining to Management of Major Capital Projects, U.T. Austin has delegated authority for institutional management of construction projects. The project will return to the Board of Regents for approval of Design Development of the remaining project phases upon completion of appropriate design and planning.

**The University of Texas at Austin
Medical Complex Project (MCP) Enabling Central Utility Plant and Infrastructure**

Project Information

Project Number	102-1611
CIP Project Type	New Construction
Facility Type	Utilities/Infrastructure
Management Type	Institutional Management
Institution’s Project Advocate	Ryan Thompson, Executive Director, Utilities and Energy Management
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	165,000

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Proposed</u> <u>\$515,000,000</u>
Total Project Cost	<u>\$515,000,000</u>

¹ Revenue Financing System (RFS) Bond Proceeds to be repaid by rate recovery of the MCP occupants

Project Cost Detail

	Cost
Building Cost	\$115,500,000
Fixed Equipment	256,000,000
Site Development	7,430,000
Furniture and Moveable Equipment	3,715,000
Institutionally Managed Work	18,575,000
Architectural/Design Services	18,575,000
Project Management	5,150,000
Insurance	7,430,000
Other Professional Fees	7,430,000
Project Contingency	26,005,000
Other Costs	49,190,000
Total Project Cost	\$515,000,000

Investment Metrics

- Provide mission critical Central Utility Plant and distribution systems to support the Medical Complex Project by 2030

Project Planning

Definition Phase Completed	No
Owner’s Project Requirements	In Progress
Basis of Design	In Progress
Schematic Design	In Progress
Detailed Cost Estimate	In Progress

**The University of Texas at Austin
Medical Complex Project (MCP) Enabling Central Utility Plant and Infrastructure
(continued)**

Project Milestones

Definition Phase Approval	January 2026
Addition to CIP	February 2026
Design Development Approval – Phase I	February 2026
Construction Notice to Proceed – Phase I	March 2027
Substantial Completion	August 2029
Final Completion	November 2029

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 30 years
- Building Systems: 30 years
- Interior Construction: 30 years

7. U.T. El Paso: Student Housing Complex - Amendment of the current Capital Improvement Program to decrease total project cost; approval of design development; appropriation of funds and authorization of expenditure; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents approve the recommendations for the Student Housing Complex project at The University of Texas El Paso as follows:

- a. amend the current Capital Improvement Program (CIP) to decrease the total project cost from \$108,000,000 to \$102,000,000;
- b. approve design development plans; and
- c. appropriate funds and authorize expenditure of \$102,000,000 with funding of \$5,000,000 from Auxiliary Enterprises Balance and \$97,000,000 from Revenue Financing System (RFS) Bond Proceeds; and

- d. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System; and The University of Texas at El Paso, which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$97,000,000.

BACKGROUND INFORMATION

Debt Service

The \$97,000,000 in RFS debt will be repaid from institutional funds, which are expected to be recovered from rental income. Annual debt service on the \$97,000,000 in RFS debt is expected to be \$5.4 million. The institution's Scorecard Rating of 2.7 at Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Actions

On September 30, 2024, the Chancellor approved this project for Definition Phase. On November 19, 2025, the project was included in the Capital Improvement Program (CIP) with a total project cost of \$108,000,000 with funding of \$5,000,000 from Auxiliary Enterprises Balances and \$103,000,000 from RFS Bond Proceeds.

Project Description

The Student Housing Complex will be a high-quality, on campus living and learning environment to accommodate enrollment growth. The project, designed as a four-story, co-ed style dormitory with single and double occupancy rooms, will provide housing for incoming Freshmen. Amenities on the first floor will include a fitness center, an activity room, a study room, and lounges. The project will include a dining hall that will accommodate all residents, plus approximately 130 student athletes from various athletic programs.

Designed to be a cost-effective housing option for students, the exterior of the building will reflect the university's Bhutanese style and will also include landscaping

that will follow the existing appearance of the campus. This project transforms an underutilized area of campus into a vibrant residential community creating a living and learning experience that reflects the benefits of a major research university. By accommodating enrollment growth and evolving student demographics, the complex is expected to strengthen recruitment efforts, foster engagement, and ensure U.T. El Paso remains competitive in attracting top talent from across the region and beyond.

**The University of Texas at El Paso
Student Housing Complex**

Project Information

Project Number	201-1541
CIP Project Type	New Construction
Facility Type	Housing, Dormitory
Management Type	Office of Capital Projects
Institution’s Project Advocate	Catie McCorry-Andalis, Vice President Student Affairs
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	142,153

Project Funding

	<u>Current</u>	<u>Proposed</u>
Revenue Financing System Bond Proceeds ¹	\$103,000,000	\$97,000,000
Auxiliary Enterprises Balances	<u>\$5,000,000</u>	<u>\$5,000,000</u>
Total Project Cost	\$108,000,000	\$102,000,000

¹ Revenue Financing System (RFS) Bond Proceeds to be repaid from rental income

Project Cost Detail

	Cost
Building Cost	\$63,477,037
Fixed Equipment	4,016,561
Site Development	10,629,496
Furniture and Moveable Equipment	2,712,415
Institutionally Managed Work	4,158,325
Architectural/Design Services	6,340,043
Project Management	2,325,000
Insurance	1,579,900
Other Professional Fees	1,940,000
Project Contingency	4,821,223
Other Costs	-
Total Project Cost	\$102,000,000

The University of Texas at El Paso
Student Housing Complex
 (continued)

Building Cost per Bed Benchmarks (escalated to midpoint of construction)

Student Housing Complex				\$125,201
THECB reports Cost per GSF; Cost per Bed not available.				
	Low Quartile	Median	High Quartile	
Other U.T. System Projects	\$121,123	\$140,601	\$172,474	
Other National Projects	\$120,917	\$184,300	\$ 220,255	

Undergraduate Student Housing Statistics

Waiting list for on-campus housing	441
Total number of beds added in this project	507
Units to be demolished in this project	0
Total number of beds on campus after completion	1,454

Investment Metrics

- Increase first-year housing to support enrollment growth by 2029

Project Milestones

Definition Phase Approval	September 2024
Addition to CIP	November 2025
Design Development Approval	February 2026
Construction Notice to Proceed	March 2026
Substantial Completion	July 2028
Final Completion	August 2028

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 25 - 30 years
- Building Systems: 30 years
- Interior Construction: 10 - 20 years

8. U.T. Rio Grande Valley: Repair and Renovation of the Schools of Physical and Occupational Therapy - Amendment of the current Capital Improvement Program to include project; approval of total project cost; appropriation of funds; and resolution regarding parity debt

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Business Affairs, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Repair and Renovation of the Schools of Physical and Occupational Therapy project at The University of Texas Rio Grande Valley as follows.

- a. amend the current CIP and approve a total project cost of \$42,300,000;
- b. appropriate funds of \$42,300,000 with funding from new, and previously awarded, Revenue Financing System bond proceeds; and
- c. resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that parity debt shall be issued to pay the project's cost, including any costs prior to the issuance of such parity debt; sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System; and The University of Texas Rio Grande Valley which is a "Member" as such term is used in the Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of tax-exempt parity debt in the aggregate amount of \$42,300,000.

BACKGROUND INFORMATION

Debt Service

The \$42,300,000 in RFS debt will be repaid from designated tuition and other local designated funds. Annual debt service on the \$42,300,000 in RFS debt is expected to be \$2.4 million. The institution's Scorecard Rating of 4.9 at Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt.

Previous Action

On June 18, 2025, the Chancellor approved this project for Definition Phase. On May 4, 2023, the Board approved \$35,000,000 for RGV Deferred Maintenance (903-1466), and on August 22, 2024, the Board approved \$8,600,000 in RFS funds for the RGV Physical Therapy Program (903-1538). The RFS debt for this project includes reallocation of \$7,400,000 in RFS funds from Project Number 903-1466 and reallocation of \$8,600,000 in RFS funds from Project Number 903-1538, resulting in \$26,300,000 of net new RFS debt for this repair and renovation project.

Project Description

The proposed project will be completed in two phases. Phase one involves minor repair and renovation of the Harlingen Health Affairs Building, including limited demolition, aesthetic improvements, and the installation of new furniture and equipment to support an initial class of 20 students. Its location, adjacent to the Schools of Medicine and the School of Podiatry, will foster academic and clinical synergy.

The second phase will provide a complete build-out to meet the programmatic requirements in preparation for the second cohort of Physical Therapy students and to introduce the Occupational Therapy Program at this location. This phase will encompass approximately 55,430 GSF, expanding and preparing the space to meet accreditation requirements to support a 40-student cohort for the Physical Therapy program and an expanded 32-student cohort for the Occupational Therapy program.

This proposed project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans and authorization of expenditure of funding will be presented to the President for approval at a later date. It has been determined that this project would best be managed by The University of Texas Rio Grande Valley Facilities Management personnel who have the experience and capability to manage all aspects of the work.

The University of Texas Rio Grande Valley Repair and Renovation for Schools of Physical and Occupational Therapy

Project Information

Project Number	903-1554
CIP Project Type	Repair and Rehabilitation
Facility Type	Classroom, Medical/Healthcare
Management Type	Institutional Management
Institution's Project Advocate	Michael Lehker, Senior Vice President Health Affairs and Dean of the College of Health Professions
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	55,430

The University of Texas Rio Grande Valley
Repair and Renovation for Schools of Physical and Occupational Therapy
 (continued)

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Proposed</u> <u>\$42,300,000</u>
Total Project Cost	\$42,300,000

¹ Revenue Financing System (RFS) Bond Proceeds to be repaid from by institutional and local designated funds.

Project Cost Detail

	Cost
Building Cost	\$28,087,140
Fixed Equipment	4,991,880
Site Development	250,324
Furniture and Moveable Equipment	1,000,000
Institutionally Managed Work	1,058,900
Architectural/Design Services	3,213,280
Project Management	1,502,000
Insurance	784,119
Other Professional Fees	-
Project Contingency	1,404,357
Other Costs	8,000
Total Project Cost	\$42,300,000

Project Planning

Definition Phase Completed	Yes
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	June 2025
Addition to CIP	February 2026
Design Development Approval	May 2026
Construction Notice to Proceed	May 2026
Substantial Completion	April 2027
Final Completion	May 2027

9. Stephen F. Austin State University: Lumberjack Crossing - Amendment of the current Capital Improvement Program to include project

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Lumberjack Crossing project at Stephen F. Austin State University.

BACKGROUND INFORMATION

Previous Action

On September 18, 2025, the Chancellor approved this project for Definition Phase.

Project Description

The proposed project will provide housing and support amenities for up to 336 occupants. This four-story, light-gauge-metal project will accommodate a traditional style dormitory with a mix of rooms that include one hall director suite, one hundred and forty-four double occupancy rooms with restroom (shared with adjacent double occupancy room), eight double occupancy rooms that are Americans with Disabilities Act (ADA) compliant with restroom (shared with adjacent double occupancy room), eight single occupancy rooms, and eight single occupancy rooms that are ADA compliant, all with their own restrooms.

In addition, this project is anticipated to include lounge spaces, study rooms, staffrooms, staff offices, student workspace, reception areas, conference rooms, and staff break areas. The project will include the installation of a new chiller, along with the associated pumps and piping, within the existing Central Plant to increase campus cooling capacity with dedicated capacity to support Lumberjack Crossing.

This proposed project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans will return to the Board for approval at a later date.

**Stephen F. Austin State University
Lumberjack Crossing**

Project Information

Project Number	805-1574
CIP Project Type	New Construction
Facility Type	Housing, Dormitory
Management Type	Office of Capital Projects
Institution’s Project Advocate	John Branch, Associate Vice President Facilities Services and Campus Operations
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	100,000

Project Funding

Revenue Financing System Bond Proceeds ¹	<u>Proposed</u> <u>\$70,000,000</u>
Total Project Cost	\$70,000,000

¹Revenue Financing System (RFS) Bond Proceeds expected to be repaid from income

Project Cost Detail

	Cost
Building Cost	\$52,200,000
Fixed Equipment	800,000
Site Development	2,500,000
Furniture and Moveable Equipment	2,300,000
Institutionally Managed Work	1,300,000
Architectural/Design Services	3,611,888
Project Management	1,900,000
Insurance	1,065,750
Other Professional Fees	2,175,000
Project Contingency	2,147,362
Other Costs	-
Total Project Cost	\$70,000,000

Building Cost per Bed Benchmarks* (escalated to midpoint of construction)

Lumberjack Crossing	\$155,357		
THECB reports Cost per GSF; Cost per Bed not available.			
	Low Quartile	Median	High Quartile
Other U.T. System Projects	\$121,123	\$140,601	\$172,474
Other National Projects	\$120,917	\$184,300	\$220,255

*Secretary’s Note: Table title corrected from “Building Cost per GSF Benchmarks” to “Building Cost per Bed Benchmarks” to reflect correct benchmarking metric.

Stephen F. Austin State University
Lumberjack Crossing
(continued)

Undergraduate Student Housing Statistics

Waiting list for on-campus housing	240
Total number of beds added in this project	336
Units to be demolished in this project	0
Total number of beds on campus after completion	4,486

Investment Metrics

- Increase first-year housing to support enrollment growth by 2029

Project Planning

Definition Phase Completed	Yes
Owner's Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	September 2025
Addition to CIP	February 2026
Design Development Approval	May 2026
Construction Notice to Proceed	May 2026
Substantial Completion	June 2028
Final Completion	July 2028

Basis of Design

The planned building life expectancy includes the following elements:

- Enclosure: 15 - 30 years
- Building Systems: 10 - 15 years
- Interior Construction: 10 - 15 years

10. U.T. Tyler: Campus Gateway to Student Success - Amendment of the current Capital Improvement Program to include project; approval of total project cost; allocation of Permanent University Fund (PUF) Bond Proceeds; and appropriation of funds

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the Campus Gateway to Student Success project at The University of Texas at Tyler as follows.

- a. amend the current CIP and approve a total project cost of \$72,200,000; and
- b. allocate and appropriate funds of \$72,200,000 with funding from Permanent University Fund (PUF) Bond Proceeds.

BACKGROUND INFORMATION

Previous Actions

On June 11, 2025, the Chancellor approved this project for Definition Phase.

On February 22, 2024, the Board awarded a total of \$42,000,000 in PUF to the U.T. Tyler Science Building (802-1408), \$37,300,000 of which will now be reallocated to this project, resulting in \$34,900,00 of net new PUF Bond Proceeds to be requested debt for this repair and renovation project.

Secretary's Note: The item's "Previous Actions" section has been updated to reflect the correct funding source.

Project Description

The proposed repair and rehabilitation project is a multi-phased, multi-staged initiative that marks a significant step forward in advancing U.T. Tyler's mission to enhance student experience, improve campus mobility, and support institutional growth.

This project includes the build-out of the fourth floor of the College of Business to establish a centralized, student-focused one-stop center, consolidating core services and streamlining enrollment processes by providing flexible academic and support spaces that will help U.T. Tyler meet the space needs of record enrollment growth. These areas will include classrooms, offices, multipurpose rooms, and essential support functions designed to foster innovation and connectivity.

This project also integrates building improvements, mobility enhancements, parking strategies, new central plant and infrastructure initiatives intended to create a cohesive, future-ready campus environment that supports academic excellence and student engagement, while remaining adaptable to evolving institutional needs and priorities. In addition, the project introduces targeted mobility and select infrastructure improvements across campus intended to improve circulation, access, and safety for both pedestrians and vehicles.

This proposed project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans will return to the Chancellor via President memo for approval.

**The University of Texas at Tyler
Campus Gateway to Student Success**

Project Information

Project Number	802-1552
CIP Project Type	Repair and Rehabilitation
Facility Type	Classroom, General
Management Type	Office of Capital Projects
Institution’s Project Advocate	Daniel Deslatte, Chief Business Officer
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	28,000

Project Funding

Permanent University Fund Bond Proceeds ¹	<u>Proposed</u> <u>\$72,200,000</u>
Total Project Cost	\$72,200,000

¹ Permanent University Fund (PUF) Bond Proceeds of \$37,300,000 were approved by the Board for the U.T. Tyler Science Building project (802-1408), \$34,900,000 will be awarded this BOR meeting

Project Cost Detail

	Cost
Building Cost	\$23,362,714
Fixed Equipment	200,000
Site Development	28,497,930
Furniture and Moveable Equipment	1,350,000
Institutionally Managed Work	2,655,000
Architectural/Design Services	6,749,178
Project Management	1,950,000
Insurance	1,021,691
Other Professional Fees	3,375,000
Project Contingency	3,038,487
Other Costs	-
Total Project Cost	\$72,200,000

The University of Texas at Tyler
Campus Gateway to Student Success
(continued)

Project Planning

Definition Phase Completed	Yes
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

Project Milestones

Definition Phase Approval	June 2025
Addition to CIP	February 2026
Design Development Approval	May 2026
Construction Notice to Proceed	June 2026
Substantial Completion	June 2027
Final Completion	July 2027

11. U.T. Medical Branch - Galveston: League City Campus Hospital Expansion - Amendment of the current Capital Improvement Program to include project

The Board approved the following recommendation:

RECOMMENDATION

Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, concurs in the recommendation of the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents amend the current Capital Improvement Program (CIP) to include the League City Campus Hospital Expansion project at The University of Texas Medical Branch at Galveston.

BACKGROUND INFORMATION

Previous Action

On November 18, 2025, the Chancellor approved this project for Definition Phase.

Project Description

The proposed project includes the construction of a new 40-bed Emergency Department that will bring new advanced diagnostic imaging capabilities for both inpatient and emergency settings, including MRI, CT, ultrasound, and fluoroscopy to improve patient throughput and access to emergency services. Additionally, new

inpatient and outpatient procedural imaging will be incorporated to strengthen diagnostic and treatment capabilities.

The scope also includes an expanded inpatient pharmacy to optimize medication management and renovated laboratory spaces to improve workflow and diagnostic efficiency. The existing 17-bed Emergency Department will be converted into a 20-bed Observation Unit. Administrative offices, training facilities, and the outpatient rehabilitation clinic will be relocated to newly constructed space, enabling the vacated space to convert to a 20-bed Medical-Surgical unit.

To support all new building requirements, the existing central utility plant will add new modules to enhance the utility capacity, and new generators will be installed to meet emergency power requirements for the expanded hospital infrastructure. Further enhancements include a new loading dock to improve supply operations, and strategic shelled space will be reserved to accommodate future growth and evolving clinical requirements.

This proposed project has been approved by U.T. System staff and meets the criteria for inclusion in the CIP. Approval of design development plans will return to the Chancellor via President memo for approval.

The University of Texas Medical Branch at Galveston League City Campus Hospital Expansion

Project Information

Project Number	601-1578
CIP Project Type	New Construction
Facility Type	Healthcare Facility, Hospital
Management Type	Institutional Management
Institution's Project Advocate	Wayne Keathley, Executive Vice President and Chief Operating Officer for Clinical Enterprise
Project Delivery Method	Construction Manager-at-Risk
Gross Square Feet (GSF)	177,000
Shell Space (GSF)	32,000

Project Funding

Hospital Revenues	<u>Proposed</u> <u>\$300,000,000</u>
Total Project Cost	<u>\$300,000,000</u>

**The University of Texas Medical Branch at Galveston
League City Campus Hospital Expansion**
(continued)

Project Cost Detail

	Cost
Building Cost	
New Construction	\$114,132,271
Renovation	\$15,120,657
Fixed Equipment	11,981,766
Site Development	73,100,260
Furniture and Moveable Equipment	13,933,660
Institutionally Managed Work	6,724,411
Architectural/Design Services	23,492,939
Project Management	7,512,327
Insurance	4,918,114
Other Professional Fees	7,706,634
Project Contingency	21,346,961
Other Costs	30,000
Total Project Cost	\$300,000,000

Building Cost per GSF Benchmarks (escalated to midpoint of construction)

League City Campus Hospital Expansion	\$1,615,662
Texas Higher Education Coordinating Board Average – Facility Type	\$1,928,162

	Low Quartile	Median	High Quartile
Other U.T. System Projects	\$ 1,168,383	\$1,628,114	\$ 2,217,628
Other National Projects	\$ 2,198,262	\$3,666,788	\$5,938,124

Investment Metrics

- Increase operational efficiencies by 2031

Project Planning

Definition Phase Completed	Yes
Owner’s Project Requirements	Yes
Basis of Design	Yes
Schematic Design	Yes
Detailed Cost Estimate	Yes

**The University of Texas Medical Branch at Galveston
League City Campus Hospital Expansion**
(continued)

Project Milestones

Definition Phase Approval	November 2025
Addition to CIP	February 2026
Design Development Approval	November 2026
Construction Notice to Proceed	November 2026
Substantial Completion	November 2029
Final Completion	May 2030

Basis of Design

The planned building life expectancy includes the following elements:

Enclosure: 50 years

Building Systems: 20 years

Interior Construction: 10 - 15 years

APPROVAL OF STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD.--At 9:48 a.m., the Board voted and unanimously approved the Standing Committee recommendations.

AGENDA ITEMS

1. U.T. System Board of Regents: Approval of Consent Agenda and consideration of any item referred to the full Board

Chairman Eltife noted the following related to the Consent Agenda:

- Consent Agenda Item 2 is deferred.
- Items 10 and 11 request approval for amendment to an agreement with Linde Inc. to provide bulk hydrogen and nitrogen gases to the Texas Institute for Electronics Montopolis Research Center facility. Item 12 requests approval to amend the same agreement to provide bulk nitrogen gases to TIE's facility at the Pickle Research Campus.
- Items 17-19 request approval of terms of employment agreements for several U.T. Austin football coaches.
- Item 20 requests approval for a one-year extension of the ground lease to West Austin Youth Association (WAYA) and reaffirmation of the related finding of public purpose for U.T. Austin.
- Item 21 requests authorization to execute a master sublease and related agreements with 25.02 HEDF, LLC, for all leasable space at 1121@Symphony Square, approval of future subleases for vacant space within the building, and a related finding of public purpose for U.T. Austin.
- Under Items 16, 22, 26, and 27, the following institutions request approval of appointments pursuant to SB 37:
 - U.T. Austin for Dr. Melissa Taylor as Senior Vice Provost for Strategic Initiatives;
 - U.T. Dallas for Brandon Davidson as Assistant Provost for Teaching and Learning Spaces;
 - Stephen F. Austin State University for Dr. Stacy Hendricks as Vice Provost; and
 - U.T. Tyler for Dr. Jon Welty Peachey as Associate Provost for Faculty Affairs.
- Item 28 requests authorization for U.T. Tyler to purchase approximately 15 acres of land and an associated 48,236-square-foot behavioral health facility at 4101 University Boulevard from Tyler Regional Hospital, LLC, including the allocation of PUF debt proceeds.

- Item 35 requests approval for a Host City Supporter Sponsorship agreement in connection with the FIFA World Cup 2026 for U.T. Southwestern Medical Center.
- Item 41 requests approval of an Interagency Cooperation Agreement with Texas Health and Human Services for U.T. Southwestern Medical Center to provide services to operate a new inpatient mental health facility.
- Under Item 46, UTMB requests approval of a contract amendment with Blue Zones, Inc. to transform Galveston into a Blue Zones community.
- Item 58 requests approval and ratification of the appointment of certain U.T. System and U.T.M.D. Anderson Cancer Center employees to (i) the board of directors of the Joint Pediatric Oncology Program - A Collaboration between U.T.M.D. Anderson Cancer Center and Texas Children's Hospital (the Corporation), and (ii) to executive level roles within the Corporation.
- Under Item 60, University Lands requests approval of an agreement with Lee Construction and Maintenance Co., dba LMC Corporation, to demolish structures and decommission and backfill pits at a property in Pyote, Texas, including a related request for approval of an amendment to the FY 2026 Budget.
- Additional Consent Item 65 requests approval for allocation of \$65,000,000 from PUF Bond Proceeds for the Student Success Building at U.T. El Paso.

Regent Jiles abstained from discussion and vote on Consent Agenda Item 58 due to his role as Emeritus Board Member for Texas Children's Hospital.

Regent Crain moved approval of the Consent Agenda, which was seconded by Regent Gauntt. The Board then approved the Consent Agenda, which is set forth on Pages 72 - 138.

In approving the Consent Agenda, the Board expressly authorized that any contracts or other documents or instruments approved therein may be executed by officials of the University of Texas System or of the respective U.T. institution involved, as appropriate.

2. U.T. System Board of Regents: Discussion and appropriate action regarding amendments to Regents' *Rules and Regulations*, Rule 60202 (Endowed Academic Positions, Endowed Student Support, and Other Endowments), regarding endowed academic positions

The Board approved the following recommendation:

RECOMMENDATION

The Chancellor and the General Counsel to the Board recommend that the U.T. System Board of Regents approve the following revisions to Regents' *Rules and Regulations*, Rule 60202 (Endowed Academic Positions, Endowed Student Support, and Other Endowments), regarding endowed academic chairs and endowment approvals:

- Sec. 1 Purpose of Endowed Academic Positions, Endowed Student Support, and Other Endowments. Endowments are central to the continued growth and excellence of individual institutions and the education and success of students throughout the U.T. System. Faculty holders of Endowed Academic Positions shall have a distinguished record of excellence (Chairs/Professorships) or demonstrated accomplishment or future promise in the intellectual field (Faculty Fellowships). An administrative endowed academic chair may be held by an individual who is not a faculty member (e.g., president); these chairs are attached to the individual only while the individual holds that particular administrative appointment and are relinquished when they no longer serve in that administrative role.

Holders of Endowed Academic Positions shall contribute substantially to the mission and goals of individual institutions. Holders of Endowed Academic Positions are stewards of the Endowments and are subject to periodic evaluation to ensure satisfactory performance. Recipients of Endowed Student Support shall be selected based on need or merit-based criteria in line with donor intent and applicable policy and law.

- Sec. 2 Approval Prior to Announcement. Negotiations and fund raising for an Endowment are permitted, however, an Endowment may not be announced as having been established, prior to its formal approval and establishment by the Board or its designee(s). ~~However, an Endowment may not be announced as having been established prior to its establishment by the Board or its designee(s). All initial or new holder appointments to a Chair or Professorship require prior approval by the Chancellor. Under special circumstances and when authorized by the Chancellor, an institution may grant an Endowed Professorship to an outstanding faculty member prior to achieving full professor status. The Chancellor may delegate~~

~~authority for approval to the appropriate institution president or Executive Vice Chancellor.~~

Authority for approvals is dependent upon the holder's professional rank:

Full Professor: All initial and new holder appointments to a Chair or Professorship for full professors require prior approval by the institution's president.

Associate Professor: Under special circumstances an institution may grant an Endowed Chair or Professorship to an outstanding faculty member at the associate professor rank as long as such appointment is consistent with donor intent. Such appointments must be approved by the Executive Vice Chancellor of Academic or Health Affairs, as appropriate.

Assistant Professor or non-tenure: Appointments of faculty below the rank of Associate Professor must be approved by the Executive Vice Chancellor of Academic or Health Affairs, as appropriate, and will not be considered for approval unless specifically authorized in the letter of donor intent for the endowment. These appointments may not be delegated to an institution's president as would otherwise be allowed under the secondary delegation authority in Rule 10501.

BACKGROUND INFORMATION

Regents' Rule 60202 sets forth parameters for administering endowments, including endowed academic positions. The proposed revisions specify parameters regarding the award of endowed academic chair positions to non-faculty members and set forth approval requirements for appointments to endowed academic positions.

The proposed revisions do not impact the full-time equivalent (FTE) employee count Systemwide and are budget-neutral. The proposed revisions were reviewed by the institutional presidents and representatives of the Student Advisory Council, institutional faculty representatives, and the Employee Advisory Council.

Secretary's Note: The above statement has been revised to accurately reflect the review process for these proposed revisions.

3. U.T. System: Report on development performance for the U.T. Institutions

Vice Chancellor Safady reported on development performance of the U.T. institutions for Fiscal Year 2025 and made recommendations for advancing philanthropic support, using the PowerPoint presentation set forth on the following pages. This was not an action item.

Philanthropic Performance and Outcomes Across U.T. Institutions, FY 2025

Randa Safady, Vice Chancellor for External Relations,
Communications and Advancement Services

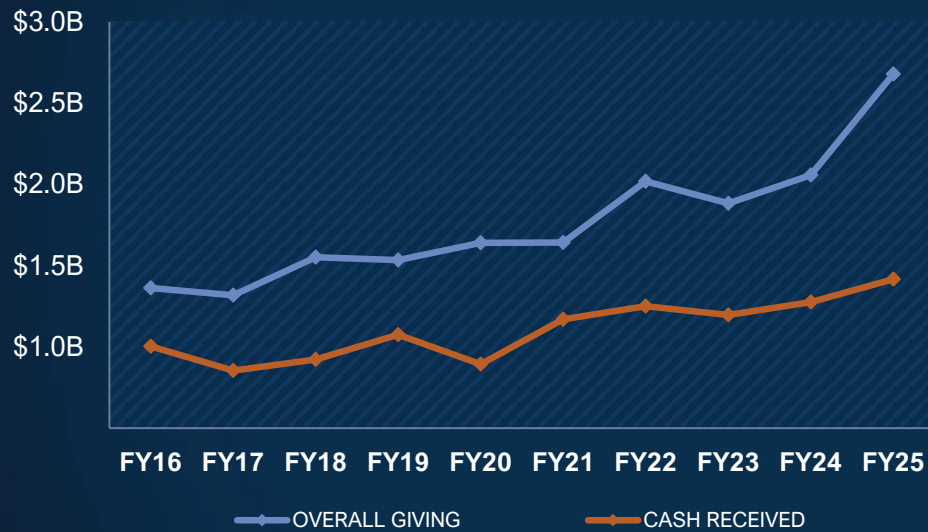
U.T. System Board of Regents Meeting
February 2026



The University of
Texas System

Overall Giving and Cash Received

10-YEAR GIVING AT U.T. INSTITUTIONS



In FY25:

OVERALL GIVING

\$2.7B

10-Year Growth: 97%

CASH RECEIVED

\$1.4B

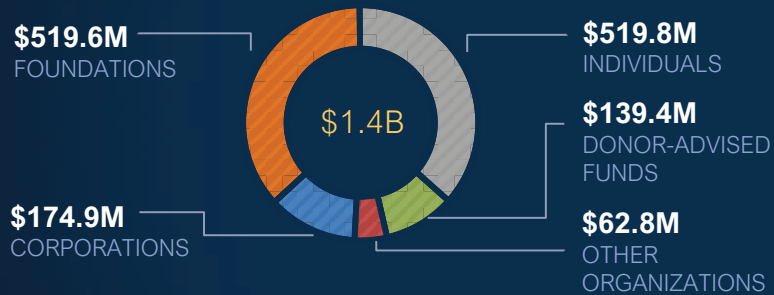
10-Year Growth: 41%



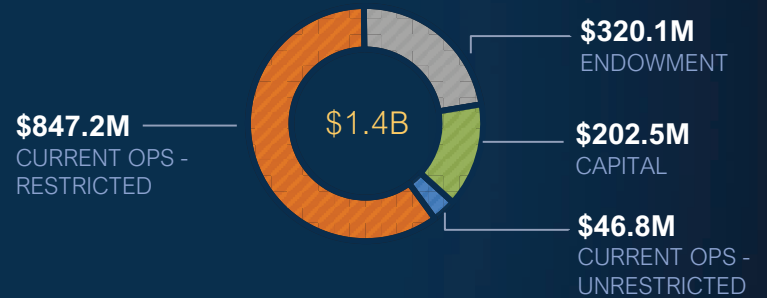
The University of Texas System

Sources and Designations of Cash Received FY25

SOURCES OF GIFTS



DESIGNATIONS OF GIFTS



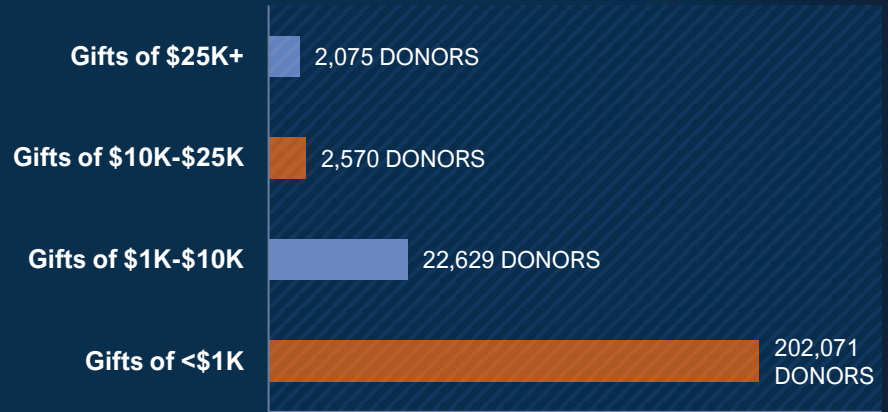
Minutes - 60

Individual Giving FY25

229,345
INDIVIDUAL DONORS

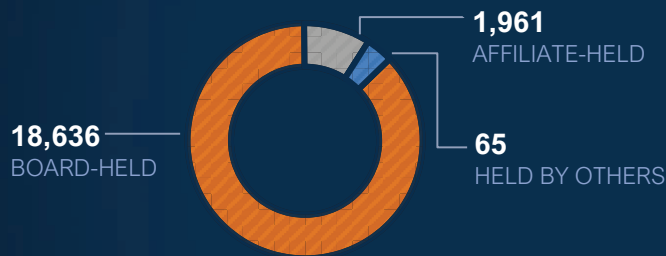
- **72%**
NON-ALUMNI
- **28%**
ALUMNI

INDIVIDUAL DONOR GIFT RANGES IN FY25

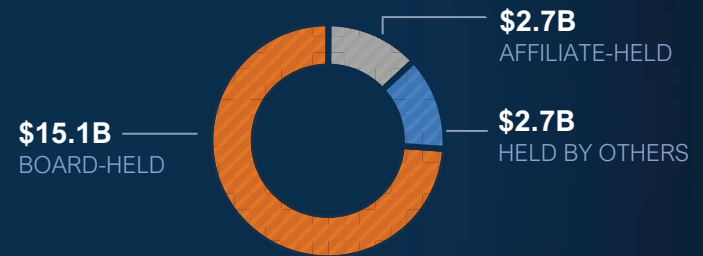


Endowments Systemwide FY25

TOTAL ENDOWMENTS: 20,662



TOTAL MARKET VALUE: \$20.4B



- \$703.6M in distributions
- 592 new endowments established

Institutional Advancement Operations

STAFF

1,365

370 frontline | 995 non-frontline

BUDGET

\$228.0M

RETURN

\$6.75



The University of
Texas System

Institutional Development Reviews (Excerpt)



4. U.T. System Board of Regents: Discussion and appropriate action regarding University Lands Advisory Board (ULAB) including potential Board appointment

The Board approved the following recommendation:

RECOMMENDATION

Chairman Eltife recommended the reappointment of Mr. John Zogg to the University Lands Advisory Board (ULAB) for a term expiring on February 19, 2029.

BACKGROUND INFORMATION

On March 19, 2018, the Board of Regents approved changes to the membership structure for the University Lands Advisory Board (ULAB), effective immediately, as follows:

- five members appointed by The University of Texas System Board of Regents;
- three members appointed by The Texas A&M University System Board of Regents; and
- the Commissioner of the General Land Office.

Further, at least two of the members appointed by the U.T. System Board and at least one of the members appointed by the A&M System Board must be current Regents, with the ULAB Chairman to be named by the U.T. System Board. In addition, at least three of the members appointed by the U.T. System Board and at least two of the members appointed by the A&M System Board must have industry experience.

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

The Board approved the following recommendation:

RECOMMENDATION

Chairman Eltife recommended reappointment of Mr. Howard Berk to the UTIMCO Board of Directors for a term ending April 1, 2029.

BACKGROUND INFORMATION

Texas Education Code Section 66.08 and Regents' *Rules and Regulations*, Rule 10402, Section 4, require that the U.T. System Board of Regents appoint seven members to the UTIMCO Board of Directors of whom three must be members of the Board of Regents, three must have a substantial background and expertise in investments, and one must be a qualified individual as determined by the Board, who may be the Chancellor.

6. U.T. System: Discussion and appropriate action related to The University of Texas System Expectations of Academic Integrity and Standards for Teaching Controversial Topics

The Board received public testimony pertaining to this item at the beginning of the day's meeting, as noted above. Chairman Eltife also provided the following remarks:

Remarks by Chairman Eltife

Finally, Item 6 relates to U.T. System Expectations of Academic Integrity and Standards for Teaching Controversial Topics. This item affirms U.T. System's commitment to demanding the highest level of integrity and quality from those faculty entrusted to teach and expand the learning experience for our students. Our Regents' Rules affirm the freedom of our faculty to teach his or her subject in the classroom. However, that freedom comes with many responsibilities that faculty must adhere to in order to preserve academic integrity, ensure our students' rights are protected, and comply with state and federal directives.

U.T. institutions must continue to take steps to build appropriate breadth and balance in the faculty body and the curriculum so that students have access to a variety of viewpoints and perspectives.

As part of their curriculum reviews, our institutions must make a principled determination on when controversial material is required for a degree in a field of study or is available as elective credit. An institution's offerings in its general education core curriculum must include balanced and broad-based courses that allow students appropriate options to meet the general education requirements without a requirement to study unnecessary controversial subjects. This ensures we enrich and develop our students into thoughtful citizens who are prepared to enter the workforce and become future leaders in Texas and beyond.

The Board then approved the following recommendation:

RECOMMENDATION

The Chancellor and the Executive Vice Chancellor of Academic Affairs recommend that the U.T. System Board of Regents approve The University of Texas System

Expectations of Academic Integrity and Standards for Teaching Controversial Topics.

BACKGROUND INFORMATION

The University of Texas System affirms teaching as a solemn covenant between faculty and students, grounded in academic integrity, open inquiry, and respect for diverse viewpoints, especially when addressing controversial or contested topics.

The Expectations of Academic Integrity and Standards for Teaching Controversial Topics outlined below reflect the understanding that a university is a place of ideas where different perspectives are welcome, and the recognition that we hold a special position of public trust to achieve a vital public mission.

The University of Texas System Expectations of Academic Integrity and Standards for Teaching Controversial Topics

Teaching is a solemn covenant between faculty and students that, when done well, develops knowledge, cultivates skills, hones wisdom, and fosters lifelong curiosity and learning. The University of Texas System demands the highest quality in our teaching and learning and recognizes the essential role our faculty play in delivering on this mission. We also recognize the serious responsibilities that come with that role, particularly in teaching controversial and contested topics.

Regents' Rule 31004 (Rights and Responsibilities of Faculty Members) asserts that "Faculty members are entitled to freedom in the classroom in discussing his or her subject..." This freedom must be balanced by a faculty member's responsibility to adhere to principles of academic integrity and their duty to protect student rights. This includes the responsibility to:

- foster classroom cultures of trust in which all students feel free to voice their questions and beliefs, especially when those perspectives might conflict with those of the instructor or other students;
- fairly present differing views and scholarly evidence on reasonably disputed matters and unsettled issues;
- equip students to assess competing theories and claims, and to use reason and appropriate evidence to form their own conclusions about course material; and
- eschew topics and controversies that are not germane to the course.

These responsibilities manifest themselves in many ways. In the classroom, instructors must be careful stewards of their pedagogical responsibilities and classroom authorities and must endeavor to create a classroom culture of trust. Instructors must not attempt to coerce, indoctrinate, harass, or belittle students, especially in addressing controversial subjects and areas where people of good faith can hold differing convictions. Similarly, instructors must protect the right of students to express views germane to the class in all of its aspects: classroom discussions, meetings with the instructor and/or other students, online commentaries, and class assignments and exams.

In designing course syllabi, readings, and assignments, instructors must carefully consider the topics to be covered to meet the standards of the course, exclude unrelated controversial or contested matters, clearly disclose in the syllabus the topics to be covered, adhere faithfully to the contents of the syllabus in teaching the course, and avoid introducing undisclosed material that is not clearly relevant and grounded in the topic of that course. When a course includes controversial and contested issues, instructors shall ensure a broad and balanced approach to the discussion and teaching of these issues.

In support of these efforts, U.T. institutions must take steps to build appropriate breadth and balance in the faculty body and the curriculum so that students have access to a variety of viewpoints and perspectives and are not, as a practical matter, only exposed to a single viewpoint or perspective. As part of its curriculum reviews, institutions must make a principled determination on when controversial material is required for a degree in a field of study and/or available as elective credit. An institution's offerings in its general education core curriculum must include balanced and broad-based courses that allow students appropriate options to meet the general education requirements without a requirement to study unnecessary controversial subjects.

RECESS TO EXECUTIVE SESSION.--At 10:09 a.m., the Board recessed to Executive Session, pursuant to *Texas Government Code* Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.0761, and 551.089, to consider the matters listed on the Executive Session agenda.

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION, IF ANY, ON EXECUTIVE SESSION ITEMS.-- At 10:47 a.m., in accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Eltife called the meeting to order in Open Session.

1. 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

No action was taken on this item.

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

No action was taken on this item.

- 3a. U.T. System Board of Regents: Discussion with Counsel on pending legal issues

This was not an action item.

- 3b. U.T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U.T. System

No action was taken on this item.

- 3c. U.T. Austin: Discussion and appropriate action regarding legal issues associated with a proposed ground lease and related agreements with The University of North Carolina at Chapel Hill Foundation and/or The University of North Carolina at Chapel Hill for approximately 1.5 acres of land located on the summit of Mt. Fowlkes at the McDonald Observatory near Fort Davis, Jeff Davis County, Texas, for the construction and operation of the Argus Telescope Array; and finding of public purpose

Regent Gauntt made the following motion:

I move that the U.T. System Board of Regents, on behalf of U.T. Austin, authorize entering into a ground lease for approximately 1.5 acres of land located at McDonald Observatory, near Fort Davis, Texas, and related development and operational agreements, with The University of North Carolina at Chapel Hill Foundation and/or The University of North Carolina at Chapel Hill to enable the installation and

operation of the Argus Telescope Array, a state-of-the-art astronomical research facility designed to advance humanity's understanding of the universe and foster collaboration between U.T. Austin and The University of North Carolina at Chapel Hill, on terms and in accordance with the parameters outlined in Executive Session.

I further move that the Board:

- a. authorize the Executive Vice Chancellor for Business Affairs to execute a ground lease to the UNC Foundation and/or UNC, and to take all further actions not otherwise delegated under the Regents' *Rules and Regulations* deemed necessary to enter into such ground lease and related documents, instruments, and other agreements with the UNC Foundation and other parties for real property interests, subject to approval of all such documents as to legal form by the Office of General Counsel, and to take all further actions deemed necessary to carry out the purpose and intent of the foregoing actions on terms and in accordance with parameters outlined in Executive Session; and
- b. authorize President Davis to execute all other documents, instruments, and other agreements and to take all other steps necessary to effectuate this authorization, and to take all other further actions deemed necessary to carry out the purpose and intent of the foregoing actions on terms and in accordance with parameters outlined in Executive Session.

I also recommend that the Board find that:

1. the ground lease and any related agreements support the public mission of and serve a public purpose appropriate to the function of U.T. Austin;
2. pursuant to the ground lease and related agreements, U.T. Austin will have sufficient safeguards in place to ensure the public purpose will continue to be met on an ongoing basis; and
3. the transaction will result in adequate consideration and benefits to U.T. Austin and the State of Texas.

The motion was seconded by Regent Perez and carried unanimously.

4. U.T. Austin: Discussion and appropriate action regarding a proposed ground lease and related agreements with The University of North Carolina at Chapel Hill Foundation and/or The University of North Carolina at Chapel Hill for approximately 1.5 acres of land located on the summit of Mt. Fowlkes at the McDonald Observatory near Fort Davis, Jeff Davis County, Texas, for the construction and operation of the Argus Telescope Array; and finding of public purpose

See related item 3c for action taken in Open Session.

5. 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

No action was taken on this item.

ANNOUNCEMENT.--Chairman Eltife recognized U.T. Austin alumnus Jen Lee, for competing in sled hockey for the 2026 Winter Paralympics in Milano Cortina.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 10:50 a.m.

/s/

Tina E. Montemayor
Secretary to the Board of Regents
February 19, 2026



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FACILITIES PLANNING AND CONSTRUCTION COMMITTEE**

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MEETING OF THE BOARD

1. Minutes - U.T. System Board of Regents: Approval of Minutes of the regular meeting held November 19-20, 2025
2. Resolution – U.T. System Board of Regents: Adoption of resolution regarding the list of Key Management Personnel authorized to negotiate, execute, and administer classified government contracts (Managerial Group) (Deferred)

This item was deferred.

AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

No items for Consent Agenda

FINANCE AND PLANNING COMMITTEE

3. Other Matters - U.T. System: Approval of the Budget Preparation Policies, including delegation of authority to develop and promulgate the Calendar for budget operations, and Annual Operating Budget Rules and Procedures for Fiscal Year 2027

With the concurrence of the Executive Vice Chancellor and Chief Operating Officer and the Executive Vice Chancellor for Academic Affairs, Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, recommends that the U.T. System Board of Regents approve the Budget Preparation Policies set out on the following pages for use in preparing the Fiscal Year (FY) 2027 Annual Operating Budget for the U.T. System, and the Annual Operating Budget Rules and Procedures for FY 2027.

The U.T. System FY 2027 Budget Preparation Policies are consistent with the regulations and directives included in the General Appropriations Act enacted by the 89th Texas Legislature and other general law. A proposed change would delegate authority to the Associate Vice Chancellor, and Deputy Chief Financial Officer to develop and promulgate the budget calendar. As written, this policy provides general direction to the U.T. System institutions.

Proposed changes to the Annual Operating Budget Rules and Procedures for FY 2027 (Budget Rules) would

- clarify compensation reporting for Chief Administrative Officers and others;
- adjust references to Regents' Rule 10501 resulting from changes in the rule;
- add a reference to Regents' Rule 20501 resulting from changes in the rule related to reappropriation of Educational and General Balances and a requirement that the Operating Budget Rules and Procedures address these;
- remove reporting of faculty workload requirements due to a change to the *Texas Education Code* previously made by the 87th Legislature;
- reduce the time institutions have to allocate STARs funding to 24 months from 36 months;
- reduce the time that a faculty member has to spend a STARs award to 24 months from 36 months; and
- make other nonsubstantive editorial changes.

THE UNIVERSITY OF TEXAS SYSTEM Fiscal Year 2027 Budget Preparation Policies

1. **General Guidelines** - The regulations and directives included in the *General Appropriations Act* enacted by the 89th Texas Legislature, along with other general law, serve as the basis for these guidelines and policies. In preparing the draft of the FY 2027 Operating Budget, the president of each institution should adhere to guidelines and policies as detailed below and as included in the *General Appropriations Act*. The Associate Vice Chancellor, Deputy Chief Financial Officer, will issue detailed instructions regarding the implementation of those regulations and directives into the institutional budget process.

The president of each institution should examine the resources used at the institution and, where possible, redirect resources toward high priority mission critical activities and strategic competitive investments that are consistent with the goals and objectives included in the institution's Strategic and Long Range Financial Plans.

Overall budget totals, including retaining reasonable reserves for potential future financial shortfall, must be limited to the funds available for the year from General Revenue Appropriations, Estimates of Educational and General Income, other anticipated institutional revenue sources, and limited use of institutional unappropriated balances. Institutions should not incorporate uncollected pledged gifts that have been recognized as revenue into budget totals nor grant budget authority based on them.

2. **Maintenance of Operating Margin and Use of Prior Year Balances** - Institutions should make all reasonable efforts to maintain a favorable operating margin within the FY 2027 Operating Budget. Use of prior year balances should be limited to critical items, unique opportunities, or projects funded from prior year income committed for that purpose. Generally, balance usage should be reserved for nonrecurring activities. Balance usage cannot be recommended to the U.T. System Board of Regents for approval without the consent of the Chancellor, the appropriate Executive Vice Chancellor, and the Associate Vice Chancellor, Deputy Chief Financial Officer.
3. **Salary Guidelines** - Recommendations regarding salary policy are subject to the following directives:

Salaries Proportional by Fund - Unless otherwise restricted, payment for salaries, wages, and benefits paid from appropriated funds, including local funds and educational and general funds as defined in *Texas Education Code* Section 51.009 (a) and (c), shall be proportional to the source of funds.

Merit Increases and Promotions - Institutions should consider available resources and resolution of any major salary inequities when implementing merit salary increases for faculty and staff.

As established by *Texas Education Code* Section 51.962, an employee must have been employed by the institution for the six months immediately preceding the effective date of the increase to be eligible for a merit increase, and at least six months must have elapsed since the employee's last merit salary increase. These limitations also apply to one-time merit payments.

U.T. System Fiscal Year 2027 Budget Preparation Policies (*continued*)

Merit increases or advances in rank for faculty are to be on the basis of their professional responsibilities in teaching effectiveness, research, public service, patient care, and administration. Merit increases or promotions for administrative and professional staff and classified staff are to be based on evaluation of performance in areas appropriate to work assignments.

Other Increases - Equity adjustments, competitive offers, and increases to accomplish contractual commitments should also consider merit where appropriate, subject to available resources. Subject to guidance issued by the Associate Vice Chancellor, Deputy Chief Financial Officer, such increases should be noted and explained in the supplemental data accompanying the budget.

New Positions - Subject to available resources, new administrative and professional staff, classified staff, and faculty positions are to be requested only when justified by workloads or to meet needs for developing new programs.

Reporting - The Associate Vice Chancellor, Deputy Chief Financial Officer, will issue guidance on reporting compensation changes and amounts. It is expected that required reports will encompass highly compensated and high-ranking personnel covered by Regents' *Rules and Regulations*, Rules 20203 and 20204.

4. **Staff Benefits Guidelines** - Recommendations regarding the State contribution for employee staff benefits such as group insurance premium sharing, social security, teacher retirement, and optional retirement are subject to legislative determination via the *General Appropriations Act*. Payments for benefits, including for retirees, should comply with the provisions of Texas Comptroller of Public Accounts' Accounting Policy Statement No. 11, "Benefits Proportional by Method of Finance" and the *General Appropriations Act*. The Associate Vice Chancellor, Deputy Chief Financial Officer, will issue instructions regarding the implementation of the benefits into the budget process.
5. **Other Employee Benefits** - Employer contributions to the self-insured Unemployment Compensation Fund are based on an actuarial study. Workers' Compensation Insurance rates are experience-rated for each institution. Appropriate instructions will be issued regarding the implementation of Unemployment Compensation Fund and Workers' Compensation Insurance benefits.
6. **Other Operating Expenses Guidelines** - Increases in Maintenance, Operation, Equipment, and Travel are to be justified by expanded workloads, for developing new programs, significant inflationary or other external cost pressures, or for correcting past deferrals or deficiencies.
7. **Calendar** - Authority is delegated to the Associate Vice Chancellor, Deputy Chief Financial Officer, to develop and promulgate the Calendar.

THE UNIVERSITY OF TEXAS SYSTEM

OPERATING BUDGET RULES AND PROCEDURES

For Fiscal Year Ending August 31, 2026~~7~~

A. INITIAL BUDGET

1. Any transfers subsequent to the approval of the initial budget shall be made only after careful consideration of the allocations, transfer limitations, and general provisions of the current general appropriations act. (See B. Budget Amendments)
2. All appointments are subject to the provisions of the U.T. System Board of Regents' *Rules and Regulations* ("Regents' Rules") for the governance of The University of Texas System.
3. The established merit policy will be observed in determining salary rates.
4. All academic salary rates in the instructional departments of the academic institutions are nine-month rates (September 1 - May 31, or August 16 – May 15 for U.T. Austin) unless otherwise specified. In the health-related institutions and medical schools of academic institutions, all salary rates are twelve-month rates unless otherwise specified.
5. All appointments of classified personnel are based on twelve-month rates and are made within appropriate salary ranges as defined by the classified personnel Pay Plan approved by the president or Chancellor. All appointments of administrative and professional personnel are based on twelve-month rates.
6. Compensation for continuing personnel services (for a period longer than one month), though paid for on an hourly basis, is not to be paid out of maintenance and equipment, or like appropriations, except upon specific approval of the president of the institution or the Chancellor.
7. All maintenance and operation, equipment, and travel appropriations are for twelve months (September 1 - August 31) and should be budgeted and expended accordingly.

B. BUDGET AMENDMENTS

1. Items requiring approval of the U.T. System Administration and subsequent approval by the U.T. System Board of Regents via the Consent Agenda
 - a. New appointments of tenured faculty (Regents' Rule 31007).
 - b. Award of tenure to any faculty member (Regents' Rule 31007).
 - c. New appointments as Regental Professor (Regents' Rule 31001). Titles set forth in Regents' Rule 20301 including Chancellor Emeritus, President Emeritus, and similar honorary designations are conferred by the U.T. System Board of Regents.
 - d. Appointments, promotions, and **compensation changes** salary increases involving **Chief Administrative Officers** ~~the president~~ (Regents' Rules **20101**, 20201, 20202, and 20203).
 - e. New contracts or contract changes **amendments affecting compensation** involving athletic directors or coaches whose total annual compensation equals or exceeds the amounts specified by Regents' Rule 10501 Section ~~2.2.12~~ **3.1**.
 - f. Compensation changes for Key Executives as defined by Regents' Rule 20203.
 - g. Compensation for Highly Compensated Personnel whose total annual compensation for the first time exceeds or may exceed the amount set as the approved institutional contract threshold discussed in Regents' Rules and Regulations, Rule 10501, Subsection **2.1.1** ~~2.17~~ during the year and who are not subject to **B.1.d**, B.1.e or B.~~12~~.f (Regents' Rules 10501 and 20204).
 - h. Compensation changes greater than five percent for Highly Compensated Personnel whose total annual compensation exceeds the amount set as the approved institutional contract threshold discussed in Regents' Rules and Regulations, Rule 10501, Subsection 2.1.1 and who are not subject to B.1.d, B.1.e or B.1.f (Regents' Rules 10501 and 20204).
 - i. Increases in budgeted amounts from income or unappropriated balances for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
 - j. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.

2. Items requiring approval of U.T. System Administration (no Consent Agenda approval required)
 - a. Reappropriation of prior year Educational and General Fund balances, subject to the thresholds established in B.5 below ([Regents' Rule 20501](#)).
 - b. Increases in budgeted amounts from income or unappropriated balances for Educational and General, Auxiliary Enterprises, Designated Funds, Service Departments, Revolving Funds, and Plant Funds, subject to the thresholds established in B.5 below.
 - c. Increases to Plant Funds which result from transfers from Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
 - d. Compensation changes for Highly Compensated Personnel other than those subject to [B.1.d](#), B.1.e or [B.1.f](#) with total annual compensation in excess of the amount set as the approved institutional contract threshold discussed in Regents' Rules and Regulations, Rule 10501, Subsection [3.1 2.2-17](#), whose change in total annual compensation is five percent or less and whose initial compensation was previously approved by the U.T. System Board of Regents (Regents' Rules 10501 and 20204).
 - e. Appointments and compensation changes for Highly Compensated Personnel (\$1 million or more) who are not subject to B.1.a, B.1.b, B.1.c, B.1.d, B.1.e, B.1.f, B.1.g, B.1.h or B.2.d (Regents Rule 20204).
 - f. Appointments and promotions involving administrative and professional personnel reporting directly to the president [who are not subject to another provision specified within Sections B.1 or B.2 of these Rules](#).
3. Items requiring approval of the president only (Chancellor for U.T. System Administration)
 - a. All interdepartmental transfers.
 - b. All budget transfers between line-item appropriations within a department.
 - c. Increases in budgeted amounts from income or unappropriated balances for Educational and General Funds, Auxiliary Enterprises, Designated Funds, Service Departments, and Revolving Funds, subject to the thresholds established in B.5 below.
 - d. Reappropriation of Prior Year Educational and General Fund Balances, subject to the thresholds established in B.5 below ([Regents' Rule 20501](#)).
 - e. Promotions involving tenured faculty (Regents' Rule 20201).
 - f. New honorary title appointments as Dean Emeritus, Chair Emeritus, Professor Emeritus, and similar honorary designations (Regents' Rule 31001).
 - g. Transactions involving all other personnel except those specified in [B.1.a, B.1.b, B.1.c, B.1.d, B.1.e, B.1.f, B.1.g, B.1.h, B.2.d, B.2.e, and B.2.f](#) as defined above [by another provision within these Rules](#).

- h. Changes in sources of funds, changes in time assignments, and other changes in status for personnel categorized in Item B.1 or B.2, provided no change in the individual's salary rate is involved. In the case of Medical Faculty, this provision applies to "Total Compensation."
 - i. Clinical faculty appointments or changes, including medical or hospital staff, without salary provided the clinical faculty member is not considered to be Highly Compensated Personnel.
4. Effective date of appointments and compensation increases
- a. Any increase in approved compensation for the current fiscal year without a change in classification or position is not to be effective prior to the first day of the month in which the required final approval of the rate change is obtained.
 - b. A compensation increase resulting from an appointment to another classification or to a position involving new and different duties may be made effective to the time of the first performance of duties under the new appointment.
 - c. The effective date of an appointment is the date on which the individual is first to perform service for the institution under that appointment.
 - d. The original appointment during a fiscal year of a person not in a budget for that year or not under an existing appointment for that year may relate back to the first performance of duties during the fiscal year although such person may have been employed in a previous fiscal year and although increased compensation for the same classification or position is involved.
5. Budget amendment criteria
- a. Institutions other than U.T. System Administration with budgeted revenue, including transfers from the Available University Fund, of \$1 billion or more will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$10,000,000 (budget increase approval via the Consent Agenda)
 - ii. For B.2a – Equal to or greater than \$10,000,000 (reappropriation of E&G balances approval by U.T. System Administration)
 - iii. For B.2b and B.2c – Equal to or greater than \$5,000,000 and less than \$10,000,000 (budget increase approval by U.T. System Administration)
 - iv. For B.3c – Less than \$5,000,000 (budget increase approval by the president)
 - v. For B.3.d – Less than \$10,000,000 (reappropriation of E&G balances approval by the president)

- b. Institutions other than U.T. System Administration with budgeted revenue, including transfers from the Available University Fund, between \$250 million and \$1 billion will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$5,000,000 (budget increase approval via the Consent Agenda)
 - ii. For B.2a – Equal to or greater than \$5,000,000 (reappropriation of E&G balances approval by U.T. System Administration)
 - iii. For B.2b and B.2c – Equal to or greater than \$2,500,000 and less than \$5,000,000 (budget increase approval by U.T. System Administration)
 - iv. For B.3c – Less than \$2,500,000 (budget increase approval by the president)
 - v. For B.3.d – Less than \$5,000,000 (reappropriation of E&G balances approval by the president)

- c. Institutions other than U.T. System Administration with budgeted revenue, including transfers from the Available University Fund, less than \$250 million will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$2,500,000 (budget increase approval via the Consent Agenda)
 - ii. For B.2a – Equal to or greater than \$2,500,000 (reappropriation of E&G balances approval by U.T. System Administration)
 - iii. For B.2b and B.2c – Equal to or greater than \$500,000 and less than \$2,500,000 (budget increase approval by U.T. System Administration)
 - iv. For B.3c – Less than \$500,000 (budget increase approval by the president)
 - v. For B.3.d – Less than \$2,500,000 (reappropriation of E&G balances approval by the president)

- d. U.T. System Administration will have a threshold of:
 - i. For B.1i and B.1j – Equal to or greater than \$2,500,000 (budget increase approval via the Consent Agenda)
 - ii. For B.2a and B.3e – All amounts may be approved by the Chancellor (reappropriation of E&G balances)
 - iii. For B.2b, B.2c, and B.3c – All amounts less than \$2,500,000 may be approved by the Chancellor (budget increase approval)
 - iv. Notwithstanding i., ii., and iii., the Chancellor may authorize any budget amendment in the U.T. System revolving insurance or revolving systemwide information technology funds without limitation.

- e. Notwithstanding a., b., and c. of this section, the president of an institution may authorize any budget amendment related to hospital patient care activities or Medical, Dental, Nursing, and Faculty Services Research and Development Plans, the Allied Health Faculty Services Plan or the Physicians Referral Service Plan without limitation if the budget increase is supported by a corresponding increase in revenue. This exception does not apply to increases from unappropriated balances.

C. OTHER CONSIDERATIONS

1. All appropriations not actually expended or encumbered by August 31 will automatically lapse to the Unappropriated Balance Account except for those reallocated pursuant to Item B.2a and Item B.3d.
2. Compensation from the Medical Service Research and Development Plan, Dental Service Research and Development Plan, Physicians Referral Service Plan, Faculty Services Research and Development Plan, Allied Health Faculty Services Plan, or Nursing Clinical Enterprise Health Services Research and Development Plan is contingent upon its being earned or available in accordance with the regulations applicable to the appropriate plan.
3. Budgeted expenditures authorized from sources of funds other than Educational and General Funds are contingent upon receipt of such funds. Appointments from such fund sources will not become an obligation of the institution in the event the supplemental or grant funds are not realized.
4. Leaves of Absence may be granted only in accordance with provisions contained in Regents' Rule 30201.
5. In these Rules, Compensation means total annual compensation as defined by Regents' Rule 20204.
6. Appropriations of the Available University Fund are subject to the appropriation limitations and notice requirements found in the General Appropriations Act.

~~THE UNIVERSITY OF TEXAS SYSTEM~~

~~FACULTY WORKLOAD REQUIREMENTS FOR ACADEMIC INSTITUTIONS~~

~~For Fiscal Year Ending August 31, 2027~~

FACULTY WORKLOAD REQUIREMENTS FOR ACADEMIC INSTITUTIONS

The general workload policy for faculty employed at U.T. System academic institutions is set forth in Regents' Rule 31006. Through established shared governance processes, the U.T. System Board of Regents have authorized each academic institution to establish a faculty workload policy that adheres to the provisions and reporting requirements of Rule 31006 and the *Texas Education Code* Section 51.402.

THE UNIVERSITY OF TEXAS SYSTEM

MEDICAL, DENTAL, NURSING, FACULTY SERVICES RESEARCH AND DEVELOPMENT PLANS, ALLIED HEALTH FACULTY SERVICES PLAN AND PHYSICIANS REFERRAL SERVICE

For Fiscal Year Ending August 31, 2026~~6~~7

RULES AND PROCEDURES

1. These Rules and Procedures are to be used for the Medical, Dental, Nursing, and Faculty Services Research and Development Plans, the Allied Health Faculty Services Plan and Physicians Referral Service (“the Plans”) Budgets in conjunction with the Rules and Procedures for the General Operating Budget.
2. Budgeted expenditures authorized from the Plans are contingent upon receipt of such funds. Appointments and other budget transactions from such fund sources shall not become an obligation of any institution in the event the funds are not realized.
3. All income for professional services earned by members of the plans, except royalties, payments for editing scientific publications, and consultation fees as a regional or national consultant to any branch of the U.S. Government as approved by the U.T. System Board of Regents shall be deposited in the appropriate institution’s institutional Trust Fund Account.
4. Administration, operation, and disbursement of funds shall be in accordance with each institutional plan approved by U.T. System Administration and the U.T. System Board of Regents.
5. At U.T.M. D. Anderson Cancer Center, associate members’ earnings will be contingent upon the earned income of the member in accordance with the services rendered to the patient assigned to the member’s specialty by the chief of the major service. The Executive Council of the Physicians Referral Service will approve all payments.
6. Budgeted funds can be used for staff retirement and insurance benefits, for actual travel or supplemental travel expenses for attending meetings for the benefit of any institution, for memberships and dues in medical organizations, for official entertainment, and for such other disbursements as may be authorized by the president consistent with the policies approved by the U.T. System Board of Regents and U.T. System Administration. These expenditures must be in the best interests of the research, educational and patient care activities of any institution and in the best interest of maintaining a distinguished scientific staff for such purposes and activities.

THE UNIVERSITY OF TEXAS SYSTEM

PERMANENT UNIVERSITY FUND (PUF) BOND PROCEEDS FOR LIBRARY, EQUIPMENT,
REPAIR AND REHABILITATION (LERR)
AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARS)
AND SIMILAR FUNDED PROGRAMS BUDGET RULES AND PROCEDURES

For Fiscal Year Ending August 31, 2026~~6~~7

A. INITIAL BUDGET

1. The Chancellor is authorized to approve allocations of LERR and Faculty STARS to institutions within the program totals authorized by the U.T. System Board of Regents if specific allocations are not adopted when the Initial Budget is adopted.
2. Upon recommendation by the Executive Vice Chancellors for Academic, Health, and Business Affairs, the Chancellor may approve initial Library and Equipment or Repair and Rehabilitation projects if not specifically approved by the U.T. System Board of Regents when the Initial Budget is adopted.
3. U.T. System institutions are authorized to purchase approved Library and Equipment items and to contract for Repair and Rehabilitation projects following standard purchasing and contracting procedures. This includes expenditures for STARS (including Faculty and Rising STARS), or similar funded programs.
4. Transfers by the U.T. System Administration of allocated funds to institutional control or to vendors will coincide with vendor payment requirements.
5. Final approval of specific Repair and Rehabilitation projects will be in accordance with U.T. System Board of Regents established procedures for construction projects.
6. All expenditures are subject to the provisions of the Texas *Constitution* of the State of Texas, the U.T. System Board of Regents' *Rules and Regulations* for the governance of the U.T. System, and U.T. System Policies (UTS Policies).
7. All expenditures are subject to the guidance established by the U.T. System Board of Regents in the *Permanent University Fund (PUF) Bond Proceeds for Library, Equipment, Repair and Rehabilitation (LERR) and Faculty Science and Technology Acquisition and Retention (STARS) and Similar Funded Programs Expenditure Guidelines*.

B. BUDGET AMENDMENTS

Items requiring approval of U.T. System Administration (no Consent Agenda approval required)

1. Substitute Library or Equipment purchases that are not on the approved list.
2. Substitute Repair and Rehabilitation projects that are not on the approved list.
3. Transfers of appropriated funds between approved Library, Equipment, Repair and Rehabilitation items.

C. RETENTION OF RECORDS

The Internal Revenue Service requires that invoice documentation supporting capital expenditures, including LERR, STARs and similar programs funded with proceeds of tax-exempt bonds, be maintained for a period ending three (3) years after the complete extinguishment of the bonds. Pursuant to the Texas *Constitution*, PUF bonds may be structured with a maximum maturity of 30 years. In order to comply with the IRS requirement and *UTS 181 Policy for Post Bond Issuance Federal Tax Compliance*, U.T. institutions shall maintain invoice documentation for 35 years for any capital expenditure funded with tax-exempt proceeds.

D. OTHER CONSIDERATIONS

1. All LERR appropriations must be expended within 36 months from the date of the award, or the appropriation will lapse and be made available for future Systemwide reallocation.
2. All STARs or similar program appropriations must be expended within ~~24~~ 36 months from the time the retained faculty member accepts the award, or the new faculty member arrives at the institution, or the appropriation will lapse and be made available for future Systemwide reallocation.
3. U.T. System institutions receiving block STARs allocations have ~~24~~ 36 months from the beginning of the fiscal year in which funds are allocated to award the funds to a specific faculty member, or the appropriation will lapse and be made available for future Systemwide reallocation.
4. Notwithstanding the limitations adopted at the time LERR, STARs, or other similar funding was authorized, these *Budget Rules and Procedures* apply to all previously authorized LERR, STARs and similar funding with the exception of D.2 and D.3 which are effective only for FY 2027 and future years.
5. In accordance with the *UTS 168 Capital Expenditure Policy*, LERR and STARs funding that is incorporated into a Major Project will be defined as PUF and will be subject to rules applicable to all Major Projects. Regents' Rule 80301 defines Major Projects.

THE UNIVERSITY OF TEXAS SYSTEM

PERMANENT UNIVERSITY FUND (PUF) BOND PROCEEDS FOR LIBRARY, EQUIPMENT, REPAIR AND REHABILITATION (LERR) AND FACULTY SCIENCE AND TECHNOLOGY ACQUISITION AND RETENTION (STARs) AND SIMILAR FUNDED PROGRAMS EXPENDITURE GUIDELINES

For Fiscal Year Ending August 31, 2026~~7~~

A. AUTHORIZATION OF PUF BOND PROCEEDS FOR LERR, STARs, OR SIMILARLY FUNDED PROGRAMS

Article VII, Section 18 (b) of the Texas *Constitution* authorizes the U.T. System Board of Regents to issue bonds and notes secured by the U.T. System's interest in the Permanent University Fund for the purpose of:

- acquiring land, 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.

It is for the last three purposes noted above that the U.T. System Board of Regents has established the LERR, STARs (including Faculty and Rising STARs), and similarly funded programs.

B. ELIGIBILITY FOR PROGRAM FUNDS

Eligibility for LERR, STARs, or other similar funded programs is the same as eligibility for PUF bond proceeds as set forth in the Texas *Constitution*.

C. GENERAL GUIDELINES FOR USE OF PROGRAM FUNDS

In addition to meeting the constitutional requirements outlined above, the general guideline to determine whether an item is eligible for LERR, STARs, or similar funded programs, is that it must have a useful life of at least one year. The following sections are provided to assist with that determination. These guidelines are not intended to be exhaustive and any questions regarding LERR, STARs, or similar funded program eligibility should be directed to the U.T. System Administration Office of Budget and Planning ~~the Chief Financial Officer~~.

Repair and Rehabilitation of Buildings or Other Permanent Improvements

Major repairs or rehabilitation of buildings or other permanent improvements include, but are not limited to, repairs, renovations, replacements, or betterments that are normally expected to extend the useful life, improve operating efficiency, eliminate health and safety hazards, correct structural or mechanical defects, upgrade the quality of existing facilities, or convert these assets to more useful functions, but that are not considered routine maintenance.

The cost of major repairs or rehabilitation of buildings or other improvements can include the contract price or cost of construction and other costs that would be applicable to make the building or improvement suitable for its intended use.

Acquisition of Capital Equipment

Capital equipment is regarded as nonexpendable, tangible personal property having a useful life of more than one year. The acquisition cost for equipment includes the net invoice price, including any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. In addition, taxes, duty, in-transit insurance, freight, and installation charges are also included as part of the acquisition cost. Capital equipment, including software which will be used Systemwide, or between and among U.T. institutions and System Administration, is eligible for LERR, STARS, or similar program funds.

Warranties and Similar Service Features

The cost of warranties and similar service features related to purchase of capital equipment (such as maintenance agreements and loaner programs) are not eligible for LERR, STARS, or similar program funds as these are considered operating expenses. This ineligibility also applies to warranty and similar service feature costs separately identified during original purchase. For example, a warranty agreement charge that is separately identified on a laptop purchase is not allowed.

Software

Any capitalized costs associated with the development or implementation of software, including personnel costs (salaries), are eligible for LERR, STARS, or similar funded programs if they are incurred in the Application Development Stage as defined by *Statement No. 51 of the Governmental Accounting Standards Board "Accounting and Financial Reporting for Intangible Assets."* This principle applies whether the salaries are paid to employees of the institution or to outside parties. Training costs related to software usage are discussed below.

The purchase of bundled software included as part of the initial acquisition of computer hardware is capitalizable regardless of threshold and therefore eligible for LERR, STARS, or similar program funds.

Software maintenance costs are considered operating expenses and therefore are not eligible for LERR, STARS, or similar program funds as these are considered operating expenses.

Costs for software licenses with a useful life extending beyond one year that will be owned are eligible for LERR, STARS, or similar program funds. Leased or licensed software that requires the payment of an annual fee (i.e., does not have a useful life extending beyond one year) and that will not be owned when the license expires is not eligible for LERR, STARS, or similar program funds.

Employee Training and Travel Costs

Employee training and travel costs are not eligible for LERR or STARS program funds as these are considered operating expenses.

Operating Expenses

Consumables, which include those items that have an expected useful life of less than one year, are not eligible for LERR or STARs program funds as these are considered operating expenses. Some examples include, but are not limited to chemicals, gases, paper, staplers and other office supplies, toner cartridges, medical supplies, disposal services, and laboratory supplies.

Examples of other operating expenses that are not eligible for LERR or STARs program funds include, but are not limited to: monthly telephone services, animals, software maintenance cost, and routine maintenance.

Acquisition of Library Books and Library Materials

The acquisition of library books and library materials is eligible for LERR. A library book is defined as a literary composition bound into a separate volume and identifiable as a separate copyrighted unit. Library materials are information sources other than books, including journals, periodicals, microforms, audio/visual media, computer-based information, manuscripts, maps, documents, and similar items that provide information essential to the learning process or enhance the quality of university library programs. The purchase of a license for library materials is allowable if the license period is in excess of one year. Annual license subscriptions and payments are not eligible for LERR.

The acquisition cost of library books and library materials can include the invoice price, freight-in, handling and insurance, binding, electronic access charges, reproduction, and other like costs required to put these assets in place, except for library salaries.

Prohibition for Student Housing, Athletics, and Auxiliary Enterprises

Article VII, Section 18 (d) of the Texas *Constitution* prohibits the use of PUF bond proceeds, and therefore the use of LERR, STARs, and similar program funds, for student housing, intercollegiate athletics, or auxiliary enterprises.

D. SPECIAL PROGRAM FUNDING

Allocations of STARS funding by the Board of Regents are for the Faculty STARS program. With appropriate approvals those funds can be redirected to the Rising STARS program. U.T. System institutions receiving block STARS allocations can elect to use them as either Faculty STARS or Rising STARS without further approval being required.

Faculty STARS Program

The Faculty STARS program funded by PUF bond proceeds supports the recruitment and retention of the best-qualified faculty at both academic and health institutions by providing additional resources to build and enhance research infrastructure. Because the Faculty STARS program is funded in the same manner as LERR, the same guidelines apply, and each item must have a useful life of more than one year. Faculty STARS funds are available for laboratory renovation and equipment purchases; however, faculty and other staff salaries cannot be paid from Faculty STARS funds.

There are three related program goals that form the basis of the Faculty STARS program:

- recruit senior faculty with national prominence; and
- improve the quality of new faculty and research capacity of the institutions by augmenting the start-up packages for tenure and tenure-track faculty; and
- retain high quality faculty who have had offers from another research institution or have the potential to leave because of limited access to quality equipment or laboratories.

Rising STARS Program

The Rising STARS program makes up to \$300,000 available for recruitment of promising faculty members who are recruited in a tenure track position at any academic level, i.e., assistant, associate, or full professor. Rising STARS funding is limited to the same equipment and renovation expenditure restrictions as Faculty STARS.

ACADEMIC AFFAIRS COMMITTEE

4. Foreign Contract - U.T. System: Approval of Memorandum of Understanding for International Collaboration with Fundacao de Amparo a Pesquisa do Estado de Sao Paulo (FAPESP), the Sao Paulo Research Foundation, Brazil

Agency: Fundacao de Amparo a Pesquisa do Estado de Sao Paulo (FAPESP), the Sao Paulo Research Foundation, Brazil

Funds: No exchange of funds; potential for joint funding of research projects in the future by respective institution personnel

Period: Five years from the date of execution of the Agreement

Description: The purposes of the Memorandum of Understanding (MOU) are to promote research and discovery, to foster enrichment of teaching and learning, to strengthen and expand mutual contacts and activities, and to provide for a variety of collaborative educational and research opportunities for faculty and students at the U.T. System institutions and at higher education and research institutions in the state of Sao Paulo.

FAPESP is a public foundation in the state of Sao Paulo founded in 1962 to support research in science and technology in the state of Sao Paulo. It has expanded its mission to include research in all fields of knowledge. FAPESP receives monthly 1% of all revenue collected by the State of Sao Paulo; it also is funded by revenue from investments and funding from agreements with Brazilian and international companies, governments, and funding agencies.

FAPESP has supported research involving U.T. System institutions such as U.T. Austin, U.T. Arlington, U.T. Dallas, U.T. El Paso, U.T. San Antonio, U.T. Medical Branch - Galveston, U.T. Health Science Center - Houston, U.T. Rio Grande Valley, and U.T. Southwestern Medical Center; and Sao Paulo State universities such as the University of Sao Paulo and the State University of Campinas. Most recently, health research has been an important area of cooperation. FAPESP has requested U.T. System explore collaboration on priority areas of research important to the states of Texas and Sao Paulo – Brain Health, Cancer, and Energy are the topics intended for collaboration.

5. Contract - U.T. Arlington: Join the United Athletic Conference for all Intercollegiate Athletics

Agency: United Athletic Conference

Funds: \$0

Period: Effective July 1, 2026

Description: U.T. Arlington currently competes in the Western Athletic Conference (WAC), with the men’s tennis team competing in the Atlantic Sun Conference (ASUN) as approved by the Board of Regents on November 20, 2025. The WAC and the ASUN are partnering to create the United Athletic Consortium. With the creation of this Consortium, both conferences will benefit from consolidation of governance and administrative support as well as economies of scale that should result in reduction in the cost of operating their athletics program. As part of this partnership, the WAC and the ASUN will be rebranded as the United Athletic Conference (UAC).

6. Request for Budget Change - U.T. Arlington: Tenure Appointment -- amendment to the FY 2026 budget

The following Request for Budget Change (RBC) has been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U.T. System Board of Regents:

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>	<u>RBC #</u>
College of Engineering Electrical Engineering Vamegh Rasouli	New Hire	Professor (T)	15599

7. Lease - U.T. Arlington: Authorization to lease approximately 29,000 square feet of space for the university bookstore with coffee shop and technology store, located at 400 South Spaniolo Drive, Arlington, Tarrant County, Texas, to Follett Higher Education Group, LLC

- Description: Authorization to lease approximately 29,000 square feet of space for the university bookstore with coffee shop and technology store, located at 400 South Spaniolo Drive, Arlington, Tarrant County, Texas.
- Lessee: Follett Higher Education Group, LLC, an Illinois company, or successors or assigns
- Term: The initial term will be approximately seven years. The University, at its sole discretion, may extend the Initial Term of this Agreement for two additional five-year periods.
- Lease Value: Consideration to U.T. Arlington (inclusive of potential royalties, base fee, and other payments) is estimated to be between \$9,518,273 to \$9,800,000 over the initial seven-year term and between \$21,267,202 to \$21,500,000 over a possible 17-year term. In addition to base fees, Follett will pay an annual royalty fee of 16.5% – 17.5% of each year's adjusted gross revenue of non-course related materials. Follett will also provide a one-time \$450,000 signing bonus to U.T. Arlington, as well as \$25,000 annually in non-personnel advertising and promotion expenses, and a \$5,000 textbook scholarship for students attending the University. In addition, Follett will invest approximately \$1,000,000 to provide for premises improvements to the existing bookstore during the first seven years, and an additional \$600,000 during the renewal terms.
- Termination Option: Either party, at any time, shall have the right to terminate the lease upon not less than 180 days prior written notice to the other party. In the event University exercises the right to terminate during the initial seven-year term, then University shall reimburse Lessee in an amount equal to the unamortized costs of the lump sum payments paid to University, namely the unamortized portion of the \$1,000,000 capital investment.

8. Contract (funds going out) - U.T. Austin: Elk Electric, Inc., to provide job order contracting services to campus facilities

Agency: Elk Electric, Inc.

Funds: Total costs are expected to exceed \$5,000,000 (with prior written approval of the University), over the maximum five-year contract period.

Period: July 1, 2022 through June 30, 2023; with four one-year renewal options (one renewal remaining)

Description: Elk Electric, Inc., to provide mechanical systems (electrical) related job order contracting services, with projects varying in scope and size. Separate service agreements will be executed for individual projects. Services were competitively procured. Contract is being brought forward for Board approval as expenditures are expected to exceed the institution's \$5,000,000 delegated authority threshold.

9. Contract (funds going out) - U.T. Austin: Port Enterprises, LTD., to provide job order contracting services to campus facilities

Agency: Port Enterprises, LTD.

Funds: Total costs are expected to exceed \$5,000,000 (with prior written approval of the University), over the maximum five-year contract period.

Period: July 1, 2022 through June 30, 2023; with four one-year renewal options (one renewal remaining)

Description: Port Enterprises, LTD., to provide building envelope, roofing, and waterproofing-related job order contracting services, with projects varying in scope and size. Separate service agreements will be executed for individual projects. Services were competitively procured. Contract is being brought forward for Board approval as expenditures are expected to exceed the institution's \$5,000,000 delegated authority threshold.

10. Contract (funds going out) - U.T. Austin: Amendment to Agreement with Linde Inc. to provide bulk hydrogen gases to the Montopolis Research Center for the Texas Institute for Electronics

Agency: Linde Inc.

Funds: \$7,331,158

Period: October 1, 2025 through August 5, 2035

Description: The Texas Institute for Electronics (TIE) is a U.T. Austin-supported semiconductor consortium, which has received funding from the Texas Legislature and federal government to support 3DHI microelectronics research, development, and low-volume production.

TIE requires certain bulk gases to support its operations. The underlying Agreement provides for the delivery of bulk hydrogen gases to TIE's Montopolis Research Center facility. The current Agreement has a value of \$500,000 and did not require Board approval as the total contract value was within U.T. Austin's delegated approval threshold. This First Amendment will add \$6,831,158 and increase the total contract value to \$7,331,158. The Agreement was procured pursuant to a best value determination.

11. Contract (funds going out) - U.T. Austin: Amendment to Agreement with Linde Inc. to provide bulk nitrogen gases to the Montopolis Research Center for the Texas Institute for Electronics

Agency: Linde Inc.

Funds: \$10,063,537

Period: October 1, 2025 through June 1, 2035

Description: The Texas Institute for Electronics (TIE) is a U.T. Austin-supported semiconductor consortium, which has received funding from the Texas Legislature and federal government to support 3DHI microelectronics research, development, and low-volume production.

TIE requires certain bulk gases to support its operations. The underlying Agreement provides for the delivery of bulk nitrogen gases to TIE's Montopolis Research Center facility. The current Agreement has a value of \$500,000 and did not require Board approval as the total contract value was within U.T. Austin's delegated approval threshold. This First Amendment will add funds in the amount of \$9,563,537 to the Agreement and increase the total contract value to \$10,063,537. The Agreement was procured pursuant to a best value determination.

12. Contract (funds going out) - U.T. Austin: Amendment to Agreement with Linde Inc. to provide bulk nitrogen gases to the Microelectronics and Engineering Research Center for the Texas Institute for Electronics at Pickle Research Campus

Agency: Linde Inc.

Funds: \$10,109,265

Period: September 30, 2025 through December 21, 2030

Description: The Texas Institute for Electronics (TIE) is a U.T. Austin-supported semiconductor consortium, which has received funding from the Texas Legislature and federal government to support 3DHI microelectronics research, development, and low-volume production.

TIE requires certain bulk gases to support its operations. The underlying Agreement provides for the delivery of bulk nitrogen gases to TIE's Microelectronics and Engineering Research Center facilities. The current Agreement has a total value of \$500,000 and did not require Board approval as the total contract value was within U.T. Austin's delegated approval threshold. This First Amendment will add \$9,609,265 to the Agreement for delivery of bulk nitrogen gases to TIE's Microelectronics and Engineering Research Center at the Pickle Research Campus and increases the total value to \$10,109,265. The Agreement was procured pursuant to a best value determination.

- 13. Request for Budget Change - U.T. Austin: Transfer \$15,677,853 from University Budget Council (UBC)–UBC Commitments–AUF–Allotment, Unallocated, and Reserve to Project Controls and Management System (PCMS)–Repair and Replacement (RR)–Safety and Code for confirmed planned programs and projects and to enable replacement or renewal of building assets, systems, and equipment necessary for facilities operations (RBC No. 15575)

- 14. Request for Budget Change - U.T. Austin: Tenure Appointments -- amendment to the FY 2025 budget

The following Requests for Budget Change (RBC) have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U.T. System Board of Regents:

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>	<u>RBC #</u>
School of Civic Leadership			
Civic Leadership William Inboden	New Hire	Professor (T)	15547
College of Liberal Arts			
Economics Stefano Eusepi	New Hire	Professor (T)	15536
History Kate Imy	New Hire	Associate Professor (T)	15539
Philosophy Johan Gustafsson	New Hire	Professor (T)	15537
College of Natural Sciences			
Molecular Biosciences Dima Kozakov	New Hire	Professor (T)	15540
Statistics and Data Sciences Yang Ni	New Hire	Associate Professor (T)	15542

15. Request for Budget Change - U.T. Austin: Tenure Appointments -- amendment to the FY 2026 budget

The following Requests for Budget Change (RBC) have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U.T. System Board of Regents:

College, Department, and Name	From	To	RBC #
Civitas Institute			
Karl Gunther	New Hire	Associate Professor (T)	15585
Jill Ingram	New Hire	Professor (T)	15586
Robert Ingram	New Hire	Professor (T)	15587
School of Education			
Special Education			
Elizabeth Stevens	New Hire	Associate Professor (T)	15590
College of Liberal Arts			
Germanic Studies			
Angus Nicholls	New Hire	Professor (T)	15529
History			
Justin Roberts	New Hire	Professor (T)	15588
Sociology			
David Schaefer	New Hire	Professor (T)	15530
LBJ School of Public Affairs			
Public Affairs			
Michael Wahman	New Hire	Professor (T)	15531

Secretary's Note: At the request of President Davis, Consent Agenda Item 15 was amended to designate the Civitas Institute as the correct academic unit for the appointments of Karl Gunther, Jill Ingram, and Robert Ingram.

16. Provost Appointment - U.T. Austin: Approval of appointment of Melissa Taylor, Ph.D., as Senior Vice Provost for Strategic Initiatives

The appointment summarized below has been approved by the Chancellor and is recommended for approval by the U.T. System Board of Regents.

Description: Appointment of Melissa Taylor, Ph.D., as Senior Vice Provost for Strategic Initiatives. The Senior Vice Provost for Strategic Initiatives reports to the Provost and shall hold office without fixed term, subject to the pleasure of the President. This appointment requires approval by the Board of Regents pursuant to Regents' *Rules and Regulations*, Rule 20102 (Appointment of Institutional Administrative Officers).

17. Employment Agreement - U.T. Austin: Approval of terms of Employment and Intellectual Property Agreement for new Assistant Football Coach William L. Muschamp and related Professional Services and License Agreement with Davis Island Management, LLC

The following terms of the Employment and Intellectual Property Agreement for new Assistant Football Coach William L. Muschamp and related Professional Services and License Agreement with Davis Island Management, LLC have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U.T. System Board of Regents. If the terms are approved, total annual compensation will be in excess of \$1 million. The Agreements reference the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Annual Salary:

December 19, 2025 through December 31, 2026: \$1,080,000

January 1, 2027 through December 31, 2027: \$1,120,000

January 1, 2028 through February 28, 2029: \$1,160,000

Professional Services Payments:

December 19, 2025 through December 31, 2026: \$1,620,000

January 1, 2027 through December 31, 2027: \$1,680,000

January 1, 2028 through February 28, 2029: \$1,740,000

Automobile: One dealer car, pursuant to Athletics Department's policies and procedures

Club membership: In accordance with the Athletics Department's policies and procedures

Tickets: In accordance with the Athletics Department's policies and procedures

Relocation: One-time payment of \$35,000

Nonguaranteed compensation:

Incentives:

Team Performance: Maximum of 19% of Annual Base Salary and Professional Services Payments

Source of Funds: Intercollegiate Athletics

Period: December 19, 2025 through February 28, 2029

Secretary's Note: A correction was submitted for Consent Agenda Item 17 to update the company name from Davis Island Holdings LLC to the new entity name, Davis Island Management, LLC.

18. Employment Agreement - U.T. Austin: Approval of amendments to terms of Employment Agreement for Assistant Football Coach Johnny Nansen

The following terms of the amended Employment Agreement for Assistant Football Coach Johnny Nansen have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U.T. System Board of Regents. If the terms are approved, total annual compensation will be in excess of \$1 million. The amended Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

From: **Guaranteed compensation:**

Annual Salary:

March 1, 2025 through February 28, 2026: \$1,100,000

March 1, 2026 through February 28, 2027: \$1,200,000

Automobile: One dealer car, pursuant to Athletics Department's policies and procedures

Nonguaranteed compensation:

Incentives: Team Performance: Maximum of 19% of Annual Base Salary

To: **Guaranteed compensation (Increase of 10%):**

Annual Salary:

December 22, 2025 through February 29, 2028: \$1,200,000 annually

Automobile: One dealer car, pursuant to Athletics Department's policies and procedures

Nonguaranteed compensation (No change)

Source of Funds: Intercollegiate Athletics

Period: December 22, 2025 through February 29, 2028

19. Employment Agreement - U.T. Austin: Approval of amendments to terms of Employment Agreement for Assistant Football Coach Kyle Flood

The following terms of the amended Employment Agreement for Assistant Football Coach Kyle Flood have been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and are recommended for approval by the U.T. System Board of Regents. If the terms are approved, total annual compensation will be in excess of \$1 million. The amended Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at Austin is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at Austin. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

From: **Guaranteed compensation:**

Annual Salary:

March 1, 2025 through February 28, 2026: \$1,450,000

March 1, 2026 through February 28, 2027: \$1,525,000

Automobile: One dealer car, pursuant to Athletics Department's policies and procedures

Nonguaranteed compensation:

Incentives: Team Performance: Maximum of 19% of Annual Base Salary

To: **Guaranteed compensation (Increase of 5%):**

Annual Salary:

December 22, 2025 through February 29, 2028: \$1,525,000 annually

Automobile: One dealer car, pursuant to Athletics Department's policies and procedures

Nonguaranteed compensation (No change)

Source of Funds: Intercollegiate Athletics

Period: December 22, 2025 through February 29, 2028

20. Lease - U.T. Austin: Authorization to extend the ground lease of approximately 14.6 acres located at 1314 Exposition Boulevard, Austin, Travis County, Texas, to the West Austin Youth Association; and reaffirmation of related finding of public purpose

Description: Authorization to extend the lease of approximately 14.6 acres of land located at the southwest corner of Enfield Road and Exposition Boulevard at 1314 Exposition Boulevard, Austin, Travis County, Texas, to the West Austin Youth Association (WAYA). WAYA serves youth sports and has improved the property with a gymnasium, sports fields, and related facilities. The subject property is adjacent to the approximately 141-acre Lions Municipal Golf Course property, which is currently under a below-market, short term ground lease to the City of Austin.

Tenant: West Austin Youth Association, a nonprofit corporation

Term: The initial term commenced in 1989, and by prior extensions continues through May 25, 2026. U.T. Austin seeks a one-year renewal of the WAYA lease. The lease currently allows for potential annual extensions to renew through May 25, 2028.

Lease Income: \$0

Lease Value: Appraisal of the value of the land and ground rent is confidential pursuant to *Texas Education Code* Section 51.951.

Finding of Public Purpose: The base rental amount described above constitutes a below market rate. The Attorney General of the State of Texas, in Opinion No. MW-373 (1981), has advised that, for the use of university property with no or nominal cash rental payments to comply with the Texas Constitution, three requirements must be met: (1) the use of the property must serve a public purpose appropriate to the function of the university; (2) adequate consideration must be received by the university; and (3) the university must maintain controls over the user's activities to ensure that the public purpose is achieved.

Accordingly, because the pre-paid rent is below market, the Board of Regents is also asked to reaffirm the finding of public purpose made by the Board on February 22, 2024, by finding that

1. the lease amendment continues to support the public mission of and serve a public purpose appropriate to the functions of U.T. Austin;
2. the lease amendment continues to provide adequate consideration and benefits to U.T. Austin and the State of Texas; and
3. U.T. Austin will continue to maintain sufficient controls under the terms of the amendment to ensure the public purpose will continue to be met on an ongoing basis.

21. Lease - U.T. Austin: Authorization to (i) execute a master sublease (the Master Sublease) and related agreements with 25.02 HEDF, LLC, for all leasable space in a newly-built shell office building known as 1121@Symphony Square, located at 1121 Red River Street, Austin, Travis County, Texas, and (ii) approve subleases between 25.02 HEDF, LLC, and to-be-determined subtenants, for vacant space in the Building; and related finding of public purpose

Description:

In August of 2025, 25.02 HEDF, LLC (25.02 HEDF), a wholly-owned subsidiary of The 2033 Higher Education Development Foundation (the Foundation), acquired a condominium interest in the new Class A office and research building known as 1121@Symphony Square (the Building). The Building consists of approximately 172,500 rentable square feet of office space, of which approximately 20,000 square feet are configured to reasonably allow for research use, with related structured and underground parking. The building is vacant and in shell condition. The Board simultaneously master leased the entire Building from 25.02 HEDF pursuant to authorization granted on June 23, 2025.

The institution seeks to master sublease (the Lease) the Building to 25.02 HEDF for it to administer the subleasing of the premises to third party subtenants. The building is currently vacant.

Location:

An approximately 0.92-acre condominium unit located at 1121 Red River Street, Austin, Travis County, Texas. The Building is strategically located near U.T. Austin's Dell Medical School and lies within Austin's innovation district.

- Leased Premises:** All leasable space within the Building (the Premises). The Lease will allow the parties to add or remove portions of the Premises to provide U.T. Austin the flexibility to directly occupy space in the Building, or to directly sublease space to tenants.
- Lessee:** 25.02 HEDF, LLC, a Texas limited liability company, or its successors and assigns. 25.02 HEDF is a wholly-owned subsidiary of the Foundation and is the lessor to the Board of the Building under a master lease. The Foundation is a U.T. Austin-affiliated foundation consistent with Regents' Rule 60305 and is operated exclusively for charitable and educational purposes, including matters pertaining to the management, development, and administration of real property for the benefit of U.T. Austin. The institution has determined that consistent with the Foundation's mission to support U.T. Austin through real property management and development, and given the Foundation's broad real estate industry experience, the Foundation is uniquely positioned and qualified to assist the institution in successfully managing and administering the subleasing of the Building premises for the purpose of supporting the institution's mission.
- Use of Premises:** 25.02 HEDF may use the Premises only for the purpose of subleasing the Premises to subtenants pursuant to third party subleases approved by U.T. Austin and U.T. System (Subtenants). 25.02 HEDF will have no right to directly occupy the Premises under the Master Sublease. Uses will likely include office, medical office, and research.
- Subtenant Leases:** Subject to U.T. Austin and U.T. System approval, 25.02 HEDF will sublease space in the Building directly to yet to-be-determined Subtenants at market terms, tenant improvement allowances, concessions, and for rental rates no less than the prevailing fair market rent therefor as supported by a third-party validation of fair market value.
- Subtenant Lease Terms:** All Subtenant lease terms will vary based on prevailing market conditions. Subtenant lease terms could range up to 15 years, and even longer for institutional tenants. Base rents will be negotiated on a per-square foot basis based on current market data. Subtenant leases may also include other expenses paid by U.T. Austin, such as tenant improvement allowances or an agreement to pay brokerage commissions, consistent with prevailing market conditions. Subtenants will be responsible for their insurance and taxes. Subtenants will also be responsible for their proportionate share of common area maintenance and operations costs for the Building.

- Base Rent:** 25.02 HEDF will pay to U.T. Austin as "Base Rent" all Subtenant lease revenue, which will be no less than Fair Market Value (FMV), and will include (i) "base rent" and (ii) any "additional rent", including operating expense reimbursements, received by 25.02 HEDF from Subtenants.
- Additional Rent:** All amounts 25.02 HEDF is obligated to pay to or on behalf of U.T. Austin or reimburse to U.T. Austin pursuant to the Subtenant leases (other than Base Rent) are referred to in the Lease as "Additional Rent".
- Term:** The primary term of the Master Lease is 30 years, expiring on December 31, 2055. The full term of the Master Sublease will continue for so long as the Master Lease shall remain in effect, unless this Master Sublease is earlier terminated in accordance with its terms.
- Early Termination:** The Board will have the right to terminate the Lease at any time, subject to any existing Subtenant leases.
- Finding of Public Purpose:** The Texas Constitution requires a three part test be met any time university assets are rented below fair market value: (1) the below market lease must serve a public purpose appropriate to the function of the university; (2) adequate return benefit must be received by the university; and (3) the university must maintain controls to ensure that the public purpose is achieved.
- Given that 25.02 HEDF may not occupy the Premises and may use the Premises solely for the purpose of subleasing the Premises to Subtenants approved by U.T. Austin and U.T. System, and the safeguards and controls included in the Lease, in approving this item, the Board is also asked to make a finding that:
1. The Lease to the 25.02 HEDF supports the public mission of and serves a public purpose appropriate to the function of U.T. Austin as 25.02 HEDF will manage and administer the subleasing of the Premises within 1121@Symphony Square to Subtenants for the purpose of supporting the institution's mission;
 2. pursuant to the Lease, U.T. Austin will have sufficient safeguards in place to ensure the public purpose will continue to be met on an ongoing basis; and
 3. the transaction will result in adequate consideration and benefits to U.T. Austin and the State of Texas.

22. Provost Appointment - U.T. Dallas: Approval of appointment of Brandon Davidson as Assistant Provost for Teaching and Learning Spaces

The appointment summarized below has been approved by the Chancellor and is recommended for approval by the U.T. System Board of Regents.

Description: Appointment of Brandon Davidson as Assistant Provost for Teaching and Learning Spaces. The Assistant Provost for Teaching and Learning Spaces reports to the Provost and shall hold office without fixed term, subject to the pleasure of the President. This appointment requires approval by the Board of Regents pursuant to Regents' *Rules and Regulations*, Rule 20102 (Appointment of Institutional Administrative Officers).

23. Contract (funds going out) - U.T. San Antonio: ReUp Education, Inc., to provide services designed to assist students stay enrolled in higher education programs

Agency: ReUp Education, Inc. (ReUp)

Funds: Compensation to ReUp is variable. Through August 31, 2026, the total spend is expected to be \$1,820,000. The total spend is expected to be approximately \$5,000,000 through the full contract term.

Period: February 5, 2024 through August 31, 2029

Description: ReUp provides certain bundled services designed to assist students stay enrolled in higher education programs until earning a degree. The bundle of service includes recruiting "stopped-out" students who have previously enrolled at U.T. San Antonio and not continued necessary coursework to earn a degree. For their services, ReUp is paid a commission equal to 30% of reenrolled students tuition. The contract is being brought to the Board for approval as the contract spend is expected to surpass the institution's \$2,500,000 delegated authority threshold. The institution will continue to closely monitor the spend over the life of the Agreement. This contract was competitively procured via an RFP issued by Texas A&M University System.

24. Contract (funds going out) - U.T. San Antonio: The Watermark Group, Inc., to provide fulfillment, direct mail, inventory management, and print on demand services

Agency: The Watermark Group, Inc. (Watermark)

Funds: Compensation over the potential 10-year term is estimated to be as high as \$3,000,000.

Period: The Agreement is for a four-year term beginning September 1, 2025, and continuing through August 31, 2029. The Agreement may be renewed for as many as six additional one-year terms.

Description: Watermark provides fulfillment, direct mail, inventory management, and print on demand services. The U.T. San Antonio strategic enrollment department uses the vendor to print and mail marketing materials to prospective students.

25. Request for Budget Change - U.T. San Antonio: Tenure Appointment -- amendment to the FY 2026 budget

The following Request for Budget Change (RBC) has been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U.T. System Board of Regents:

College, Department, and Name	From	To	RBC #
College of AI, Cyber, and Computing Department of Computer Engineering Jinjun Xiong	New Hire	Professor (T)	15584

26. Provost Appointment - Stephen F. Austin State University: Approval of appointment of Stacy Hendricks, Ed.D., as Vice Provost

The appointment summarized below has been approved by the Chancellor and is recommended for approval by the U.T. System Board of Regents.

Description: Appointment of Stacy Hendricks, Ed.D., as Vice Provost. The Vice Provost reports to the Provost and shall hold office without fixed term, subject to the pleasure of the President. This appointment requires approval by the Board of Regents pursuant to Regents' *Rules and Regulations*, Rule 20102 (Appointment of Institutional Administrative Officers).

27. Provost Appointment - U.T. Tyler: Approval of appointment of Jon Welty Peachey, Ph.D., as Associate Provost for Faculty Affairs

The appointment summarized below has been approved by the Chancellor and is recommended for approval by the U.T. System Board of Regents.

Description: Appointment of Jon Welty Peachey, Ph.D., as Associate Provost for Faculty Affairs. The Associate Provost reports to the Provost and shall hold office without fixed term, subject to the pleasure of the President. This appointment requires approval by the Board of Regents pursuant to Regents' *Rules and Regulations*, Rule 20102 (Appointment of Institutional Administrative Officers).

28. Purchase - U.T. Tyler: Authorization to purchase approximately 14.99 acres of land improved with a vacant inpatient behavioral health facility containing approximately 48,236 square feet of space with a surface parking lot, located at 4101 University Boulevard, Tyler, Smith County, Texas, from Tyler Regional Hospital, LLC, for future campus expansion; and allocation of Permanent University Fund bond proceeds

Description: Authorization to purchase approximately 14.99 acres of land improved with a vacant inpatient behavioral health facility containing approximately 48,236 square feet of space with a surface parking lot, located at 4101 University Boulevard, Tyler, Smith County, Texas, from Tyler Regional Hospital, LLC, for future campus expansion.

The improvements were constructed in 1983 and consist of a one-story building and related surface parking. The former inpatient behavioral health facility includes approximately 43 bedrooms in addition to clinical, office, and other support space. All the interiors are finished, although the facility may need significant renovation to cure certain deferred maintenance and to configure the building for use by the institution.

The property is directly across a major roadway from U.T. Tyler's main campus. The institution may build a pedestrian skybridge at the location of this property to facilitate the safe pedestrian access by its students, staff, and faculty to the property and local retail and entertainment amenities.

Use: U.T. Tyler will use the property for campus expansion, although initially the institution may use the property for certain academic programs such as psychology and/or nursing and administrative functions.

Seller: Tyler Regional Hospital, LLC, a Delaware limited liability company, or related entities, successors, or assigns

Purchase Price: Not to exceed fair market value as determined by independent appraisal; appraisal confidential pursuant to *Texas Education Code* Section 51.951.

Source of Funds: Permanent University Fund bond proceeds in an amount not to exceed fair market value as established by independent appraisal and this action satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations*.

HEALTH AFFAIRS COMMITTEE

29. Request for Budget Change - U.T. Austin: Tenure Appointments -- amendment to the FY 2026 budget

The following Requests for Budget Change (RBC) have been administratively approved by Dr. John M. Zerwas, in his roles as Chancellor and the Executive Vice Chancellor for Health Affairs, and are recommended for approval by the U.T. System Board of Regents:

College, Department, and Name	From	To	RBC #
Dell Medical School			
Neurosurgery Jon Willie	New Hire	Associate Professor (T)	15592
Population Health Nilay Shah	New Hire	Professor (T)	15591

30. Contract (funds coming in) - U.T. San Antonio: To ensure qualified health care professionals are available to assist in the diagnosis and treatment of patients at certain University Health facilities

Agency: Bexar County Hospital District, dba University Health, a political subdivision of the state of Texas

Funds: \$164,966,273

Period: November 1, 2025 through October 31, 2026

Description: The Master Health Care Services Agreement continues a long-standing clinical coverage arrangement between U.T. San Antonio and University Health, U.T. San Antonio's primary clinical affiliate for inpatient care training. U.T. San Antonio provides medical and clinical services related to numerous specialties at University Health facilities as a part of U.T. San Antonio's educational and clinical programs.

31. Contract (funds coming in) - U.T. San Antonio: To provide University Health, through U.T. San Antonio personnel, with administrative, technical, supervisory and clinical services to assist University Health in rendering quality patient care

Agency: Bexar County Hospital District, dba University Health, a political subdivision of the state of Texas

Funds: \$9,490,549

Period: October 1, 2025 through September 30, 2026

Description: The Annual Operating Agreement for General Services continues a long-standing collaboration between U.T. San Antonio and University Health, U.T. San Antonio's primary clinical affiliate for inpatient care training. U.T. San Antonio provides administrative services related to the U.T. San Antonio's residency program, as well as care coordination, nursing, and research services.

32. Contract (funds coming in) - U.T. San Antonio: To provide University Health, through U.T. San Antonio physicians, with administrative medical director services to assist University Health in rendering quality patient care

Agency: Bexar County Hospital District, dba University Health, a political subdivision of the state of Texas

Funds: \$11,189,960

Period: October 1, 2025 through September 30, 2026

Description: The Annual Operating Agreement for Medical Director Services continues a long-standing collaboration between U.T. San Antonio and University Health, U.T. San Antonio's primary clinical affiliate for inpatient care training. U.T. San Antonio provides physician medical director administrative services to assist University Health in achieving the goals of enhancing the quality and efficiency of clinical care, containing costs, improving medical outcomes, and improving patient satisfaction.

33. Contract (funds coming in) - U.T. San Antonio: To provide professional ICU specialty medical services on behalf of Community Medicine Associates, dba University Medicine Associates

Agency: Community Medicine Associates, dba University Medicine Associates (UMA), the Texas nonprofit health care organization whose sole member is the Bexar County Hospital District, a political subdivision of the state of Texas

Funds: \$5,001,987

Period: October 1, 2025 through September 30, 2026

Description: The Specialty Critical Care Provider Agreement continues a long-standing collaboration between U.T. San Antonio and UMA, in support of the Bexar County Hospital District, dba University Health System (UHS), U.T. San Antonio’s primary clinical affiliate for inpatient care training. U.T. San Antonio provides the professional services of physicians with specialized critical care training and expertise to treat patients needing such services at UHS facilities.

34. Request for Budget Change - U.T. San Antonio: Tenure Appointment -- amendment to the FY 2026 budget

The following Request for Budget Change (RBC) has been administratively approved by Dr. John M. Zerwas, in his roles as Chancellor and the Executive Vice Chancellor for Health Affairs, and is recommended for approval by the U.T. System Board of Regents:

<u>College, Department, and Name</u>	<u>From</u>	<u>To</u>	<u>RBC #</u>
Long School of Medicine			
Radiation Oncology			
Richard Tuli	New Hire	Professor (T)	15581

35. Contract (funds going out) - U.T. Southwestern Medical Center: Agreement with North Texas FWC Organizing Committee for Host City Supporter Sponsorship in connection with FIFA World Cup 2026

Agency: North Texas FWC Organizing Committee

Funds: \$8,000,000

Period: December 22, 2025 through October 2, 2026

Description: U.T. Southwestern Medical Center seeks to enter into a new Host City Supporter Agreement with the North Texas FWC Organizing Committee in connection with FIFA World Cup 2026. The Agreement provides U.T. Southwestern Medical Center with category-exclusive sponsorship rights within the designated territory, including branding, hospitality, and activation opportunities across host city events, fan festivals, and marketing platforms. Benefits include logo placement, digital and out-of-home advertising, VIP access to matches and events, and participation in legacy initiatives. The Agreement supports U.T. Southwestern Medical Center's strategic visibility and community engagement during the tournament period.

36. Contract (funds going out) - U.T. Southwestern Medical Center: Strata Decision Technology, LLC, to provide integrated cost accounting, contract (reimbursement) analytics, productivity reporting, budgeting and variance tracking, and purpose build dashboards, reports, and ad-hoc reporting tools

Agency: Strata Decision Technology, LLC

Funds: \$5,692,032

Period: Five-year term beginning December 15, 2025

Description: Strata Decision Technology, LLC, a cloud-based Enterprise Performance Management platform will provide integrated cost accounting, contract (reimbursement) analytics, productivity reporting, budgeting, and variance tracking as well as purpose build dashboards, reports and ad-hoc reporting tools. Implementation, project management, advisory, and staff augmentation services are included and provided in-house by vendor. This contract was awarded using an Exclusive Acquisition Justification.

37. Contract (funds going out) - U.T. Southwestern Medical Center: Agreement and Amendment to Agreement with Delcath Systems, Inc., to provide consignment program for cancer treatment of liver-directed uveal melanoma for unresectable hepatic metastases "Hepzato Kit"

Agency: Delcath Systems, Inc.

Funds: \$7,875,000

Period: January 13, 2026 through January 13, 2031

Description: Delcath Systems, Inc., will provide its "Hepzato Kit" via a consignment program for cancer treatment of liver-directed uveal melanoma for unresectable hepatic metastases. This program allows hospitals to maintain on-site inventory of this specialized product without upfront purchasing costs.

The initial Agreement had a two-year term commencing on January 7, 2026, with automatic one-year renewals until terminated. The First Amendment limits the automatic renewals to three, with the total cumulative term not to exceed five years. This Agreement was awarded using an Exclusive Acquisition Justification.

38. Contract (funds going out) - U.T. Southwestern Medical Center: Master Agreement and Amendment to Master Agreement for Graduate Medical Education with Dallas County Hospital District, dba Parkland Health

Agency: Dallas County Hospital District, dba Parkland Health

Funds: \$160,000,000

Period: September 1, 2025 through June 30, 2035

Description: Under the Master Agreement for Graduate Medical Education and the First Amendment, Parkland participates in the training of graduate medical education physicians from U.T. Southwestern Medical Center by providing clinical education experiences using Parkland facilities and personnel. U.T. Southwestern Medical Center will reimburse Parkland for resident stipends, benefits, taxes, and an administrative fee.

39. Contract (funds going out) - U.T. Southwestern Medical Center: Amendment to Agreement for Abbott Laboratories to provide neuromodulation implants

Agency: Abbott Laboratories

Funds: \$7,755,500

Period: December 9, 2025 through June 30, 2028

Description: This is an Amendment to a Purchase Agreement for neuromodulation implants and products, specifically for deep brain stimulation. The initial Agreement was sourced using an Exclusive Acquisition Justification, became effective September 13, 2024, and did not require Board approval as the contract value was within the institution's delegated authority threshold. This First Amendment was awarded under a Request for Proposal through a competitive bid and increases the contract value to \$7,755,500.

40. Contract (funds going out) - U.T. Southwestern Medical Center: Amendment to Agreement with Netsync Network Solutions, Inc., to provide service for Cisco equipment, products, and associated maintenance

Agency: Netsync Network Solutions, Inc.

Funds: \$50,000.000

Period: November 4, 2025 through May 22, 2026

Description: Amendment to Agreement for Netsync Network Solutions to provide service for Cisco equipment, products, and associated maintenance. The original master services agreement was competitively bid and was approved by the Board of Regents on February 24, 2022, with a contract value of up to \$30,000,000. This First Amendment adds \$20,000,000 to the Agreement, increasing the total value of the Agreement to \$50,000,000.

41. Interagency Agreement (funds coming in) - U.T. Southwestern Medical Center: Interagency Cooperation Agreement with Texas Health and Human Services to provide services to operate a new inpatient mental health facility

Agency: Texas Health and Human Services Commission

Funds: \$130,166,560

Period: Effective as of the date of last signature through August 31, 2027, with automatic renewals for up to four successive two-year terms

Description: Interagency cooperation contract for the operation of a new inpatient mental health facility owned by Texas Health and Human Services Commission and operated by U.T. Southwestern Medical Center. U.T. Southwestern Medical Center will provide adult psychiatric services as well as psychiatric services to pediatric and adolescent patients in a dedicated pediatric wing. The facility will provide an opportunity for workforce development, training, and educational programs to address mental health workforce shortages in Texas.

42. Contract (funds coming in) - U.T. Medical Branch - Galveston: To provide medical services related to the Health and Human Services Commission Family Planning Program

Agency: Health and Human Services Commission

Funds: \$25,979,695

Period: September 1, 2025 through August 31, 2030

Description: The Family Planning Grant Agreement with Health and Human Services Commission (HHSC) provides services for the State of Texas under the Family Planning Grant Program. Through the Family Planning Grant Program and under the Agreement with HHSC, U.T. Medical Branch - Galveston provides a wide variety of clinical, testing, and family planning methods to low-income Texas women at both the Galveston teaching facility, as well as its network of outpatient clinics to help prevent unintended pregnancies, positively impact future pregnancy outcomes, and enhance the health and well-being of women and their families.

43. Contract (funds going out) - U.T. Medical Branch - Galveston: Abeona Therapeutics, Inc., to provide autologous gene-modified cellular sheets

Agency: Abeona Therapeutics, Inc.

Funds: \$9,600,000

Period: January 1, 2026 through December 31, 2030

Description: Abeona Therapeutics, Inc., develops and manufactures cutting-edge cell and gene therapies for rare and serious diseases and has the capability to provide the first and only autologous gene-modified cellular sheets approved by the Food and Drug Administration for recessive dystrophic epidermolysis bullosa (RDEB) wounds. The product uses patients' own gene-modified skin cells to treat RDEB and is applied during a surgical procedure performed under general and other appropriate anesthesia followed by five to 10 days of post-surgical recovery.

The Agreement was procured via an Exclusive Acquisition Justification.

44. Contract (funds going out) - U.T. Medical Branch - Galveston: Equipment Operating Lease Agreement for Rad Technology Medical System, LLC, to provide Linear Accelerator system housing

Agency: Rad Technology Medical System, LLC

Funds: \$8,000,000

Period: October 16, 2025 through October 15, 2028

Description: Rad Technology Medical System, LLC, will provide the modular radiation vault that will house a Linear Accelerator system at U.T. Medical Branch - Galveston's League City Campus radiology department. These services are essential for providing the necessary radiology services at the League City Campus.

The Agreement was procured pursuant to best value determination.

45. Contract (funds going out) - U.T. Medical Branch - Galveston: Texas EM-I Medical Services, PA, to provide emergency department coverage

Agency: Texas EM-I Medical Services, PA

Funds: \$5,900,000 per year

Period: October 1, 2025 through September 30, 2028

Description: Texas EM-I Medical Services, PA (Texas EM-I) will provide emergency department coverage to all four U.T. Medical Branch - Galveston campus emergency departments.

The parties previously entered into an Agreement for similar services effective October 1, 2022. This prior Agreement was approved by the Board of Regents on November 16, 2022. The prior Agreement will remain in full force and effect until the Effective Date of the new Agreement.

This Agreement was not competitively bid as, under the *Texas Government Code*, Section 2254.003, a government entity may not select a provider of professional services on the basis of competitive bids, but instead must make the selection based on the demonstrated competence and qualifications to perform the services and for a fair and reasonable price. The Agreement is supported by a sole source justification.

46. Contract (funds going out) - U.T. Medical Branch - Galveston: Amendment to Agreement with Blue Zones, LLC, to transform Galveston into a Blue Zones community

Agency: Blue Zones, LLC

Funds: \$9,500,000

Period: March 15, 2026 through December 14, 2030

Description: Blue Zones, LLC (Blue Zones) will work with U.T. Medical Branch - Galveston (UTMB) on a project to transform Galveston into a Blue Zones community. This work supports the President's five-year Global Impact Strategic Vision focusing on Healthy Living to Healthy Aging.

Blue Zones will use their proven model that has demonstrated significant, measurable improvements in public health, economic vitality, and overall quality of life. This initiative is designed to play a vital role in improving the well-being of the Galveston community. With a healthy outreach initiative like Blue Zones led by UTMB for the Galveston community, the community will be provided a clinical focus on creating outreach programs around chronic disease, improved walkability for the community, healthier food choices in the schools, and healthy initiatives among the local business community. All these components together should improve life expectancy, decrease reliance on processed foods, improve sedentary behavior, and hopefully instill a greater purpose through community initiatives.

On March 28, 2025, UTMB entered into a Master Services Agreement (MSA) with Blue Zones in which Blue Zones performed an Ignite assessment of the Galveston area. The First Amendment extended the term through March 14, 2026, and increased the total value from \$200,000 to \$500,000. The MSA and First Amendment did not require Board approval as the contract value was within the institution's delegated authority threshold.

This Second Amendment will extend the term through December 14, 2030, and increase the total value to \$9,500,000.

The original Agreement was procured via an Exclusive Acquisition Justification.

47. Request for Budget Change - U.T. Medical Branch - Galveston: Tenure Appointment -- amendment to the FY 2026 budget

The following Request for Budget Change (RBC) has been administratively approved by Dr. John M. Zerwas, in his roles as Chancellor and the Executive Vice Chancellor for Health Affairs, and is recommended for approval by the U.T. System Board of Regents:

College, Department, and Name	From	To	RBC #
School of Medicine			
Biochemistry and Molecular Biology			
Erez Lieberman Aiden	New Hire	Professor (T)	15528

48. Purchase - U.T. Medical Branch - Galveston: Authorization to purchase approximately 0.60 acres of land and improvements, including an approximately 4,856 square foot vacant medical office building and parking lot located at 12 Professional Park Drive, Webster, Harris County, Texas, from Richa Investments LLC, a Texas limited liability company, for future medical related use

Description: Authorization to purchase approximately 0.60 acres of land and improvements, including an approximately 4,856 square foot vacant medical office building and parking lot located at 12 Professional Park Drive, Webster, Harris County, Texas, for future medical related use.

Seller: Richa Investments LLC, a Texas limited liability company, or successors or assigns

Purchase Price: Not to exceed fair market value as determined by independent appraisal; appraisal confidential pursuant to *Texas Education Code* Section 51.951.

49. Request for Budget Change - U.T. Health Science Center - Houston: Tenure Appointment -- amendment to the FY 2026 budget

The following Request for Budget Change (RBC) has been administratively approved by Dr. John M. Zerwas, in his roles as Chancellor and the Executive Vice Chancellor for Health Affairs, and is recommended for approval by the U.T. System Board of Regents:

College, Department, and Name	From	To	RBC #
McGovern Medical School			
Ophthalmology and Visual Science			
Jiyang Cai	New Hire	Professor (T)	15601

50. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: F.H. Paschen, S.N. Nielsen & Associates LLC to provide job order contracting services

Agency: F.H. Paschen, S.N. Nielsen & Associates LLC

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, F.H. Paschen, S.N. Nielsen & Associates LLC will act as a general contractor to provide general and specific construction services for projects on a per-project basis. F.H. Paschen, S.N. Nielsen & Associates LLC will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

51. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: J.T. Vaughn Construction, LLC, to provide job order contracting services

Agency: J.T. Vaughn Construction, LLC

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, J.T. Vaughn Construction, LLC, will act as a general contractor to provide general and specific construction services for projects on a per-project basis. J.T. Vaughn Construction, LLC, will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

52. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: Linbeck Group LLC to provide job order contracting services

Agency: Linbeck Group LLC

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, Linbeck Group LLC will act as a general contractor to provide general and specific construction services for projects on a per-project basis. Linbeck Group LLC will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

53. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: Noble Texas Builders, LLC, to provide job order contracting services

Agency: Noble Texas Builders, LLC

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, Noble Texas Builders, LLC, will act as a general contractor to provide general and specific construction services for projects on a per-project basis. Noble Texas Builders, LLC, will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

54. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: SDB, Inc., to provide job order contracting services

Agency: SDB, Inc.

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, SDB, Inc., will act as a general contractor to provide general and specific construction services for projects on a per-project basis. SDB, Inc., will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

55. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: W.S. Bellows Construction Corporation to provide job order contracting services

Agency: W.S. Bellows Construction Corporation

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, W.S. Bellows Construction Corporation will act as a general contractor to provide general and specific construction services for projects on a per-project basis. W.S. Bellows Construction Corporation will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

56. Contract (funds going out) - U.T.M.D. Anderson Cancer Center: York Construction, Inc., to provide job order contracting services

Agency: York Construction, Inc.

Funds: It is anticipated that total costs under the Agreement will exceed \$5,000,000, although the maximum amount is indeterminable at this time. The total contract value, including the renewal periods, is estimated to be \$70,000,000.

Period: January 1, 2026 through December 31, 2027; with two additional 24-month renewal options

Description: Under this job order contracting agreement, York Construction, Inc., will act as a general contractor to provide general and specific construction services for projects on a per-project basis. York Construction, Inc., will provide all material, labor, equipment, and services necessary for completion of the projects. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required. This Master Agreement was competitively bid.

57. Request for Budget Change - U.T.M.D. Anderson Cancer Center: Tenure Appointment -- amendment to the FY 2026 budget

The following Request for Budget Change (RBC) has been administratively approved by Dr. John M. Zerwas, in his roles as Chancellor and the Executive Vice Chancellor for Health Affairs, and is recommended for approval by the U.T. System Board of Regents:

College, Department, and Name	From	To	RBC
Department of Abdominal Imaging			
Professor Ivan Pedrosa	New Hire	Professor (T)	15594

58. Other Matters - U.T.M.D. Anderson Cancer Center: Appropriate action related to the appointment of certain U.T. System and U.T.M.D. Anderson Cancer Center employees to (i) the board of directors of the Joint Pediatric Oncology Program - A Collaboration between U.T.M.D. Anderson Cancer Center and Texas Children's Hospital (the Corporation), and (ii) to executive level roles within the Corporation

Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, concurs in the recommendation of the Executive Vice Chancellor for Business Affairs and the institutional president that the U.T. System Board of Regents:

- a) approve and ratify the appointments of Dr. Peter Pisters, Rosanna Morris, Chris McKee, Omer Sultan, Allyson Kinzel, and the Chancellor or his delegate to the board of directors of the Joint Pediatric Oncology Program - A Collaboration between U.T.M.D. Anderson Cancer Center and Texas Children's Hospital (the "Corporation"); and
- b) approve and ratify the appointments of Dr. Peter Pisters, Omer Sultan, and Allyson Kinzel by the Corporation to executive officer roles within the Corporation.

BACKGROUND INFORMATION

On February 19, 2025, the U.T. System Board of Regents authorized U.T.M.D. Anderson Cancer Center to (i) establish with Texas Children's Hospital a formal collaboration in pediatric oncology, including the creation of a joint pediatric oncology program, in accordance with the terms and parameters outlined in Executive Session; (ii) allocate and authorize expenditure by U.T.M.D. Anderson Cancer Center of institutional funds for its portion of the capital contribution to the joint pediatric oncology program in accordance with the terms and parameters outlined in Executive Session; and (iii) delegate authority to the President of U.T.M.D. Anderson Cancer Center (or his delegates) to execute all documents, instruments, and other agreements and to take all further actions deemed necessary to carry out the purpose and intent of the foregoing actions, following review and approval by the Chancellor, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor of Business Affairs, the Vice Chancellor for External Relations, Communications and Advancement Services, and the Vice Chancellor and General Counsel.

Since the establishment of the Corporation, as approved by the U.T. System Board of Regents on February 19, 2025, the Corporation has appointed (i) Dr. Peter Pisters, Rosanna Morris, Chris McKee, Omer Sultan, and Allyson Kinzel to serve as directors of the Corporation, and (ii) Dr. Peter Pisters, Omer Sultan, and Allyson Kinzel to serve as officers of the Corporation. The members of the Corporation now desire to expand the composition of the board of directors of the Corporation to include the Chancellor or his delegate and one member selected by Texas Children's Hospital.

U.T.M.D. Anderson Cancer Center requests that the U.T. System Board of Regents ratify the appointments of the foregoing individuals, their roles and directors and/or officers in the Corporation, and to approve the new appointment of the Chancellor or his delegate to the board of the Corporation.

FACILITIES PLANNING AND CONSTRUCTION COMMITTEE

59. Contract (funds going out) - U.T. System: Agreement with Project Control of Texas, Inc., to provide project management services for the design, construction, and inspection of capital projects

Agency: Project Control of Texas, Inc.

Funds: To be paid by U.T. System or the U.T. institutions requesting services under this Agreement. The value may exceed \$42,000,000 over the potential six-year term.

Period: October 25, 2025 through October 24, 2027; with option to renew for two additional two-year terms

Description: U.T. System entered into a Master Agreement with Project Control of Texas, Inc., to perform a wide range of services as required to assist Office of Capital Projects (OCP) and the OCP-responsible institutions with the management and delivery of permanent improvement projects on the U.T. System Capital Improvement Program. The general scope of work includes selective or comprehensive project management services for the design, construction, and inspection of capital projects at the OCP-responsible institutions. Services were competitively procured.

OCP Responsible Institutions:

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 at Tyler

60. Contract (funds going out) - U.T. System: Lee Construction and Maintenance Co., dba LMC Corporation, to demolish all structures and decommission and backfill pits at a property in Pyote, Texas, and request approval to amend the FY 2026 Budget in the amount of \$8,140,517 for managing Permanent University Fund land and investments paid by the Permanent University Fund

Agency: Lee Construction and Maintenance Co., dba LMC Corporation

Funds: The Agreement has a total value of \$8,140,517 for the initial term and renewal option.

Period: December 1, 2025 through November 30, 2026; with option to renew for one one-year period

Description: LMC Corporation will demolish all wastewater management structures and will deconstruct and remove associated infrastructure and decommission and backfill pits at a property in Pyote, Texas. This Agreement was created through Texas Buy Board, an accredited Group Purchasing Organization.

During the demolition process, asbestos abatement will occur. There will be four phases of demolition: heavy, facilities, housing, and the designated Texas Commission on Environmental Quality (TCEQ) Area. Masonry and concrete that are viable for crushing will be crushed. Byproducts of the demolition that can be recycled will be sorted, and all other materials will be disposed of properly. The duration for completion of these services is estimated to occur from January 19, 2026, to August 24, 2026. University Lands is managing the project and coordinating as needed with TCEQ. U.T. System, University Lands, and the region benefit from the demolition of the facilities and restoration of the location to reduce and/or eliminate the safety issues in the current condition.

Budget Amendment: The Board is also asked to approve \$8,140,517 as an amendment to the FY 2026 budget for managing Permanent University Fund (PUF) land and investments paid by the PUF to fund this contract.

61. Other Fiscal Matters - U.T. Rio Grande Valley: Approval of funding for Brownsville Science Engineering Technology Relocations for minor project; and resolution regarding parity debt

The Chancellor concurs in the recommendation of the Executive Vice Chancellor of Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the Board of Regents approve this item authorizing funding of \$23,850,000 from Revenue Financing System (RFS) Bond Proceeds for U.T. Rio Grande Valley to repair and renovate approximately 40,000 gross square feet of existing, and new buildings, to provide classrooms formerly provided by Texas Southmost College.

The debt is expected to be repaid from designated tuition. Annual debt service is estimated at \$1,300,000. The institution's Scorecard Rating of 4.9 at the Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- parity debt shall be issued to fund all or a portion of the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System;
- U.T. Rio Grande Valley, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of parity debt in an aggregate amount of \$23,850,000; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

62. Other Fiscal Matters - U.T. San Antonio: Approval of funding of Health Campus Clinical Renovations as minor project; and resolution regarding parity debt

Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, concurs in the recommendation of the Executive Vice Chancellor for Business Affairs and the institutional president that the U.T. System Board of Regents approve this item authorizing funding of \$24,000,000 from Revenue Financing System (RFS) bond proceeds for U.T. San Antonio to replace imaging equipment in the Mays Cancer Center and minor renovations in the clinic area. The debt is expected to be repaid with clinical revenues. Annual debt service is estimated at \$1,300,000. The institution's Scorecard Rating of 2.4 at the Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- parity debt shall be issued to fund all or a portion of the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System;
- U.T. San Antonio, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of parity debt in an aggregate amount of \$24,000,000; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

63. Other Fiscal Matters - U.T. San Antonio: Approval of funding of Health Campus Lab Renovations as minor project; and resolution regarding parity debt

Dr. John M. Zerwas, in his roles as Chancellor and Executive Vice Chancellor for Health Affairs, concurs in the recommendation of the Executive Vice Chancellor for Business Affairs and the institutional president that the U.T. System Board of Regents approve this item authorizing funding of \$22,000,000 from Revenue Financing System (RFS) bond proceeds for U.T. San Antonio to renovate, expand, and modernize 50,000 square feet of academic research space across the campus. The debt is expected to be repaid from investment income. Annual debt service is estimated at \$1,200,000. The institution's Scorecard Rating of 2.4 at the Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- parity debt shall be issued to fund all or a portion of the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System;
- U.T. San Antonio, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of parity debt in an aggregate amount of \$22,000,000; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

64. Other Fiscal Matters - U.T. San Antonio: Approval of funding of San Pedro II, Level 6 and 7 for minor project; and resolution regarding parity debt

The Chancellor concurs in the recommendation of the Executive Vice Chancellor of Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the U.T. System Board of Regents approve this item authorizing funding of \$24,950,000 from Revenue Financing System (RFS) bond proceeds for U.T. San Antonio to build-out 47,748 of gross square feet of research space to house the College of AI, Cyber and Computing. The debt is expected to be repaid with local designated funds. Annual debt service is estimated at \$1,400,000. The institution's Scorecard Rating of 2.4 at the Fiscal Year-end 2025 is below the maximum threshold of 6.0 and demonstrates that the institution has the financial capacity to satisfy its direct obligations related to parity debt. The institution therefore requests that the Board resolve in accordance with Section 5 of the Amended and Restated Master Resolution Establishing The University of Texas System Revenue Financing System that:

- parity debt shall be issued to fund all or a portion of the project's cost, including any costs prior to the issuance of such parity debt;
- sufficient funds will be available to meet the financial obligations of the U.T. System, including sufficient Pledged Revenues as defined in the RFS Master Resolution to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the U.T. System Board of Regents relating to the Financing System;
- U.T. San Antonio, which is a "Member" as such term is used in the RFS Master Resolution, possesses the financial capacity to satisfy its direct obligation as defined in the Master Resolution relating to the issuance by the U.T. System Board of Regents of parity debt in an aggregate amount of \$24,950,000; and
- this resolution satisfies the official intent requirements set forth in Section 1.150-2 of the *Code of Federal Regulations* that evidences the Board's intention to reimburse project expenditures with bond proceeds.

ADDITIONAL CONSENT AGENDA ITEM
FACILITIES PLANNING AND CONSTRUCTION COMMITTEE
FEBRUARY 18-19, 2026

65. Other Fiscal Matters - U.T. El Paso: Student Success Building; allocation of Permanent University Fund (PUF) Bond Proceeds

The Chancellor concurs in the recommendation of the Executive Vice Chancellor of Academic Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the institutional president that the Board of Regents approve this item allocating \$65,000,000 from Permanent University Fund (PUF) Bond Proceeds for construction of the Student Success Building at U.T. El Paso. On August 22, 2024, the Board approved an update to the Campus Master Plan for U.T. El Paso. President Wilson presented a proposed Campus Master Plan to support U.T. El Paso's programs based on analysis of projected space needs and building condition. The updated plan integrates U.T. El Paso's 2030 Strategic Plan and included planning for a Student Success Building and the replacement and renovation of the Union Complex.

During the 89th Legislative Session, U.T. El Paso requested statutory authorization for an increase to the student union fee as approved by a majority vote of students participating in a general election held in September 2024 and with such fees to be used for the financing, constructing, operating, maintaining, and improving a student union building, including demolition of the existing student union building. The legislation was passed and became effective on September 1, 2025. On August 21, 2025, the Board of Regents authorized U.T. El Paso to implement a phased increase of the student union fee. Funding from the student union fee will be used to demolish and rebuild Union West, make necessary renovations to Union East, and maintain the facilities. Students have asked for a more modern, accessible, student-centered facility that provides space for student engagement, activities, and events. Several departments currently located in the Union are not eligible to be funded by a student union fee and need to be relocated to the new Student Success Building, with construction funding from PUF Bond Proceeds. The proposed Student Success Building will serve as the hub for the University Career Center, Business and Community Engagement Services, Counseling and Psychological Services, the Center for Accommodations and Support Services, and the Military Student Success and Resource Center.