

Legislative Appropriations Request

For Fiscal Year 2026 and 2027

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

by

University of Houston System Administration

Date of 2nd Submission

October 18, 2024

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CERTIFICATE

Agency Name 783 University of Houston System Administration

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Office of the Governor, Budget and Policy Division, is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Office of the Governor will be notified in writing in accordance with House Bill 1, Article IX, Section 7.01, Eighty-eighth Legislature, Regular Session, 2023.

Chief Executive Office or Presiding Judge

Renu Khator

Signature

Dr. Renu Khator

Printed Name

Chancellor - University of Houston System

Title

10/18/2024

Date

Board or Commission Chair

Tilman J. Fertitta

Signature

Tilman J. Fertitta

Printed Name

Chairman, UH Board of Regents

Title

10/17/2024

Date

Chief Financial Officer

Raymond Bartlett

Signature

Raymond Bartlett

Printed Name

Sr. Vice Chancellor, Admin & Finance

Title

10/17/24

Date

Schedules Not Included

Agency Code: 783	Agency Name: University of Houston System Administration	Date: October 18,2024
<p>For the schedules identified below, the University of Houston System Administration either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the U.H. System Administration Legislative Appropriations Request for the 2026-27 biennium</p>		
Number	Name	
2C.1	Operating Costs Detail – Base Request	
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Administrator's Statement

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Overview and Goals

As the largest provider of comprehensive higher education services – including baccalaureate, master's, and doctoral programs – in Greater Houston and southeast Texas, the University of Houston System plays a crucial role in fueling the economic growth of this diverse and vibrant region. Houston, known as the "Energy Capital of the World," is home to over 26 Fortune 500 companies and the world's largest medical complex. According to the U.S. Bureau of Economic Analysis, the Houston metropolitan region generated more than \$633 billion in GDP in 2022, ranking it as the 7th largest economy metropolitan area in the U.S. The student population of the UH System reflects this diversity, with no single ethnic group comprising a majority.

Currently, the UH System serves and graduates a record number of students, many of whom come from low-income families historically underrepresented in higher education. Approximately 44% of our undergraduates received Pell Grants in the 2022-23 Academic year according to the NCES-IPEDS Financial Aid Survey, underscoring our commitment to ensuring that access and excellence go hand in hand with opportunity. This dedication to quality education empowers students to achieve their academic and professional aspirations, positively influencing the economy and communities throughout Texas.

The University of Houston System comprises four distinct universities that collectively serve approximately 73,000 students across a large geographical area, each offering unique educational opportunities and resources:

- University of Houston (UH): As the flagship institution and a Tier One national research university, UH offers a comprehensive range of baccalaureate, master's, and doctoral programs, driving academic excellence and research innovation.
- UH-Clear Lake: Situated in Southeast Houston, this university provides undergraduate, master's, and doctoral programs with strong connections to NASA's Johnson Space Center and local community colleges, enhancing educational pathways in science and technology.
- UH-Downtown: As the second-largest university in Houston and predominantly an undergraduate institution, UH-Downtown is expanding its offerings with a growing number of master's programs to better serve its diverse student population.
- UH-Victoria: Focused on undergraduate and master's level education, UH-Victoria is transitioning into a residential, destination university in the Coastal Bend region of Texas, catering to the needs of its community.

The UH System Administration is responsible for coordinating the operations of all four universities, as well as providing centralized services (e.g. general counsel, board of regents, auditing). Given the diverse offerings and ongoing expansion within the UH System, coordinated planning is essential to effectively serve our constituents and ensure the successful integration of programs and resources across all institutions.

Central to all activities within the University of Houston System are the goals of enhancing student access and success, fostering national competitiveness, and promoting community advancement.

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1. Student Access and Success

The UH System is dedicated to providing access to higher education for the people of the Greater Houston Region and the entire state of Texas. Each university within the system prioritizes student success and is committed to being publicly accountable for achieving this objective. To ensure that students find the best fit for their educational needs and academic goals, the UH System will:

- Facilitate the identification of the appropriate UH university for each student;
- Develop pathways for seamless transfers between campuses and streamline admissions to graduate programs; and
- Ensure the seamless transfer of students from the region's seven community college systems into the UH System universities as a result of Houston GPS.

This commitment aims to prevent students from feeling lost within the system and to foster their academic journeys toward successful degree completion.

2. National Competitiveness

The UH System strives to position the City of Houston and the Greater Houston Region as home to one of the best and most diverse metropolitan systems of higher education in the nation. Each university will benchmark itself against national standards of excellence, taking into account its unique mission and the specific needs of its student population. This dedication to excellence will ensure that our institutions remain competitive on a national scale, attractive top talent and resources.

3. Community Advancement

The UH System is poised to act as a driving force for social and economic advancement in the metropolitan region and the state. Each university will actively engage with its community, holding itself accountable for its contributions toward community growth and improvement. This involves:

- Fostering partnerships with local organizations, businesses, and public entities.
- Implementing programs and initiatives that address community needs.

Through these efforts, the UH System will enhance the overall quality of life for residents and stimulate economic development, preparing students to become engaged citizens and leaders in their fields.

A Period of Transformation

Under the leadership of Chancellor Renu Khator, the University of Houston System has undergone significant transformation, achieving remarkable milestones that have strengthened its impact on students and the community.

- Enrollment Growth: The UH System has seen an increase of over 16,000 students since 2008. Figure 1 shows how total system enrollment has grown from 2008 to 2023. This growth reflects our commitment to accessibility and responsiveness to the educational needs of the Greater Houston Region.

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- **Increased Degree Awards:** Annual degrees awarded have surged by almost 56%, reaching a record high of 18,248 degrees in 2023. Notably, approximately one in four degrees awarded is in a critical field, addressing workforce needs. Figure 2 shows how total degrees awarded have increased from 2008 to 2023. The number of degrees awarded to underserved students has also seen significant growth during this period, indicating enhanced access and support for these populations. Figure 3 shows how degrees awarded to underserved students have increased from 2008 to 2023.
- **Research Investment:** Research expenditures throughout the UH System have dramatically increased from \$75 million to over \$237 million, reflecting our commitment to innovation and research excellence that benefits both the UH System and the broader community.
- **Tier One Status and Recognitions:** The University of Houston achieved Tier One status, welcomed a Phi Beta Kappa chapter, and added National Academy members to our faculty. These accomplishments reflect our commitment to academic excellence and national competitiveness. Additionally, in 2023, UH joined the Big 12 Athletic Conference, further solidifying our presence in collegiate athletics.
- **Expanding Access at UH-Clear Lake and UH-Victoria:** Both UH-Clear Lake and UH-Victoria began enrolling freshmen and sophomores, which significantly enhances access to higher education for a larger number of students, expanding opportunities within their communities.
- **Growth at UH-Downtown:** UH-Downtown has increased the number of degrees granted by 72%, improved retention rates from 56% to 67%, and grown research expenditures from \$175,000 to \$2.0 million. These enhancements demonstrate our focus on student success and research initiatives.

Increasing Opportunity for a Diverse City and State

The Houston metropolitan area is a national exemplar of diversity, with projections indicating that the regional population could reach eight million residents by 2030, over 40% of whom will be Hispanic. The University of Houston System already reflects these demographic changes. As of Fall 2023, the total student demographics across all UH institutions were as follows: 40% Hispanic, 19% White, 17% Asian, 12% African-American, and 8% International students.

As we look ahead to the next decade, a majority of Houston's youth will be Hispanic, presenting both an opportunity and a challenge for the UH System and other educational institutions. Historically, Hispanics have been underrepresented in higher education, and the UH System is poised to address this challenge. All four UH System universities have earned the designation of Hispanic Serving Institutions (HSIs), making the UH System the first university system in the nation to receive this distinction. This status enables HSIs are eligible to compete for federal grants aimed at increasing the participation and success of Hispanic students in higher education.

Houston GPS Improving Degree Completion and Reducing Excess Semester Credit Hours

In Texas, many students complete their degrees with an excess of semester credit hours (SCH), with the Texas Higher Education Coordinating Board reporting an average of 13 excess SCH for those obtaining two- and four-year degrees. This surplus in SCH not only leads to increased educational costs for students but also represents a financial burden for the state. The University of Houston System is committed to addressing several critical issues that affect student success and degree completion:

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- Students are not graduating.
- Students are taking too much time to graduate.
- Students are accumulating too many credits.
- Students are spending too much money to complete their degrees.

Several factors contribute to these challenges, including:

- **Poor Choices:** Students may struggle with academic planning and course selection, leading to decisions that do not align with their degree requirements or career goals.
- **Unavailable Courses:** Limited course offerings, particularly in high-demand areas, can impede students' ability to enroll in classes needed for timely degree completion.
- **Excess Credits:** Many students accumulate credits beyond what is necessary for their degrees due to a lack of streamlined pathways or proper advising.
- **Lost Transfers:** Students transferring between institutions may experience credit loss or misalignment with their new program, prolonging their time to graduation.
- **Unnecessary Credits:** Some programs may require electives or courses not directly related to a student's chosen field, leading to additional credits that do not contribute to their degree progression.

In response to the critical issues affecting student completion and success, the University of Houston System, in collaboration with Texas Southern University, Prairie View A&M, Texas Woman's University, and the seven Houston area community college systems, initiated the Houston Guided Pathways to Success (Houston GPS) program. This multi-year effort created an integrated system of strategies designed to improve college completion rates, particularly for underrepresented and low-income students, as well as those transferring from two-year and four-year institutions. Houston GPS focuses on several core strategies, including:

- **Structured Pathways:** Establishing clear and coherent degree pathways that guide students through their educational journey, minimizing confusion and helping them stay on track to graduation.
- **Academic Maps:** Developing detailed academic maps that outline required courses and key milestones for each program, enabling students to visualize their path to degree completion and make informed choices about course enrollment.
- **Informed Choice:** Providing resources and support to help students make informed decisions regarding their careers and majors. This includes career exploration tools, workshops, and access to industry professionals to ensure alignment between academic choices and career opportunities.
- **Proactive Advising:** Implementing proactive strategies to engage students early and often. Advisors will take a hands-on approach to monitor student progress, identify potential obstacles, and provide support tailored to individual needs.

Over time, the UH System anticipates that Houston GPS will yield significant positive outcomes, including:

- **Higher Graduation Rates:** Increased support and structured pathways are expected to enhance overall graduation

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rates among students.

- **More On-Time Graduates:** By minimizing excess credits and aligning course offerings, students will be able to graduate within their intended timeframes.
- **Closing Achievement Gaps:** Focused efforts on supporting underrepresented and low-income students will help close the achievement gaps, fostering a more equitable educational environment.
- **Fewer Lost Semester Credit Hours (SCH):** By guiding students more effectively through their academic requirements, Houston GPS aims to reduce the accumulation of unnecessary credits, ultimately saving students time and money.

Since its implementation in 2014, the seven initial partner institutions (UH, UH-Clear Lake, UH-Downtown, Houston Community College, Lone Star College, San Jacinto College, and Wharton County Junior College) have shown consistent progress in key metrics including a reduction in the number of credit hours both FTIC and transfer students take to graduate. FTICs are taking 5.9 hours less to graduate and transfers 3.6 hours less, a 4% and 2% improvement respectively. Transfer students graduating within four years has increased to 36.9% and 71.9% for those graduating within six years, a 9.4% and 22.7% improvement respectively.

Meeting Students Where They Live and Work

The Greater Houston region covers more than 9,000 square miles, with rapidly expanding suburban areas stretching from Montgomery County in the north to Katy and Sugar Land in the west, and Pearland in the south. Given this vast geographic area, many students face challenges in pursuing college education due to distance, traffic congestion, and various responsibilities related to work and family life. To address these barriers, the University of Houston System continues to actively pursue opportunities to expand its in-person academic programs throughout the region so that achieving an undergraduate degree, graduate degree, or Ph.D. is available to students across the Houston region.

Background Checks

The University of Houston System adheres to statutory authority regarding background checks for employees as outlined in Texas Government Code Chapter 411 Subchapter (f) and Texas Education Code Section 51.215. It is the UH System's policy to conduct background checks on all candidates being considered for employment. These checks are an essential part of our hiring practices, ensuring a safe and secure environment for all students, faculty, and staff. By maintaining rigorous standards in our recruitment processes, we aim to foster a trustworthy community that promotes the educational mission of the University of Houston System.

UH System Legislative Priorities

As we look to the future, it is essential to address the evolving needs of our constituents and the ambitious goals we have established to serve them effectively. To meet these objectives, the University of Houston System respectfully requests that the 89th Legislature consider the following legislative priorities:

1. Formula Funding

Formula funding is the foundation of Texas's public universities, providing the stable and reliable financial base necessary for institutions to meet student needs and plan for growth. The University of Houston System remains committed to offering high-quality, affordable education and robust student support to help achieve the goals in

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the state's higher education strategic plan, Building a Talent Strong Texas.

For the upcoming biennium, the University of Houston System encourages the Legislature to adopt the formula recommendations from the Texas Higher Education Coordinating Board. These recommendations include funding for enrollment growth and inflation across all formulas, which would significantly alleviate the financial pressures on our universities, reducing the need to increase tuition and fees for students.

Additionally, the UH System seeks to collaborate with the Legislature to explore the development of a new performance-based funding model for the General Academic Institutions. This model would provide incentives for universities to achieve desired outcomes, focused on excellence rather than merely increasing enrollment numbers. The current Instruction and Operations formula prioritizes rapid enrollment growth over quality metrics. In order to continue to be competitive nationally, the UH System advocates for additional funding to reward institutions based on excellence, utilizing clear metrics that align with state goals while recognizing the distinct missions of the General Academic Institutions. The UH System is prepared to partner with the Legislature in developing this supplemental performance-based formula.

2. Equitable Funding of Health-Related Programs

Health-related programs are essential for training healthcare professionals across both General Academic and Health Related Institutions. However, there is a significant disparity in the funding levels that support these programs, depending on their institutional setting, despite the fact that students earn the same degrees and are subject to the similarly mandated educational experiences. This inequity poses a challenge, especially given the critical need for healthcare professionals to address the current workforce shortages in Texas and to meet the future demands.

The University of Houston System respectfully requests that the Legislature take action to implement the recommendations from the Texas Higher Education Coordinating Board regarding the initiation of a healthcare workforce program supplement. This supplement would help equalize funding health-related programs offered at General Academic Institutions, ensuring that all students receive the necessary resources and support for their educational endeavors.

3. Higher Education Fund (HEF)

The Higher Education Fund (HEF) is a vital constitutional fund established by the Legislature to provide capital support funding to institutions of higher education that are not eligible for funding from the Permanent University Fund. This fund is essential for equipping universities with the necessary resources to enhance infrastructure, maintain facilities, and support campus development, ultimately benefiting students and faculty.

As part of this legislative session, the Legislature is statutorily tasked with reviewing the recommendations from the Texas Higher Education Coordinating Board regarding the allocation methodology and funding levels for the HEF over the next ten-year period. The University of Houston System respectfully requests that the Legislature prioritize funding for the HEF appropriation and adopt the recommended allocation methodology.

4. Funding for Comprehensive Regional Universities

The University of Houston System recognizes the critical role that the state's 27 Comprehensive Regional Universities (CRUs) play in higher education and workforce development. The 87th Legislature underscored this importance by enacting SB 1295, which allocated funding to support these institutions. CRUs are essential in addressing the decline in direct enrollment from high school to college and in closing the graduation rate gaps compared to emerging research and research institutions.

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By increasing enrollment and graduation rates at regional universities, the number of skilled employees entering the workforce can be significantly enhanced, which strengthens regional economies.

For the upcoming biennium, we respectfully request that the Legislature adhere to the recommendations from the Texas Higher Education Coordinating Board to increase base funding for CRUs.

5. Financial Aid/TEXAS Grants

State funding for financial aid is crucial for expanding access to higher education and facilitating student graduation, particularly within the University of Houston System. Many students in our universities do not have financial support from their families; instead, they often work multiple jobs to finance their education while relying heavily on financial aid.

Without increased investment in state-supported financial aid programs, a significant number of these students may face insurmountable barriers to attending and completing their degrees in the coming years. Therefore, the University of Houston System respectfully urges the Legislature to increase funding for the TEXAS Grants program through the Texas Higher Education Coordinating Board. By enhancing financial aid support, we can ensure that more students have the opportunity to pursue their academic goals and successfully graduate, which is essential for building a skilled and educated workforce in Texas.

6. Capital Construction Assistance Projects (CCAPs)

The University of Houston System greatly appreciates the capital construction projects authorized by the 87th Legislature in SB 52 during the Third Called Session. These projects have provided essential support for our universities to expand their course offerings and accommodate increasing enrollment demands.

However, it is important to note that not all requested projects were included in that legislation and therefore did not receive funding. While the Covid-19 pandemic demonstrated that higher education was capable of delivering quality online education, it also revealed that most students value in-person educational experiences with their classmates and professors. To continue meeting the educational needs of our growing student population, the UH System respectfully requests that the 89th Legislature enact legislation to authorize additional support for new Capital Construction Assistance Projects (CCAPs). This includes funding for projects that were either omitted or received inadequate financial support in the last CCAP-related legislation.

7. Hazlewood Exemptions

The University of Houston System remains fully committed to supporting veterans and their families by expanding access to higher education opportunities that enable them to earn college degrees. We are particularly grateful to the Legislature for the additional funding provided last session to address the rising costs associated with the Hazlewood Legacy Program, which had grown to unsustainable levels.

To ensure that we continue to serve our veteran community effectively, we respectfully request that the Legislature either maintain the current level of funding for this important tuition exemption or consider increasing funding to cover 100% of the Legacy Program costs at institutions.

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UH System Exceptional Item Requests

1. Katy Academic Expansion

The University of Houston at Katy, an instructional site of the University of Houston, is actively planning to expand its program offerings to better align with the needs of employers in the Katy area. This initiative aims to enhance the educational landscape and workforce readiness within the community.

To support this expansion, the University of Houston System respectfully requests \$20 million in funding. This investment will help add and strengthen existing STEM-related programs at the University of Houston at Katy, ensuring that students receive the relevant education and training needed to meet the demands of the local job market. Additionally, UHV's exit from Katy, expected during the biennium, requires that the University of Houston backfill existing academic programs in business and education currently offered by UH – Victoria, allows existing students to complete their studies without disruption and fulfills the commitment created by establishing an academic presence in Katy.

Achieving these goals are crucial for the University of Houston at Katy as it aims to become a thriving instructional site with nearly 3,000 students within the next five to seven years. This expansion will not only benefit students but also contribute to the economic growth of the Katy area by providing a well-trained workforce.

2. Katy Academic Building #2 Construction

The University of Houston System respectfully requests authorization of a Capital Construction Assistance Project (CCAP) to construct a new 150,000 square foot academic building on the University of Houston – Katy campus. This project is part of a major UHS effort to expand academic programs to address the workforce needs in the region. Currently, the University of Houston – Katy Campus offers students in West Houston and Katy the opportunity to complete over 20 undergraduate degrees and over 12 graduate degrees in high-demand and emerging fields of study including business, engineering, and nursing. The Katy Campus partners closely with Houston Community College-Northwest to provide freshman and sophomore coursework, developing college transcripts prior to transferring to an undergraduate degree program. The project will include enhanced connectivity through planned infrastructure improvements.

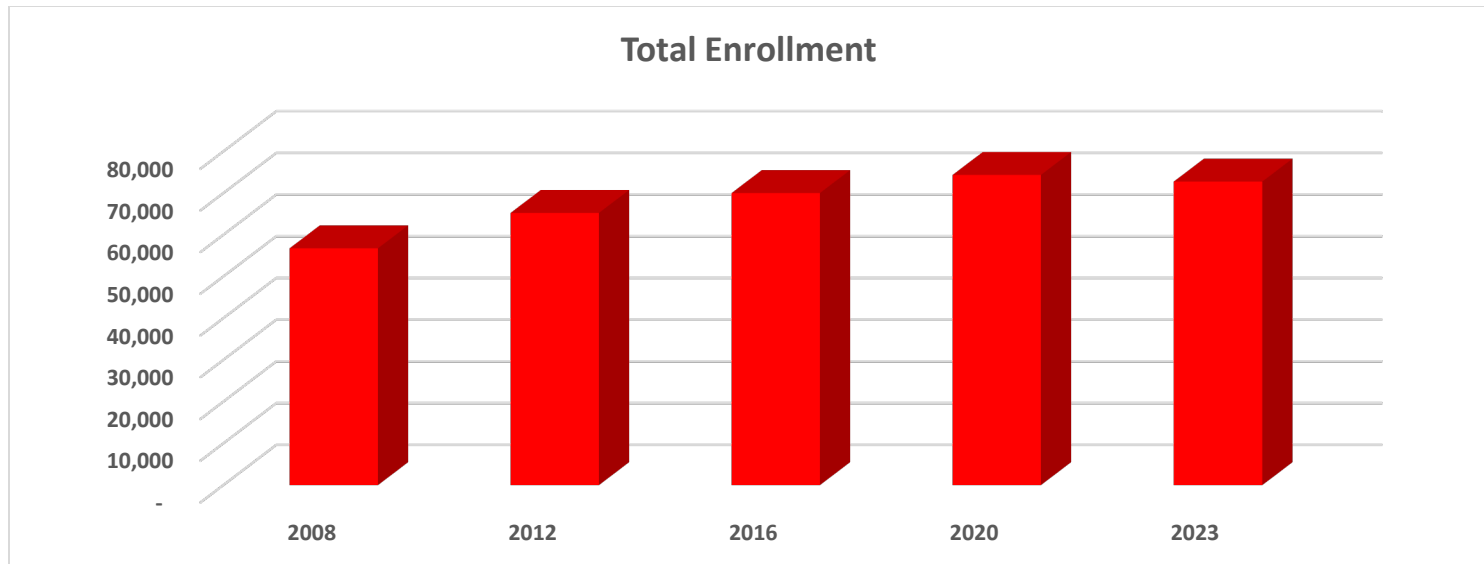
3. Expansion of Teacher Preparation Program

The University of Houston System is grateful to the Legislature for funding a Teacher Preparation Program last session that is a partnership between the UH System and Houston Independent School District (HISD). This initiative was developed to recruit, instruct, and support those students seeking a teaching career and place them in teaching positions within HISD. Funding for the program is used to provide students with tuition assistance and academic support. Students who enter this fellowship are prioritized to be offered teaching positions in HISD.

The University of Houston System institutions are committed to further addressing the critical teacher shortage in Houston-area schools. To demonstrate this commitment, we respectfully request a revision to Rider 4 that would reflect the University of Houston System institutions expanding the Teacher Preparation Program to partner with other Houston-area school districts.

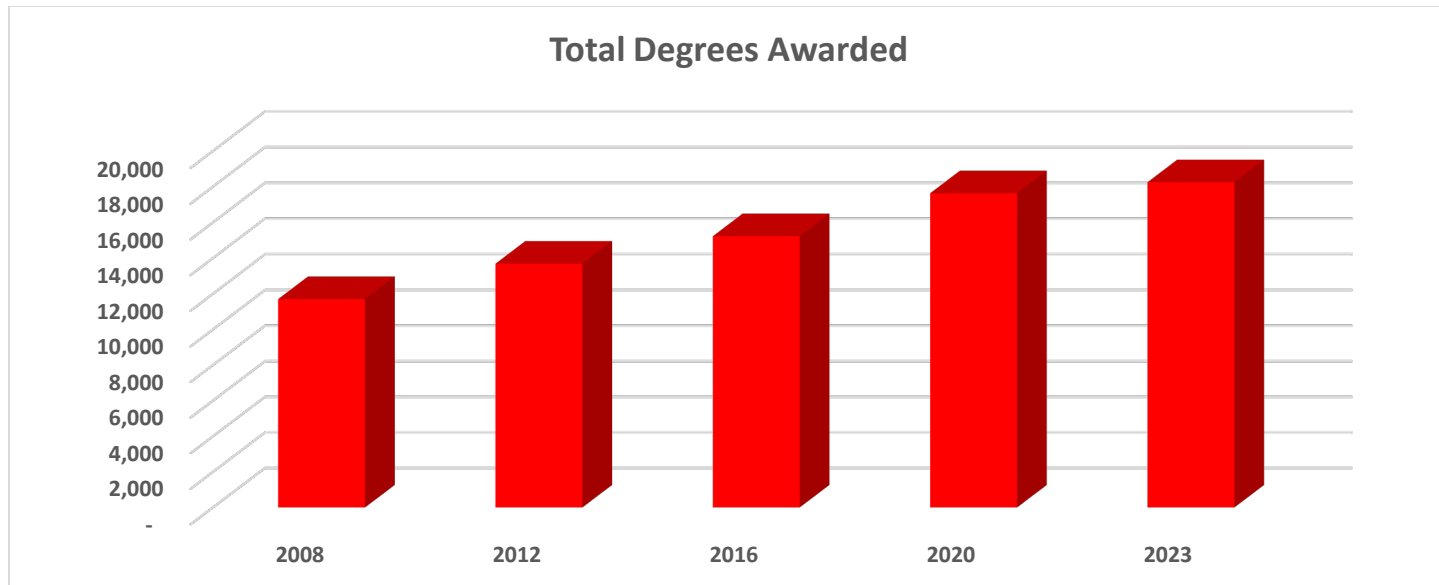
Total Enrollment

FIGURE 1



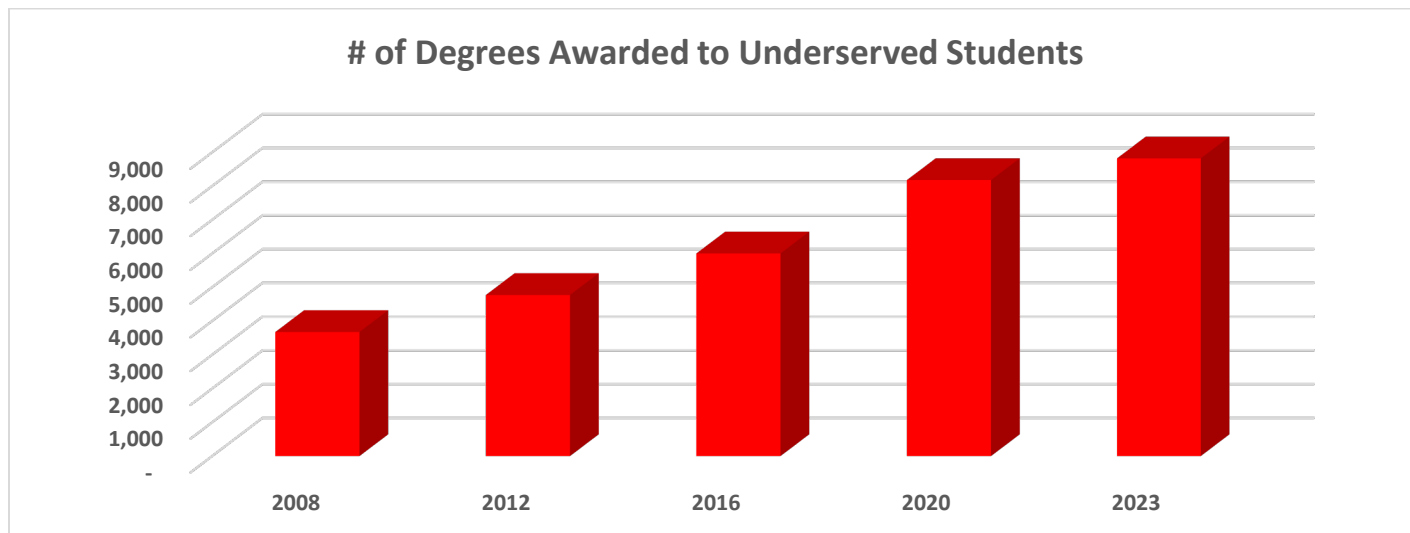
Total Degrees Awarded

FIGURE 2

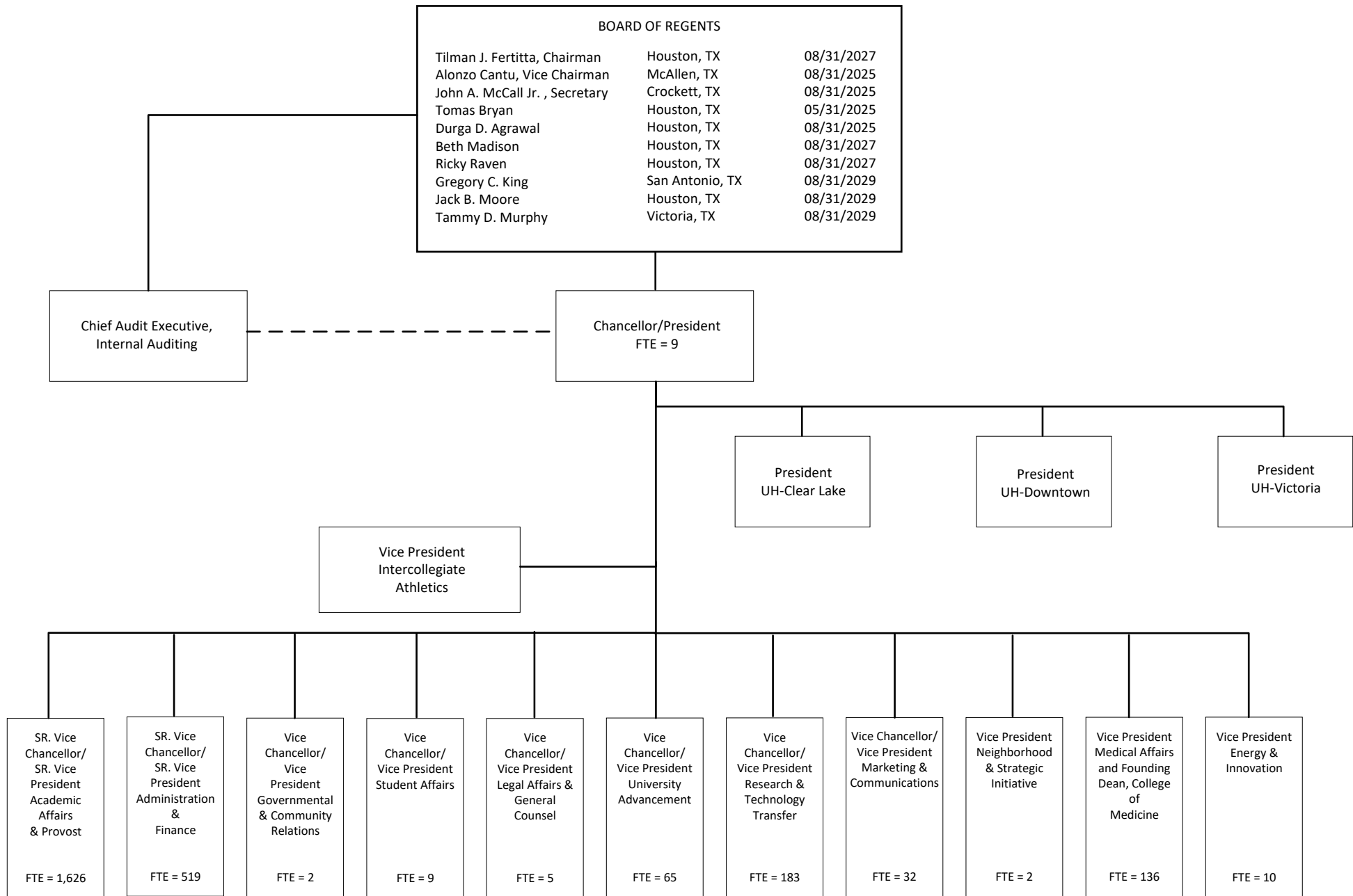


of Degrees Awarded to Underserved Students

FIGURE 3



University of Houston System/University of Houston



FTE budgeted in FY2025 from Appropriated Funds; UH= 2,585 FTE, UHSA= 13 FTE, TOTAL= 2,598 FTE

Budget Overview - Biennial Amounts
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Appropriation Years: 2026-27

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS	
	2024-25	2026-27	2024-25	2026-27	2024-25	2026-27	2024-25	2026-27	2024-25	2026-27	2026-27	
Goal: 1. Provide Instructional and Operations Support												
1.1.11. System Office Operations	2,915,143	2,915,042					12,862	22,476	2,928,005	2,937,518		
Total, Goal	2,915,143	2,915,042					12,862	22,476	2,928,005	2,937,518		
Goal: 2. Provide Infrastructure Support												
2.1.1. Uh Ccap Revenue Bonds	43,931,541	43,928,204							43,931,541	43,928,204		
2.1.2. Uh Clear Lake Ccap Revenue Bonds	18,530,155	18,526,864							18,530,155	18,526,864		
2.1.3. Uh Downtown Ccap Revenue Bonds	19,103,075	19,107,000							19,103,075	19,107,000		
2.1.4. Uh Victoria Ccap Revenue Bonds	15,499,025	15,496,100							15,499,025	15,496,100		
2.1.5. Uh System Ccap Revenue Bonds	17,695,875	17,700,350							17,695,875	17,700,350	28,770,904	
Total, Goal	114,759,671	114,758,518							114,759,671	114,758,518	28,770,904	
Goal: 3. Provide Non-formula Support												
3.1.1. Teacher Preparation Program	1,246,886	2,000,000							1,246,886	2,000,000		
3.5.1. Exceptional Item Request											20,000,000	
Total, Goal	1,246,886	2,000,000							1,246,886	2,000,000	20,000,000	
Total, Agency	118,921,700	119,673,560					12,862	22,476	118,934,562	119,696,036	48,770,904	
Total FTEs									12.9	12.9	30.0	

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
11 SYSTEM OFFICE OPERATIONS	1,457,520	1,457,622	1,470,383	1,468,759	1,468,759
TOTAL, GOAL 1	\$1,457,520	\$1,457,622	\$1,470,383	\$1,468,759	\$1,468,759
2 Provide Infrastructure Support					
1 Provide Operation and Maintenance of E&G Space					
1 UH CCAP REVENUE BONDS	11,931,279	21,967,439	21,964,102	21,964,102	21,964,102
2 UH CLEAR LAKE CCAP REVENUE BONDS	6,150,998	9,266,723	9,263,432	9,263,432	9,263,432
3 UH DOWNTOWN CCAP REVENUE BONDS	6,441,750	9,549,575	9,553,500	9,553,500	9,553,500
4 UH VICTORIA CCAP REVENUE BONDS	4,645,850	7,750,975	7,748,050	7,748,050	7,748,050
5 UH SYSTEM CCAP REVENUE BONDS	7,617,913	8,845,700	8,850,175	8,850,175	8,850,175
TOTAL, GOAL 2	\$36,787,790	\$57,380,412	\$57,379,259	\$57,379,259	\$57,379,259

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
3 Provide Non-formula Support					
1 INSTRUCTIONAL SUPPORT					
1 TEACHER PREPARATION PROGRAM	0	246,886	1,000,000	1,000,000	1,000,000
5 Exceptional Item Request					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 3	\$0	\$246,886	\$1,000,000	\$1,000,000	\$1,000,000
TOTAL, AGENCY STRATEGY REQUEST	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018

2.A. Summary of Base Request by Strategy

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

783 University of Houston System Administration

Goal / Objective / STRATEGY	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	38,245,310	59,084,920	59,836,780	59,836,780	59,836,780
SUBTOTAL	\$38,245,310	\$59,084,920	\$59,836,780	\$59,836,780	\$59,836,780
Other Funds:					
802 Lic Plate Trust Fund No. 0802, est	0	0	12,862	11,238	11,238
SUBTOTAL	\$0	\$0	\$12,862	\$11,238	\$11,238
TOTAL, METHOD OF FINANCING	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018

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

2.B. Summary of Base Request by Method of Finance
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/18/2024 9:37:31AM

Agency code: **783** Agency name: **University of Houston System Administration**

METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
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GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)

\$35,335,598	\$0	\$0	\$0	\$0
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Comments: From Appropriations Bill

Regular Appropriations from MOF Table (2024-25 GAA)

\$0	\$59,847,683	\$59,836,780	\$0	\$0
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Regular Appropriation

\$0	\$0	\$0	\$59,836,780	\$59,836,780
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TRANSFERS

SB 52, 87th Legislature, 3rd Called Session

\$2,909,712	\$0	\$0	\$0	\$0
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Comments: SB 52- CCAP: TMC3 Medical Research Facility (FY23)

LAPSED APPROPRIATIONS

Tuition Revenue Bond Debt Service (10783 0001 24)- UH (Net of all CCAP strategies)

\$0	\$(9,750)	\$0	\$0	\$0
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2.B. Summary of Base Request by Method of Finance
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/18/2024 9:37:31AM

Agency code: 783	Agency name: University of Houston System Administration					
METHOD OF FINANCING		Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>GENERAL REVENUE</u>						
	System Office Funding (10783 0001 24)	\$0	\$(753,013)	\$0	\$0	\$0
	Comments: Lapsed funding (for Teacher Preparation Program)					
TOTAL, General Revenue Fund		\$38,245,310	\$59,084,920	\$59,836,780	\$59,836,780	\$59,836,780
TOTAL, ALL GENERAL REVENUE		\$38,245,310	\$59,084,920	\$59,836,780	\$59,836,780	\$59,836,780

OTHER FUNDS

802 License Plate Trust Fund Account No. 0802, estimated

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)

\$11,238	\$0	\$0	\$0	\$0
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Comments: From Appropriations Bill

Regular Appropriations from MOF Table (2024-25 GAA)

\$0	\$11,238	\$11,238	\$0	\$0
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Comments: From Appropriations Bill

2.B. Summary of Base Request by Method of Finance

10/18/2024 9:37:31AM

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 783	Agency name: University of Houston System Administration				
METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>OTHER FUNDS</u>					
Regular Appropriations	\$0	\$0	\$0	\$11,238	\$11,238
Comments: Regular Appropriations					
<i>TRANSFERS</i>					
87th Leg., Art. III, P. 255, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	\$(3,671)	\$0	\$0	\$0	\$0
Comments: License Plate Trust Fund. AY23, FY23 transfer out to UH.					
87th Leg., Art. III, P. 255, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	\$(684)	\$0	\$0	\$0	\$0
Comments: License Plate Trust Fund. AY23, FY23 transfer out to UHCL.					
87th Leg., Art. III, P. 255, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	\$(320)	\$0	\$0	\$0	\$0
Comments: License Plate Trust Fund. AY23, FY23 transfer out to UHV.					
87th Leg., Art. III, P. 255, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4					

2.B. Summary of Base Request by Method of Finance
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/18/2024 9:37:31AM

Agency code: 783	Agency name: University of Houston System Administration				
METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>OTHER FUNDS</u>					
	\$(1,087)	\$0	\$0	\$0	\$0
Comments: License Plate Trust Fund. AY23, FY23 transfer out to UHD.					
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4					
	\$0	\$(6,223)	\$0	\$0	\$0
Comments: Estimated License Plate Trust Fund. AY24, FY24 transfers out to UH.					
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4					
	\$0	\$(1,095)	\$0	\$0	\$0
Comments: Estimated License Plate Trust Fund. AY24, FY24 transfers out to UHCL.					
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4					
	\$0	\$(504)	\$0	\$0	\$0
Comments: Estimated License Plate Trust Fund. AY24, FY24 transfers out to UHV.					
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4					
	\$0	\$(1,880)	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance

10/18/2024 9:37:31AM

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 783

Agency name: University of Houston System Administration

METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
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OTHER FUNDS

Comments: Estimated License Plate Trust Fund. AY24, FY24 transfers out to UHD.

UNEXPENDED BALANCES AUTHORITY

87th Leg., Art. III, P. 276-277, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 55

\$1,679	\$0	\$0	\$0	\$0
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Comments: License Plate Trust Fund. AY23, FY23 unexpended balance roll forward from AY22.

88th Leg., Art. III, P. 292-293, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 53

\$(3,979)	\$0	\$0	\$0	\$0
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Comments: License Plate Trust Fund. AY23, FY24 unexpended balance roll forward to AY24.

88th Leg., Art. III, P. 292-293, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 53

\$0	\$3,979	\$0	\$0	\$0
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Comments: License Plate Trust Fund. AY24, FY24 unexpended balance roll forward from AY23.

88th Leg., Art. III, P. 292-293, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 53

2.B. Summary of Base Request by Method of Finance

10/18/2024 9:37:31AM

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 783	Agency name: University of Houston System Administration				
METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>OTHER FUNDS</u>					
	\$0	\$(1,624)	\$0	\$0	\$0
Comments: License Plate Trust Fund. Estimated AY24, FY25 unexpended balance roll forward to AY25.					
88th Leg., Art. III, P. 292-293, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 53					
	\$0	\$0	\$1,624	\$0	\$0
Comments: License Plate Trust Fund. Estimated AY25, FY25 unexpended balance roll forward from AY24.					
<i>BASE ADJUSTMENT</i>					
Revised Receipts FY23					
	\$(3,176)	\$0	\$0	\$0	\$0
Comments: Revised Receipts FY23- (3,175.80). Difference between regular appropriations and revenues (receipts) deposits from license plate sales and also interest earned.					
Revised Receipts FY24					
	\$0	\$(3,891)	\$0	\$0	\$0
Comments: Revised Receipts FY24: (3,891) Difference between regular appropriations and revenues (receipts) deposits from license plate sales and also interest earned.					

2.B. Summary of Base Request by Method of Finance

10/18/2024 9:37:31AM

89th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 783	Agency name: University of Houston System Administration				
METHOD OF FINANCING	Exp 2023	Est 2024	Bud 2025	Req 2026	Req 2027
<u>OTHER FUNDS</u>					
TOTAL, License Plate Trust Fund Account No. 0802, estimated	\$0	\$0	\$12,862	\$11,238	\$11,238
TOTAL, ALL OTHER FUNDS	\$0	\$0	\$12,862	\$11,238	\$11,238
GRAND TOTAL	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018

FULL-TIME-EQUIVALENT POSITIONS

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2022-23 GAA)	11.7	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2024-25 GAA)	0.0	12.9	12.9	12.9	12.9
TOTAL, ADJUSTED FTES	11.7	12.9	12.9	12.9	12.9

NUMBER OF 100% FEDERALLY FUNDED FTEs

2.C. Summary of Base Request by Object of Expense

10/18/2024 9:37:32AM

89th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

783 University of Houston System Administration

OBJECT OF EXPENSE	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
1001 SALARIES AND WAGES	\$1,453,086	\$1,453,123	\$1,465,438	\$1,464,291	\$1,464,291
1002 OTHER PERSONNEL COSTS	\$3,296	\$3,323	\$3,321	\$3,321	\$3,321
1005 FACULTY SALARIES	\$0	\$0	\$0	\$0	\$0
2008 DEBT SERVICE	\$22,127,166	\$30,745,000	\$34,629,121	\$34,629,121	\$34,629,121
2009 OTHER OPERATING EXPENSE	\$14,661,762	\$26,687,202	\$23,751,762	\$23,751,285	\$23,751,285
3001 CLIENT SERVICES	\$0	\$196,272	\$0	\$0	\$0
OOE Total (Excluding Riders)	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018
OOE Total (Riders)					
Grand Total	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018

2.E. Summary of Exceptional Items Request
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
 TIME : 9:37:32AM

Agency code: 783

Agency name: University of Houston System Administration

Priority	Item	2026			2027			Biennium		
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	
1	Katy Academic Expansion	\$10,000,000	\$10,000,000	30.0	\$10,000,000	\$10,000,000	30.0	\$20,000,000	\$20,000,000	
2	Katy Academic Building #2	\$14,385,452	\$14,385,452		\$14,385,452	\$14,385,452		\$28,770,904	\$28,770,904	
Total, Exceptional Items Request		\$24,385,452	\$24,385,452	30.0	\$24,385,452	\$24,385,452	30.0	\$48,770,904	\$48,770,904	
Method of Financing										
	General Revenue	\$24,385,452	\$24,385,452		\$24,385,452	\$24,385,452		\$48,770,904	\$48,770,904	
	General Revenue - Dedicated									
	Federal Funds									
	Other Funds									
		\$24,385,452	\$24,385,452		\$24,385,452	\$24,385,452		\$48,770,904	\$48,770,904	
Full Time Equivalent Positions				30.0				30.0		
Number of 100% Federally Funded FTEs										

2.F. Summary of Total Request by Strategy
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2024
 TIME : 9:37:32AM

Agency code: 783 Agency name: University of Houston System Administration

Goal/Objective/STRATEGY	Base 2026	Base 2027	Exceptional 2026	Exceptional 2027	Total Request 2026	Total Request 2027
1 Provide Instructional and Operations Support						
<i>1 Provide Instructional and Operations Support</i>						
11 SYSTEM OFFICE OPERATIONS	\$1,468,759	\$1,468,759	\$0	\$0	\$1,468,759	\$1,468,759
TOTAL, GOAL 1	\$1,468,759	\$1,468,759	\$0	\$0	\$1,468,759	\$1,468,759
2 Provide Infrastructure Support						
<i>1 Provide Operation and Maintenance of E&G Space</i>						
1 UH CCAP REVENUE BONDS	21,964,102	21,964,102	0	0	21,964,102	21,964,102
2 UH CLEAR LAKE CCAP REVENUE BONDS	9,263,432	9,263,432	0	0	9,263,432	9,263,432
3 UH DOWNTOWN CCAP REVENUE BONDS	9,553,500	9,553,500	0	0	9,553,500	9,553,500
4 UH VICTORIA CCAP REVENUE BONDS	7,748,050	7,748,050	0	0	7,748,050	7,748,050
5 UH SYSTEM CCAP REVENUE BONDS	8,850,175	8,850,175	14,385,452	14,385,452	23,235,627	23,235,627
TOTAL, GOAL 2	\$57,379,259	\$57,379,259	\$14,385,452	\$14,385,452	\$71,764,711	\$71,764,711

2.F. Summary of Total Request by Strategy
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2024
 TIME : 9:37:32AM

Agency code: 783 Agency name: University of Houston System Administration

Goal/Objective/STRATEGY	Base 2026	Base 2027	Exceptional 2026	Exceptional 2027	Total Request 2026	Total Request 2027
3 Provide Non-formula Support						
1 <i>INSTRUCTIONAL SUPPORT</i>						
1 TEACHER PREPARATION PROGRAM	\$1,000,000	\$1,000,000	\$0	\$0	\$1,000,000	\$1,000,000
5 <i>Exceptional Item Request</i>						
1 EXCEPTIONAL ITEM REQUEST	0	0	10,000,000	10,000,000	10,000,000	10,000,000
TOTAL, GOAL 3	\$1,000,000	\$1,000,000	\$10,000,000	\$10,000,000	\$11,000,000	\$11,000,000
TOTAL, AGENCY STRATEGY REQUEST	\$59,848,018	\$59,848,018	\$24,385,452	\$24,385,452	\$84,233,470	\$84,233,470
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$59,848,018	\$59,848,018	\$24,385,452	\$24,385,452	\$84,233,470	\$84,233,470

2.F. Summary of Total Request by Strategy
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/18/2024
 TIME : 9:37:32AM

Agency code: 783		Agency name: University of Houston System Administration				
<i>Goal/Objective/STRATEGY</i>	Base 2026	Base 2027	Exceptional 2026	Exceptional 2027	Total Request 2026	Total Request 2027
General Revenue Funds:						
1 General Revenue Fund	\$59,836,780	\$59,836,780	\$24,385,452	\$24,385,452	\$84,222,232	\$84,222,232
	\$59,836,780	\$59,836,780	\$24,385,452	\$24,385,452	\$84,222,232	\$84,222,232
Other Funds:						
802 Lic Plate Trust Fund No. 0802, est	11,238	11,238	0	0	11,238	11,238
	\$11,238	\$11,238	\$0	\$0	\$11,238	\$11,238
TOTAL, METHOD OF FINANCING	\$59,848,018	\$59,848,018	\$24,385,452	\$24,385,452	\$84,233,470	\$84,233,470
FULL TIME EQUIVALENT POSITIONS	12.9	12.9	30.0	30.0	42.9	42.9

783 University of Houston System Administration

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 11 System Office Operations

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,453,086	\$1,453,123	\$1,465,438	\$1,464,291	\$1,464,291
1002	OTHER PERSONNEL COSTS	\$3,296	\$3,323	\$3,321	\$3,321	\$3,321
2009	OTHER OPERATING EXPENSE	\$1,138	\$1,176	\$1,624	\$1,147	\$1,147
TOTAL, OBJECT OF EXPENSE		\$1,457,520	\$1,457,622	\$1,470,383	\$1,468,759	\$1,468,759
Method of Financing:						
1	General Revenue Fund	\$1,457,520	\$1,457,622	\$1,457,521	\$1,457,521	\$1,457,521
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,457,520	\$1,457,622	\$1,457,521	\$1,457,521	\$1,457,521
Method of Financing:						
802	Lic Plate Trust Fund No. 0802, est	\$0	\$0	\$12,862	\$11,238	\$11,238
SUBTOTAL, MOF (OTHER FUNDS)		\$0	\$0	\$12,862	\$11,238	\$11,238
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,468,759	\$1,468,759
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,457,520	\$1,457,622	\$1,470,383	\$1,468,759	\$1,468,759
FULL TIME EQUIVALENT POSITIONS:		11.7	12.9	12.9	12.9	12.9

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Established by Acts 1977, 65th Legislature, as codified in Section 111.20 of the Texas Education Code, the University of Houston System Administration provides leadership, coordination, support and some centralized services for the four universities in the UH System. The UH System’s mission is to serve the full range of educational and research needs of Houston, the Gulf Coast Region and the State of Texas with programs of highest quality and efficiency.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The rapid demographic changes facing Houston and Texas present both social and economic challenges for the state and its public universities. The University of Houston System is the largest single source of professional and technical talent for the Gulf Coast Region, providing the intellectual as well as the research, technological and cultural base for the area. The UH System contributes greatly to the economic future of the state by preparing the workforce with academic programs serving all populations in the region and expanding the research and technology base.

The role of the UH System Administration has been reviewed by the Board of Regents to ensure the greatest responsiveness, effectiveness and efficiency of services to the community and the four universities. The Board has combined the top two positions in the System, the Chancellor and the President of the University of Houston, into a single Chief Executive to effect greater cooperation, coordination and efficiency. This management model will continue to bring the universities together for shared services where economically beneficial; for system-wide initiatives, such as partnerships with community groups, public and private schools, corporate and industrial organizations; and for coordinating support from private individuals and corporations as well as federal, state and local governments.

3.A. Strategy Request
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/18/2024 9:37:33AM

783 University of Houston System Administration

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Provide Instructional and Operations Support
 STRATEGY: 11 System Office Operations

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,928,005	\$2,937,518	\$9,513	\$9,513	Variance is due to License Plate Scholarship
			<u>\$9,513</u>	Total of Explanation of Biennial Change

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 1 University of Houston Capital Construction Assistance Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
2008	DEBT SERVICE	\$7,530,000	\$11,870,000	\$13,861,857	\$13,861,857	\$13,861,857
2009	OTHER OPERATING EXPENSE	\$4,401,279	\$10,097,439	\$8,102,245	\$8,102,245	\$8,102,245
TOTAL, OBJECT OF EXPENSE		\$11,931,279	\$21,967,439	\$21,964,102	\$21,964,102	\$21,964,102
Method of Financing:						
1	General Revenue Fund	\$11,931,279	\$21,967,439	\$21,964,102	\$21,964,102	\$21,964,102
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$11,931,279	\$21,967,439	\$21,964,102	\$21,964,102	\$21,964,102
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$21,964,102	\$21,964,102
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$11,931,279	\$21,967,439	\$21,964,102	\$21,964,102	\$21,964,102
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 1 University of Houston Capital Construction Assistance Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2024 + Bud 2025)	Baseline Request (BL 2026 + BL 2027)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$43,931,541	\$43,928,204	\$(3,337)	\$(3,337)	Change in CCAP Debt Service Allocation
			<u>\$(3,337)</u>	Total of Explanation of Biennial Change

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 2 University of Houston Clear Lake Capital Construction Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
2008	DEBT SERVICE	\$3,770,000	\$5,155,000	\$5,677,638	\$5,677,638	\$5,677,638
2009	OTHER OPERATING EXPENSE	\$2,380,998	\$4,111,723	\$3,585,794	\$3,585,794	\$3,585,794
TOTAL, OBJECT OF EXPENSE		\$6,150,998	\$9,266,723	\$9,263,432	\$9,263,432	\$9,263,432
Method of Financing:						
1	General Revenue Fund	\$6,150,998	\$9,266,723	\$9,263,432	\$9,263,432	\$9,263,432
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$6,150,998	\$9,266,723	\$9,263,432	\$9,263,432	\$9,263,432
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$9,263,432	\$9,263,432
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$6,150,998	\$9,266,723	\$9,263,432	\$9,263,432	\$9,263,432
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 2 University of Houston Clear Lake Capital Construction

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$18,530,155	\$18,526,864	\$(3,291)	\$(3,291)	Change in CCAP Debt Service Allocation
			\$(3,291)	Total of Explanation of Biennial Change

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 3 University of Houston Downtown Capital Construction

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
2008	DEBT SERVICE	\$3,965,000	\$5,390,000	\$5,880,332	\$5,880,332	\$5,880,332
2009	OTHER OPERATING EXPENSE	\$2,476,750	\$4,159,575	\$3,673,168	\$3,673,168	\$3,673,168
TOTAL, OBJECT OF EXPENSE		\$6,441,750	\$9,549,575	\$9,553,500	\$9,553,500	\$9,553,500
Method of Financing:						
1	General Revenue Fund	\$6,441,750	\$9,549,575	\$9,553,500	\$9,553,500	\$9,553,500
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$6,441,750	\$9,549,575	\$9,553,500	\$9,553,500	\$9,553,500
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$9,553,500	\$9,553,500
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$6,441,750	\$9,549,575	\$9,553,500	\$9,553,500	\$9,553,500
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 3 University of Houston Downtown Capital Construction

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$19,103,075	\$19,107,000	\$3,925	\$3,925	Change in CCAP Debt Service Allocation
			<u>\$3,925</u>	Total of Explanation of Biennial Change

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 4 University of Houston Victoria Capital Construction

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
2008	DEBT SERVICE	\$2,445,000	\$3,810,000	\$4,077,614	\$4,077,614	\$4,077,614
2009	OTHER OPERATING EXPENSE	\$2,200,850	\$3,940,975	\$3,670,436	\$3,670,436	\$3,670,436
TOTAL, OBJECT OF EXPENSE		\$4,645,850	\$7,750,975	\$7,748,050	\$7,748,050	\$7,748,050
Method of Financing:						
1	General Revenue Fund	\$4,645,850	\$7,750,975	\$7,748,050	\$7,748,050	\$7,748,050
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,645,850	\$7,750,975	\$7,748,050	\$7,748,050	\$7,748,050
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$7,748,050	\$7,748,050
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,645,850	\$7,750,975	\$7,748,050	\$7,748,050	\$7,748,050
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space
 STRATEGY: 4 University of Houston Victoria Capital Construction

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2024 + Bud 2025)	Baseline Request (BL 2026 + BL 2027)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$15,499,025	\$15,496,100	\$(2,925)	\$(2,925)	Change in CCAP Debt Service Allocation
			\$(2,925)	Total of Explanation of Biennial Change

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 5 University of Houston System Capital Construction Assistance Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
2008	DEBT SERVICE	\$4,417,166	\$4,520,000	\$5,131,680	\$5,131,680	\$5,131,680
2009	OTHER OPERATING EXPENSE	\$3,200,747	\$4,325,700	\$3,718,495	\$3,718,495	\$3,718,495
TOTAL, OBJECT OF EXPENSE		\$7,617,913	\$8,845,700	\$8,850,175	\$8,850,175	\$8,850,175
Method of Financing:						
1	General Revenue Fund	\$7,617,913	\$8,845,700	\$8,850,175	\$8,850,175	\$8,850,175
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$7,617,913	\$8,845,700	\$8,850,175	\$8,850,175	\$8,850,175
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$8,850,175	\$8,850,175
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,617,913	\$8,845,700	\$8,850,175	\$8,850,175	\$8,850,175
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support
 OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space Service Categories:
 STRATEGY: 5 University of Houston System Capital Construction Assistance Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2024 + Bud 2025)	Baseline Request (BL 2026 + BL 2027)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$17,695,875	\$17,700,350	\$4,475	\$4,475	Change in CCAP Debt Service Allocation
			<u>\$4,475</u>	Total of Explanation of Biennial Change

783 University of Houston System Administration

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 1 INSTRUCTIONAL SUPPORT
 STRATEGY: 1 Teacher Preparation Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$0	\$50,614	\$1,000,000	\$1,000,000	\$1,000,000
3001	CLIENT SERVICES	\$0	\$196,272	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$246,886	\$1,000,000	\$1,000,000	\$1,000,000
Method of Financing:						
1	General Revenue Fund	\$0	\$246,886	\$1,000,000	\$1,000,000	\$1,000,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$246,886	\$1,000,000	\$1,000,000	\$1,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,000,000	\$1,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$246,886	\$1,000,000	\$1,000,000	\$1,000,000
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

783 University of Houston System Administration

GOAL: 3 Provide Non-formula Support
 OBJECTIVE: 1 INSTRUCTIONAL SUPPORT
 STRATEGY: 1 Teacher Preparation Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2023	Est 2024	Bud 2025	BL 2026	BL 2027
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2024 + Bud 2025)</u>	<u>Baseline Request (BL 2026 + BL 2027)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,246,886	\$2,000,000	\$753,114	\$753,114	General Revenue not expended within the strategy was primarily expended in the System Office Operations.
			\$753,114	Total of Explanation of Biennial Change

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018
METHODS OF FINANCE (INCLUDING RIDERS):				\$59,848,018	\$59,848,018
METHODS OF FINANCE (EXCLUDING RIDERS):	\$38,245,310	\$59,084,920	\$59,849,642	\$59,848,018	\$59,848,018
FULL TIME EQUIVALENT POSITIONS:	11.7	12.9	12.9	12.9	12.9

3.B. Rider Revisions and Additions Request

Agency Code: 783	Agency Name: The University of Houston System Administration	Prepared By: Demetrio Hernandez	Date: October 2024	Request Level: Base
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Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
Rider 4	III-141	<p>4. Teacher Preparation Program. Out of funds appropriated to the University of Houston System in Strategy C.1.1, Teacher Preparation Program, \$1,000,000 in General Revenue in fiscal year 20262024 and \$1,000,000 in General Revenue in fiscal year 20272025 will be used to support the Teacher Preparation Program, <u>which is a partnership between the University of Houston System institutions and participating Houston-area school districts.</u></p> <p><i>UH System requests this additional language to reflect the program expansion to include additional participating school districts in the area.</i></p>
Support for Military and Veterans Exemptions, Rider 4 (NEW)	III-82 (NEW)	<p>4. Texas Veterans Commission Veterans Exemption Data. <u>By November 30 of each year of the biennium, the Texas Veterans Commission shall provide a report to eligible institutions and their system office on veteran, child, spouse and legacy participants in the Hazlewood exemption program. At a minimum, the report would include all institutions, broken down by institution and exemption type, and would contain numbers of students, total exemption hours, total value of exemptions. Any information provided would not be personally identifiable, so as to not violate the federal Family Educational Rights and Privacy Act.</u></p> <p><i>UH System requests the addition of this reporting rider to allow institutions of higher education to better understand the Hazlewood funding distributions and to effectively administer them.</i></p>
Special Provisions Relating Only to State Agencies of Higher Education, Rider 58	III-305	<p>Sec. 58. Higher Education Affordability. Due to the unprecedented revenue surplus for the State of Texas, it is the intent of the Legislature that certain institutions of higher education may receive additional state funding. Such funding is contingent upon the passage of Senate Bill 17 or other similar legislation relating to the powers and duties of the governing boards of public institutions of higher education and the passage of Senate Bill 18 or other similar legislation relating to tenure and employment status at public institutions of higher education in this state. Additionally, the below funding for general academic institutions (as that term is defined by Sec. 3. Definition of Terms, Special Provisions Relating Only to State Agencies of Higher Education) will be distributed to the institutions contingent on an institution's adoption of policies to maintain total resident undergraduate academic costs, including tuition, mandatory academic fees, all</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024-25 GAA	Proposed Rider Language
		<p>academic-related general fees, and college course fees at currently approved levels for the next two academic years and submission to the Legislative Budget Board a letter from the Board of Regents certifying that the above policies have been met by September 1, 2023.</p> <p>In addition to the amounts appropriated elsewhere in this Act, is an amount allocated among each institution to supplement the following strategies:</p> <p>(a) \$263,797,853 for the Instruction & Operations and Infrastructure formulas of general academic institutions and Texas State Technical Colleges, allocated across institutions according to the current methodologies of the respective formulas as utilized elsewhere in this Act;</p> <p>(b) \$18,663,225, proportionally divided, for the Texas Research University Fund, Core Research University Fund, and Comprehensive Research University Fund at general academic institutions, allocated across institutions according to the methodologies specified in Education Code, Chapter 62 for the respective funds;</p> <p>(c) \$71,507,517 for the Performance-based funding for at-risk students at comprehensive regional universities, allocated across eligible institutions according to the methodology set forth by Education Code, Section 62.183;</p> <p>(d) \$184,866,466 for the Support for Military Veterans Exemptions to reimburse the Hazlewood Legacy Program costs in accordance with 72.0 percent of the 2022 total cost of reimbursement, allocated across institutions according to the methodology as utilized elsewhere in this Act for the Support for Military Veterans Exemptions; and</p> <p>(e) \$159,666,416 for Higher Education Group Insurance to fund Higher Education Group Insurance coverage for employees in accordance with 88.6 percent of the full Employees Retirement System of Texas premium.</p> <p>Each General Academic Institution shall post on each student’s tuition statement the following notice: “As a result of actions taken by the Texas Legislature to address affordability in higher education, all tuition and fees have been frozen effective September 1, 2023, until August 31, 2025.”</p> <p><i>UH System requests the deletion of this rider as contingencies have been met.</i></p>

**3.B. Rider Revisions and Additions Request
(continued)**

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
Article IX, Section 6.08(g)	IX-30 to IX-31	<p>Sec. 6.08. Benefits Paid Proportional by Method of Finance.</p> <p><i>(Paragraphs (a) through (f) omitted due to space considerations)</i></p> <p>(g) Each agency or institution of higher education (excluding a community or junior college) having General Revenue Fund appropriations and other sources of financing shall file with the Comptroller and the State Auditor a report demonstrating proportionality. The report shall be filed before November 20 following the close of the fiscal year for the salaries, wages, and benefits of the preceding year which ended August 31. The report shall be in a format prescribed by the Comptroller in collaboration with the Legislative Budget Board and the State Auditor's Office. <u>The Comptroller shall have 180 days after the due date to review this report, after which the report is considered final and approved. This deadline shall not apply if an agency or institution of higher education has not satisfactorily resolved issues raised by the Comptroller.</u></p> <p><i>(Paragraphs (h) through (l) omitted due to space considerations)</i></p> <p><i>UH System requests that a deadline for review of the Benefits Proportionality reports (APS 11 Reports) be established. In recent times reviews are often in excess of 18 months, making it difficult to administer the provisions of the Higher Education Group Insurance (HEGI) reallocation rider (Rider 6.a) on a timely basis. Appropriations lapse two years after the end of a fiscal year and this leaves little time to ensure an appropriate reallocation has occurred.</i></p>
Article IX, Section 6.10	IX-31 to IX-34	<p>Sec. 6.10. Limitation on State Employment Levels.</p> <p>(a) (1) (A) A state agency that is subject to the requirements of Subsection (c) may not use monies appropriated by this Act to pay all or part of the salaries or benefits of a number of employees which would cause the number of full-time equivalent employees (FTEs) paid from monies appropriated by this Act by the state agency for a fiscal quarter to exceed the figure indicated by this Act for that state agency without reporting that use of monies to the <u>Governor's Office</u> and the Legislative Budget Board at a time not later than the last day of the first month following each quarter of the fiscal year, for which the FTEs exceed the figure indicated by this Act for that state agency.</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(B) A state agency that is subject to the requirements of Subsection (c) may not expend monies appropriated by this Act to pay all or part of the salaries or benefits of a number of employees which would cause the number of FTEs paid from monies appropriated by this Act by the state agency for a fiscal quarter to exceed the lesser of either:</p> <p style="padding-left: 40px;">(i) 110 percent of the FTE figure indicated by this Act for that state agency; or (ii) 100 percent of the figure indicated by this Act for that state agency plus 50 FTEs.</p> <p>(2) (A) A state agency or institution of higher education that is subject to the requirements of Subsection (d) may not use monies appropriated by this Act to pay all or part of the salaries or benefits of a number of employees which would cause the number of FTEs paid from monies appropriated by this Act by the state agency or institution of higher education for a fiscal year to exceed the figure indicated by this Act for the state agency or institution of higher education for a fiscal year without reporting that use of monies to the Governor’s Office and the Legislative Budget Board at a time not later than the last day of the first month following the last quarter of the fiscal year, for which the FTEs exceed the figure indicated by this Act for that state agency or institution.</p> <p>(B) <u>Unless a report is submitted in accordance with Subsection (a)(2)(A),</u> a state agency or institution of higher education that is subject to the requirements of Subsection (d) may not expend monies appropriated by this Act to pay all or part of the salaries or benefits of a number of employees which would cause the number of FTEs paid from monies appropriated by this Act by the state agency or institution of higher education for a fiscal year to exceed the lesser of either:</p> <p style="padding-left: 40px;">(i) 110 percent of the FTE figure indicated by this Act for that state agency or institution; or (ii) 100 percent of the figure indicated by this Act for that state agency or institution plus 50 FTEs.</p> <p>(b) A report by a state agency or institution of higher education of exceeding the FTE limitations established by Subsection (a)(1)(A) or (a)(2)(A), <u>inclusive of the additional FTEs appropriated by Subsection (a)(1)(B) or (a)(2)(B),</u> must be submitted by the governing board of the state agency or institution of higher education (if the agency has a governing board) or by the chief administrative officer (if the agency does not have a governing board or the governing board has not met) and must include at a minimum:</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(1) the date on which the board (if the agency has a governing board) or the chief administrative officer (if the agency does not have a governing board or the governing board has not met) approved the report;</p> <p>(2) a statement justifying the need to exceed or reduce the limitation;</p> <p>(3) the source of monies to be used to pay any additional salaries; and</p> <p>(4) an explanation as to why the functions of any proposed additional FTEs cannot be performed within current staffing levels.</p> <p>(c) For the purpose of Subsections (a) and (b), the number of FTEs employed by a state agency (not including the agencies and institutions listed under Subsection (d)) for a fiscal quarter:</p> <p>(1) shall be determined in accordance with the report filed pursuant to Government Code, Section 2052.103;</p> <p>(2) shall include only employees paid with monies appropriated through this Act;</p> <p>(3) shall not include overtime hours; and</p> <p>(4) shall include a position filled by temporary or contract workers for more than one-half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor may provide interpretations of this provision.</p> <p>(d) For the purpose of Subsections (a) and (b), the number of FTEs employed by the Texas Historical Commission, the State Preservation Board, the Texas Commission on Environmental Quality, the Parks and Wildlife Department, the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, or an institution of higher education or an affiliated entity, for a fiscal year:</p> <p>(1) shall be determined in accordance with the reports filed pursuant to Government Code, Section 2052.103;</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(2) shall be an average of the four reports filed for that fiscal year;</p> <p>(3) shall include only employees paid with monies appropriated through this Act;</p> <p>(4) shall not include overtime hours; and</p> <p>(5) shall include a position filled by temporary or contract workers for more than one-half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor may provide interpretations of this provision.</p> <p>(e) This section shall not apply to appropriations made by this Act to the:</p> <p style="padding-left: 40px;">(1) Office of the Governor's Office; or</p> <p style="padding-left: 40px;">(2) Comptroller.</p> <p>(f) The limitations on FTEs under this section do not apply to a state agency or institution in instances of employment, including employment of temporary or contract workers, directly associated with events declared disasters by the Governor. Each state agency or institution shall annually notify the State Auditor, Comptroller, Legislative Budget Board, and Governor's Office of FTEs exempted under this section.</p> <p>(g) (1) The limitations on FTEs under this section do not apply to a state agency or institution in an instance of employment for a project, including employment of a temporary or contract worker, if the FTEs associated with that project are not included in the number of FTEs allowed in the agency's bill pattern and the employees are associated with:</p> <p style="padding-left: 40px;">(A) implementation of a new, unanticipated project that is 100 percent federally funded; or</p> <p style="padding-left: 40px;">(B) the unanticipated expansion of an existing project that is 100 percent federally funded.</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(2) With regard to the exemption from the FTE limitations provided by this subsection, a state agency or institution is exempt from the FTE limitations only for the duration of the federal funding for the employment related to the project and all salaries, benefits, and other expenses incurred related to employment must be paid from federal funds.</p> <p>(3) This subsection does not exempt any employees associated with existing projects (with "existing projects" including those projects existing at the time of the preparation of this Act by a legislative conference committee and therefore included in the number of FTEs allowed in the agency's bill pattern) that are 100 percent federally funded and included in the number of FTEs allowed in the agency's bill pattern.</p> <p>(4) Each state agency or institution shall notify the State Auditor, Comptroller, Legislative Budget Board, and Governor's <u>Office</u> of FTEs exempted under this subsection.</p> <p>(h) If a program is transferred from a state agency or institution of higher education, then at any time during the biennium, the Legislative Budget Board and the Governor's <u>Office</u> may agree to reduce the number of FTEs paid from monies appropriated by this Act by the state agency or institution of higher education for one or more fiscal quarters to a figure below that indicated by this Act for that agency or institution.</p> <p>(i) The limitations on FTEs under this section do not apply to a state agency or institution of higher education in an instance of employment of:</p> <p style="padding-left: 40px;">(1) an intern; or</p> <p style="padding-left: 40px;">(2) a worker who is paid from appropriations of gifts and grants under Section 8.01.</p> <p>(j) The requirements of reporting under this section do not apply to a state agency or an institution of higher education with fewer than 50 FTEs allowed in the agency's or institution's bill pattern.</p> <p>(k) In this section, an "institution" or an "institution of higher education or affiliated entity" includes the affiliated service agencies of Texas A&M University System.</p> <p><i>UH System requests the revision of this requirement to provide regulatory relief and conform to its historic understanding of the rider.</i></p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
Article IX, Section 7.04	IX-38 to IX-39	<p>Sec. 7.04. Contract Notification: Amounts Greater than \$150,000.</p> <p>(a) In this section "contract" includes a grant, or agreement for the purchase or sale of a good or service, revenue generating contract, interagency or interlocal grant or agreement, purchase order, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such that was entered into or paid for, either in whole or in part by a state agency or institution of higher education.</p> <p>(b) In this section "contract" does not include:</p> <p style="padding-left: 40px;">(1) a contract with a value of less than or equal to \$150,000; or</p> <p style="padding-left: 40px;">(2) a contract paid for exclusively using federal grant monies for which all parties to the contract and the terms of the contract have been determined by the federal government.</p> <p>(c) In this section "contract" includes an amendment, modification, renewal or extension which increases a contract's value from a value less than or equal to \$150,000 to a value greater than \$150,000.</p> <p>(d) Before the 30th calendar day after awarding a contract or granting an amendment, modification, renewal, or extension, a state agency or institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts, amendments, modifications, renewals, and extensions to which the agency or institution was a party.</p> <p>(e) A state agency or institution of higher education receiving an appropriation under this Act shall report a contract pursuant to this section without regard to source of monies or method of finance associated with the expenditure, including a contract for which only non-appropriated funds will be expended.</p> <p>(f) The Legislative Budget Board may conduct reviews of contracts required to be submitted under this section and valued at \$1,000,000 or more.</p> <p>(g) The Director of the Legislative Budget Board may provide written notification to the Comptroller, the Governor's Office, and/or the Legislative Budget Board detailing the requirements of this section that the agency did not meet and any recommendations to address identified risks related to the procurement or contract if the procurement or contract reported under this section is found to violate:</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(1) State of Texas Procurement and Contract Management Guide; or</p> <p>(2) Any applicable statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements</p> <p>(h) The recommendations of the Director of the Legislative Budget Board may include:</p> <p>(1) enhanced monitoring by Legislative Budget Board staff;</p> <p>(2) auditing by the State Auditor's Office;</p> <p>(3) required agency consultation with the Quality Assurance Team and/or Contract Advisory Team; or</p> <p>(4) contract cancellation.</p> <p>(i) For contracts with an initial award value greater than \$1 million, a state agency or institution of higher education shall provide notice of a contract for services for which the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent or more, in accordance with procedures established by the Legislative Budget Board, to:</p> <p>(1) the Governor's Office;</p> <p>(2) the Lieutenant Governor; and</p> <p>(3) the Speaker of the House of Representatives.</p> <p>(j) A state agency or institution of higher education must provide the notice required under Subsection (i) not later than the 30th day after the date of the disclosure or discovery that the expected total value of the contract after amendment or renewal exceeds the total value of the initial contract award by 10 percent. The notice must include:</p> <p>(1) the amount of the cost increase;</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(2) the reason for the cost increase; and</p> <p>(3) any opportunity the state agency had to lessen the cost or to purchase the service from another vendor after the first dollar of the increased cost was discovered or disclosed to the agency or institution.</p> <p>(k) The Legislative Budget Board shall establish the procedures for the notice required by Subsections (i) or (j).</p> <p><i>UH System requests the adjustment of the reporting threshold of this reporting requirement as regulatory relief. The existing threshold of \$50,000 has been in place for over twenty years.</i></p>
Article IX, Section 9.09	IX-52 to IX-53	<p>Sec. 9.09. Assignment of Contract Responsibility.</p> <p>(a) In this section:</p> <p>(1) "Agency" and "state agency" mean a state office officer, board, commission, or department in the executive branch of government appropriated monies under this General Appropriations Act.</p> <p>(2) "Assignment" includes any legal means for transferring the responsibilities for fulfillment of any duties, rights, or obligations due to a state agency or institution of higher education under a contract, from the original party obligated to the agency or institution (the assignor) to another party (the assignee) assuming the duties, rights, or obligations due to a state agency or institution of higher education under a contract.</p> <p>(3) "Contract" has the meaning provided by Section. 7.04. <u>A "contract" does not include items listed in Section 7.04(a) which do not meet the notice requirements of Government Code, Section 322.020(a)(1) and (2).</u></p> <p>(4) "Institution of higher education" or "institution" has the meaning provided by Education Code, Section 61.003(8), except that the term does not include a public junior college.</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(5) “Sensitive personal information” has the meaning provided by Business & Commerce Code, Section 521.002.</p> <p>(6) “Total value of the contract” includes the value of all payments, as calculated by the Quality Assurance Team, made and expected to be made in the future by a state agency or institution of higher education over the life of the contract beginning from the date of execution of the original contract between the state agency or institution of higher education and the original party with responsibilities for fulfillment of any duties, rights, or obligations due to a state agency or institution of higher education under the contract and including total payments made before assignment of the contract and the total payments expected to be made in the future after the assignment of the contract.</p> <p><i>(no changes proposed to the remainder of this section)</i></p> <p><i>UH System requests the modification of this section to conform with the statutory definitions associated with the reports in Section 7.04 of the Act. Government Code Section 322.020, which is the basis for the Section 7.04 report, allows certain contracts paid only from non-appropriated sources to be exempt from the statutory reporting requirements. Given that this reporting requirement is also tied to that LBB contract reporting pursuant to provision (a)(3), it is believed that the Legislature intends that the standards for this report be consistent.</i></p> <p><i>UH System also proposes a correction to a potential typo in Section (a) from “state officer” to “state office”.</i></p>
Article IX, Section 11.03	IX-60 to IX-61	<p>Sec. 11.03. Statewide Capital Planning.</p> <p><i>(no changes proposed to subsection (a) through (c) except routine updates)</i></p> <p>(d) (1) This section applies to each anticipated state project requiring capital expenditures for:</p> <p style="padding-left: 40px;">(A) land acquisition;</p> <p style="padding-left: 40px;">(B) construction of buildings and other facilities <u>without regard to amount for state agencies and in excess of \$10 million per individual project for institutions of higher education;</u></p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>(C) renovations of buildings and other facilities estimated to exceed \$5 million in the aggregate for a single state agency or <u>\$10 million per individual project</u> for institution of higher education; or</p> <p>(D) major information resources projects estimated to exceed \$5 million.</p> <p>(2) In this section "major information resources project" means:</p> <p>(A) any information resources technology project identified in a state agency's biennial operating plan whose development costs exceed \$5 million and that:</p> <ul style="list-style-type: none"> (i) requires one year or longer to reach operations status; (ii) involves more than one state agency; or (iii) substantially alters work methods of state agency personnel or the delivery of services to clients; <p>(B) construction of buildings and other facilities;</p> <p>(C) any information resources technology project of a state agency designated for additional monitoring under Government Code, Section 2261.258(a)(1) if the development costs for the project exceed \$5 million.</p> <p><i>(no changes proposed to subsection (e))</i></p> <p><i>UH System requests the modification of this section to align facilities reporting for institutions of higher education with the project reporting requirements of the Texas Higher Education Coordinating Board (Texas Administrative Code, Title 19, Part 1, Chapter 17, Subchapter B(a)(1) and (2)).</i></p>
Article IX, Section 17.10	IX-85	<p>Sec. 17.10. Energy Efficiency Savings for State Facilities.</p> <p>(a) In this section, "facility" means a facility with at least 100,000 gross square feet.</p> <p>(b) It is the intent of the legislature that a state agency that is appropriated money by this Act with charge and control over a facility shall have a remote or on-site assessment of the facility performed by the</p>

3.B. Rider Revisions and Additions Request (continued)

Current Rider Number	Page Number in 2024–25 GAA	Proposed Rider Language
		<p>Energy Systems Laboratory at Texas A&M Engineering Experiment Station or another qualified provider to determine whether implementation of continuous commissioning or existing building commissioning practices would result in estimated savings of at least 10 percent in utility costs for the facility. A state agency shall supply any documents necessary to perform the assessment. The state agency shall report to the Legislative Budget Board on the results of the assessment.</p> <p>(e) If the results of an assessment performed under Subsection (b) of this section show estimated utility cost savings of at least 10 percent, the state agency shall have the Energy Systems Laboratory at Texas A&M Engineering Experiment Station or another qualified provider prepare a plan for implementation of continuous commissioning or existing building commissioning practices and monitoring of the implementation for the state agency.</p> <p><i>UH System requests the deletion of this requirement as regulatory relief.</i></p>

4.A. Exceptional Item Request Schedule
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
 TIME: 10:19:25AM

Agency code: 783

Agency name: University of Houston System Administration

CODE	DESCRIPTION	Excp 2026	Excp 2027
	<p>Item Name: Katy Academic Expansion Item Priority: 1 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request</p>		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,200,000	1,200,000
1002	OTHER PERSONNEL COSTS	1,578,500	1,578,500
1005	FACULTY SALARIES	6,500,000	6,500,000
2009	OTHER OPERATING EXPENSE	721,500	721,500
TOTAL, OBJECT OF EXPENSE		\$10,000,000	\$10,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	10,000,000	10,000,000
TOTAL, METHOD OF FINANCING		\$10,000,000	\$10,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		30.00	30.00

DESCRIPTION / JUSTIFICATION:

The University of Houston at Katy, an instructional site of the University of Houston, seeks to provide Katy-area students relevant UH programs/academic paths that match essential industry needs. This investment will support the migration and expansion of existing UH programs, with needed faculty and staff, to expand the number of new graduates to meet the regional workforce needs of Katy.

Workforce needs in the Katy region, as outlined in a recent commissioned report by Hanover Research, point to programs aligned with business and STEM-related careers as essential to meet growing regional employment opportunities. UH at Katy’s initial plans will be to expand its programs through the Bauer College of Business in Management, Accounting, Supply Chain, and Management Information Systems to students. Additional plans include a Design Academy—a partnership with the Hines College of Architecture and a two-year academic partner, and Biology and Computer Science programs offered by the College of Natural Sciences and Mathematics. Reinforcement of programs from the Cullen College of Engineering will contribute to the region’s forecasted employment growth areas. The college will offer undergraduate and graduate programs in Data Science, and master’s degrees in Electrical Engineering, Chemical Engineering, and Energy Transition. In addition, Cullen College will also offer an Advanced Energy Transition Certificate program.

This plan places UH at Katy within its goal of being a thriving instructional site of nearly 3,000 students in 5-7 years.

Students enrolling in these programs will earn degrees that match the needs of top employers in the Katy area. The region’s strong relationship with the Katy instructional site will provide opportunities for student internships and employment for graduates, leading to a pool of career-ready professionals with skills to meet the growing demands of the Texas economy.

Agency code: **783**

Agency name: **University of Houston System Administration**

CODE	DESCRIPTION	Excp 2026	Excp 2027
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EXTERNAL/INTERNAL FACTORS:

According to a recent report from the Texas Workforce Investment Council, approximately 80 percent of the fastest growing occupations are in STEM fields. With this in mind, plans to add STEM-related programs, and bolster existing STEM-related programs at UH at Katy, align with regional and state goals. By creating skilled professionals to meet growing industry opportunities, UH at Katy connects with local and state workforce needs, ensuring the impact of future Texas professionals stays in Texas.

Further, the expected exit of the University of Houston – Victoria from the Katy campus within the next biennium requires that the University of Houston backfill existing academic programs in business and education currently offered by UH Victoria. The University of Houston must have the resources to continue to meet both student and workforce needs of the region and fulfill the commitment created by establishing an academic presence in Katy.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These requests are for continuation or expansion of what is currently being done for this program.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2028	2029	2030
	\$10,000,000	\$10,000,000	\$10,000,000

4.A. Exceptional Item Request Schedule
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
 TIME: 10:19:25AM

Agency code: 783 Agency name: University of Houston System Administration

CODE	DESCRIPTION	Excp 2026	Excp 2027
	Item Name: Katy Academic Building #2 Item Priority: 2 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 02-01-05 University of Houston System Capital Construction Assistance		

OBJECTS OF EXPENSE:

2008	DEBT SERVICE	14,385,452	14,385,452
TOTAL, OBJECT OF EXPENSE		\$14,385,452	\$14,385,452

METHOD OF FINANCING:

1	General Revenue Fund	14,385,452	14,385,452
TOTAL, METHOD OF FINANCING		\$14,385,452	\$14,385,452

DESCRIPTION / JUSTIFICATION:

The University of Houston System (UHS) would construct a new 150,000 square foot academic building on the University of Houston – Katy campus. This project is part of a major UHS effort to expand academic programs to address the workforce needs in the region and expand the number of students at this site to 3,000 students within the next 5 to 7 years. The project will include enhanced connectivity through planned infrastructure improvements. Planned academic expansion necessitates that investment in additional space is needed now to ensure this expansion is not delayed.

EXTERNAL/INTERNAL FACTORS:

Currently, the University of Houston – Katy Campus offers students in West Houston and Katy the opportunity to complete over 20 undergraduate degrees and over 12 graduate degrees in high-demand and emerging fields of study including business, engineering, and nursing. This critical new space would support academic expansion to closely align with the workforce needs of the Katy/Fort Bend area.

The Bauer College of Business will look to expand its offering of degrees in Business Management, Accounting, Supply Chain and Management Information Systems.

The Katy Campus partners closely with Houston Community College-Northwest to provide freshman and sophomore coursework, developing college transcripts prior to transferring to an undergraduate degree program. Additional academic expansion plans include a Design Academy—a partnership with the Hines College of Architecture and Houston Community College, and Biology and Computer Science programs offered by the College of Natural Sciences and Mathematics.

The Cullen College of Engineering will offer undergraduate and graduate programs in Data Science, and master’s degrees in Electrical Engineering, Chemical Engineering, and Energy Transition. In addition, Cullen College will also offer an Advanced Energy Transition Certificate program

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
 TIME: 10:19:25AM

Agency code: 783 Agency name: University of Houston System Administration

CODE	DESCRIPTION	Excp 2026	Excp 2027
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DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These requests are for continuation or expansion of what is currently being done for this program.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2028	2029	2030
	\$14,385,452	\$14,385,452	\$14,385,452

4.B. Exceptional Items Strategy Allocation Schedule
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/18/2024**
 TIME: **9:38:15AM**

Agency code: **783** Agency name: **University of Houston System Administration**

Code	Description	Excp 2026	Excp 2027
Item Name: Katy Academic Expansion			
Allocation to Strategy: 3-5-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,200,000	1,200,000
1002	OTHER PERSONNEL COSTS	1,578,500	1,578,500
1005	FACULTY SALARIES	6,500,000	6,500,000
2009	OTHER OPERATING EXPENSE	721,500	721,500
TOTAL, OBJECT OF EXPENSE		\$10,000,000	\$10,000,000
METHOD OF FINANCING:			
1 General Revenue Fund		10,000,000	10,000,000
TOTAL, METHOD OF FINANCING		\$10,000,000	\$10,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		30.0	30.0

4.B. Exceptional Items Strategy Allocation Schedule
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/18/2024**
 TIME: **9:38:15AM**

Agency code: **783** Agency name: **University of Houston System Administration**

Code	Description	Excp 2026	Excp 2027
Item Name: Katy Academic Building #2			
Allocation to Strategy: 2-1-5 University of Houston System Capital Construction Assistance			
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	14,385,452	14,385,452
TOTAL, OBJECT OF EXPENSE		\$14,385,452	\$14,385,452
METHOD OF FINANCING:			
1	General Revenue Fund	14,385,452	14,385,452
TOTAL, METHOD OF FINANCING		\$14,385,452	\$14,385,452

4.C. Exceptional Items Strategy Request
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
TIME: 9:38:16AM

Agency Code: **783** Agency name: **University of Houston System Administration**

GOAL: 2 Provide Infrastructure Support

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

Service Categories:

STRATEGY: 5 University of Houston System Capital Construction Assistance

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

CODE DESCRIPTION	Exp 2026	Exp 2027
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OBJECTS OF EXPENSE:

2008 DEBT SERVICE	14,385,452	14,385,452
Total, Objects of Expense	\$14,385,452	\$14,385,452

METHOD OF FINANCING:

1 General Revenue Fund	14,385,452	14,385,452
Total, Method of Finance	\$14,385,452	\$14,385,452

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Katy Academic Building #2

4.C. Exceptional Items Strategy Request
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
TIME: 9:38:16AM

Agency Code: **783** Agency name: **University of Houston System Administration**

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 5 Exceptional Item Request

STRATEGY: 1 Exceptional Item Request

Service Categories:

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

CODE DESCRIPTION	Excp 2026	Excp 2027
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OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	1,200,000	1,200,000
1002 OTHER PERSONNEL COSTS	1,578,500	1,578,500
1005 FACULTY SALARIES	6,500,000	6,500,000
2009 OTHER OPERATING EXPENSE	721,500	721,500
Total, Objects of Expense	\$10,000,000	\$10,000,000

METHOD OF FINANCING:

1 General Revenue Fund	10,000,000	10,000,000
Total, Method of Finance	\$10,000,000	\$10,000,000

FULL-TIME EQUIVALENT POSITIONS (FTE):	30.0	30.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Katy Academic Expansion

6.A. Historically Underutilized Business Supporting Schedule
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/18/2024**
 Time: **9:38:16AM**

Agency Code: **783** Agency: **University of Houston System Administration**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2022			Total Expenditures FY 2022		HUB Expenditures FY 2023			Total Expenditures FY 2023	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	FY 2023		
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$0	11.2 %	0.0%	-11.2%	\$0	\$0	
21.1%	Building Construction	21.1 %	0.0%	-21.1%	\$0	\$0	21.1 %	0.0%	-21.1%	\$0	\$0	
32.9%	Special Trade	32.9 %	0.0%	-32.9%	\$0	\$675	32.9 %	71.3%	38.4%	\$217,500	\$305,248	
23.7%	Professional Services	23.7 %	0.0%	-23.7%	\$0	\$0	23.7 %	0.0%	-23.7%	\$0	\$1,160	
26.0%	Other Services	26.0 %	15.7%	-10.3%	\$37,853	\$240,928	26.0 %	4.6%	-21.4%	\$96,918	\$2,089,098	
21.1%	Commodities	21.1 %	74.4%	53.3%	\$168,364	\$226,371	21.1 %	23.7%	2.6%	\$254,618	\$1,072,133	
	Total Expenditures		44.1%		\$206,217	\$467,974		16.4%		\$569,036	\$3,467,639	

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

In FY23, UHS exceeded HUB goal in Special Trade and Commodities Procurement Categories. Overall, there was a total spend increase of \$3M, which is attributed to various expenses incurred in FY23 in comparison to FY22. The \$3M spend difference represents the following: Husch Blackwell Strategies federal representation with a total of \$500,000. Contribution to participate in the Houston Life Science Coalition to optimize the marketing and promotion effort of the life science ecosystem of the greater Houston region for \$100,000. Consulting services rendered for Governmental Relations for state initiatives and strategic planning for UHS/UH which totals \$350,000 for FY23. Board of Regents and Chancellor travel which also totaled \$300,000.

Applicability:

The University of Houston does not build roads or bridges so the Heavy Construction category is not applicable to UH.

Factors Affecting Attainment:

The Other and Professional Services category expenditures resulted in the selection of non-HUBs being the primary recipients through a competitive procurement process. The Purchasing department is working with HUB to continue to implement strategies to increase HUB participation within all expenditure categories.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

UH Colleges & Departments are provided monthly reports of HUB expenditures and are challenged to meet HUB goals assigned at the beginning of each fiscal year. HUB Operations began hosting meetings with all Colleges and Divisions twice per year to review expenditures and share examples of HUBs providing goods and services within applicable expenditure categories. HUB Operations held a targeted HUB Vendor Fair where exhibitors providing goods and services of expressed

6.A. Historically Underutilized Business Supporting Schedule
89th Regular Session, Agency Submission, Version 1
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Date: **10/18/2024**
Time: **9:38:16AM**

Agency Code: **783** Agency: **University of Houston System Administration**

interest to Colleges/Departments had an opportunity to meet with UH staff with purchasing authority . HUB Operations staff participates in pre-bid meetings and partner with prime contractors to share information about subcontracting opportunities and services offered by HUB Dept .

HUB Program Staffing:

University of Houston HUB Operations Department has (3) three FTEs: Director (F.Linelle Clark), Senior HUB Specialist (Dakarai Campbell), and Accountant III (Tamika Rojas).

Current and Future Good-Faith Efforts:

UH Colleges & Departments are provided monthly reports of HUB expenditures and are challenged to meet HUB goals assigned at the beginning of each fiscal year. HUB Operations began hosting meetings with all Colleges and Divisions twice per year to review expenditures and share examples of HUBs providing goods and services within applicable expenditure categories. HUB Operations held a targeted HUB Vendor Fair where exhibitors providing goods and services of expressed interest to Colleges/Departments had an opportunity to meet with UH staff with purchasing authority . HUB Operations staff participates in pre-bid meetings and partner with prime contractors to share information about subcontracting opportunities and services offered by HUB Dept. The HUB Dept. will also implement bi-weekly HUB Subcontracting Plan (HSP) and B2G Contract Compliance training.

**6.H. Estimate Total Of All Funds Outside the General Appropriations Bill Act Pattern Schedule
2024 - 25 and 2026 - 27 Biennium**

Agency Code: 00783

Agency Name: University of Houston System Administration

	2024 - 2025 Biennium				2026 - 2027 Biennium			
	FY 2024 Revenue	FY 2025 Revenue	Biennium Total	Percent of Total	FY 2026 Revenue	FY 2027 Revenue	Biennium Total	Percent of Total
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 59,858,921	\$ 59,848,018	\$ 119,706,939		\$ 59,848,018	\$ 59,848,018	\$ 119,696,036	
Tuition and Fees (net of Discounts and Allowances)	-	-	-		-	-	-	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
Total	59,858,921	59,848,018	119,706,939	80.4%	59,848,018	59,848,018	119,696,036	80.0%
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	499,998	547,329	\$ 1,047,327		\$ 547,329	\$ 547,329	\$ 1,094,658	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
State Grants and Contracts	-	-	-		-	-	-	
Total	499,998	547,329	1,047,327	0.7%	547,329	547,329	1,094,658	0.7%
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	-	-	-		-	-	-	
Federal Grants and Contracts	-	-	-		-	-	-	
State Grants and Contracts	-	-	-		-	-	-	
Local Government Grants and Contracts	-	-	-		-	-	-	
Private Gifts and Grants	-	-	-		-	-	-	
Endowment and Interest Income	2,739,890	2,885,549	5,625,439		2,885,549	2,885,549	5,771,098	
Sales and Services of Educational Activities (net)	10,941,638	11,539,304	22,480,942		11,539,304	11,539,304	23,078,608	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	-	-	-		-	-	-	
Auxiliary Enterprises (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
Total	13,681,528	14,424,853	28,106,381	18.9%	14,424,853	14,424,853	28,849,706	19.3%
TOTAL SOURCES	\$ 74,040,447	\$ 74,820,200	\$ 148,860,647	100.0%	\$ 74,820,200	\$ 74,820,200	\$ 149,640,400	100.0%

783 University of Houston System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	100.00%				
GR-D/Other %	0.00%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	5	5	0	5	24
2a Employee and Children	3	3	0	3	9
3a Employee and Spouse	3	3	0	3	2
4a Employee and Family	1	1	0	1	6
5a Eligible, Opt Out	0	0	0	0	2
6a Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	12	12	0	12	43
PART TIME ACTIVES					
1b Employee Only	0	0	0	0	0
2b Employee and Children	0	0	0	0	0
3b Employee and Spouse	0	0	0	0	0
4b Employee and Family	0	0	0	0	0
5b Eligible, Opt Out	0	0	0	0	0
6b Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Active Enrollment	12	12	0	12	43

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	0	0	0	0	0
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	0	0	0	0	0
4c Employee and Family	0	0	0	0	0
5c Eligible, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	0	0	0	0	0
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	5	5	0	5	24
2e Employee and Children	3	3	0	3	9
3e Employee and Spouse	3	3	0	3	2
4e Employee and Family	1	1	0	1	6
5e Eligible, Opt Out	0	0	0	0	2
6e Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	12	12	0	12	43

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	5	5	0	5	24
2f Employee and Children	3	3	0	3	9
3f Employee and Spouse	3	3	0	3	2
4f Employee and Family	1	1	0	1	6
5f Eligible, Opt Out	0	0	0	0	2
6f Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	12	12	0	12	43

Higher Education Schedule 4: Computation of OASI
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency 783 University of Houston System Administration

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2023		2024		2025		2026		2027	
	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
General Revenue (% to Total)	100.0000	\$99,221	100.0000	\$99,503	100.0000	\$112,000	100.0000	\$114,240	100.0000	\$116,525
Other Educational and General Funds (% to Total)	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0
Health-Related Institutions Patient Income (% to Total)	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0	0.0000	\$0
Grand Total, OASI (100%)	100.0000	\$99,221	100.0000	\$99,503	100.0000	\$112,000	100.0000	\$114,240	100.0000	\$116,525

Higher Education Schedule 5: Calculation of Retirement Proportionality and ORP Differential
 89th Regular Session, Agency Submission, Version 1

10/18/2024 9:38:17AM

Automated Budget and Evaluation System of Texas (ABEST)

783 University of Houston System Administration

Description	Act 2023	Act 2024	Bud 2025	Est 2026	Est 2027
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	1,036,588	1,076,834	1,242,001	1,266,841	1,292,178
Employer Contribution to TRS Retirement Programs	82,927	88,839	102,465	104,514	106,605
Gross Educational and General Payroll - Subject To ORP Retirement	311,030	325,021	327,698	334,252	340,937
Employer Contribution to ORP Retirement Programs	20,528	21,451	21,628	22,061	22,502
Proportionality Percentage					
General Revenue	100.0000 %	100.0000 %	100.0000 %	100.0000 %	100.0000 %
Other Educational and General Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	0	0	0	0	0
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Gross Payroll Subject to Differential - Optional Retirement Program	0	0	0	0	0
Total Differential	0	0	0	0	0

Higher Education Schedule 7: Personnel
 89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/18/2024
 Time: 9:38:18AM

Agency code: **783** Agency name: **Univ of Houston Sys Admin**

	Actual 2023	Actual 2024	Budgeted 2025	Estimated 2026	Estimated 2027
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	11.7	12.9	12.9	12.9	12.9
Subtotal, Directly Appropriated Funds	11.7	12.9	12.9	12.9	12.9
Non Appropriated Funds Employees	43.6	41.8	43.6	43.6	43.6
Subtotal, Other Funds & Non-Appropriated	43.6	41.8	43.6	43.6	43.6
GRAND TOTAL	55.3	54.7	56.5	56.5	56.5

Higher Education Schedule 8A: Capital Construction Assistance Projects Revenue Bond Projects

89th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/18/2024
TIME: 9:38:18AM

Agency 783 University of Houston System Administration

Project Priority: 1	Project Code: 1	Capital Construction Assistance Projects Revenue Bond Request \$ 165,000,000	Total Project Cost \$ 165,000,000	Cost Per Total Gross Square Feet \$ 1,100
Name of Proposed Facility: Katy Academic Building #2	Project Type: New Construction			
Location of Facility: Katy	Type of Facility: Academic			
Project Start Date: 08/01/2025	Project Completion Date: 12/01/2028			
Gross Square Feet: 150,000	Net Assignable Square Feet in Project 97,500			

Project Description

The University of Houston System would construct a new 150,000 square foot academic building on the University of Houston – Katy campus. This project is part of a major UHS effort to expand academic programs to address the workforce needs in the region. Currently, the University of Houston – Katy Campus offers students in West Houston and Katy the opportunity to complete over 20 undergraduate degrees and over 12 graduate degrees in high-demand and emerging fields of study including business, engineering, and nursing. The Katy Campus partners closely with Houston Community College-Northwest to provide freshman and sophomore coursework, developing college transcripts prior to transferring to an undergraduate degree program. The project will include enhanced connectivity through planned infrastructure improvements.

Higher Education Schedule 8B: Capital Construction Assistance Projects Revenue Bond Issuance History

89th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

783 University of Houston System Administration

Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2024	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2016	\$46,832,000	Feb 16 2017	\$46,832,000			
		<i>Subtotal</i>	\$46,832,000	\$0		
2022	\$59,897,111	Jun 29 2022	\$59,897,111		Aug 31 2020	\$0
		<i>Subtotal</i>	\$59,897,111	\$0		
					Jun 29 2022	\$0

Schedule 8C: Tuition Revenue Bonds Request by Project
89th Regular Session, Agency Submission, Version 1

Agency Code: 797	Agency Name: University of Houston System
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Component	Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2026	Requested Amount 2027
University of Houston					
UH	Consolidated Revenue Refunding Bonds, Series 2016B (TRB - Health & Biomed Bldg 2)	2016	2/15/2036	4,367,293.00	4,365,488.00
UH	Consolidated Revenue Refunding Bonds, Series 20017A (TRB - refund 2009 Science Lab)	2017	2/15/2028	3,834,375	3,830,875
UH	Consolidated Revenue Refunding Bonds, Series 20017A (TRB - Academic Bldg Sugarland)	2017	2/15/2037	3,474,625	3,474,375
UH	Consolidated Revenue Refunding Bonds, Series 20017A (TRB - Academic Bldg Sugarland CP)	2017	2/15/2037	256,875	254,500
UH	Consolidated Revenue Refunding Bonds, Series 2022A (COT Bldg 2 Sugarland-TRB)	2022	2/15/2042	3,588,250	3,586,750
UH	Consolidated Revenue Refunding Bonds, Series 2022A (COT Bldg 2 Sugarland-TRB CP)	2022	2/15/2042	45,100	44,100
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Idea Lab (Now Innovation HUB) -TRB)	2022	2/15/2042	3,583,125	3,586,750
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Idea Lab (Now Innovation HUB) -TRB CP)	2022	2/15/2042	45,100	44,100
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Hobby School Bldg. TRB)	2022	2/15/2042	2,724,325	2,727,450
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Hobby School Bldg. TRB CP)	2022	2/15/2042	44,900	43,900
Subtotal - UH				21,963,968	21,958,288
University of Houston - Clear Lake					
UHCL	Consolidated Revenue Refunding Bonds, Series 2016B (TRB - STEM Building)	2016	2/15/2036	3,744,824	3,741,125
UHCL	Consolidated Revenue Refunding Bonds, Series 2017A (TRB - Refund 2009 Arbor)	2017	2/15/2028	702,500	705,625
UHCL	Consolidated Revenue Refunding Bonds, Series 2017A (TRB - Health Sci Bldg)	2017	2/15/2037	1,617,750	1,621,000
UHCL	Consolidated Revenue Refunding Bonds, Series 2017A (TRB - Health Sci Bldg CP)	2017	2/15/2037	81,125	83,750
UHCL	Consolidated Revenue Refunding Bonds, Series 2022A (TRB -Reno, Bayou, Delta, SSC)	2022	2/15/2042	3,114,250	3,113,500
Subtotal - UHCL				9,260,449	9,265,000
University of Houston - Downtown					
UHD	Consolidated Revenue Refunding Bonds, Series 2014 (partial refund 2006 - TRB)	2014	2/15/2026	2,296,000	-
UHD	Consolidated Revenue Refunding Bonds, Series 2017A (Sci & Tech Bldg - TRB)	2017	2/15/2037	4,147,625	4,147,875
UHD	Consolidated Revenue Refunding Bonds, Series 2022A (Police Dept. & CJA-TRB)	2022	2/15/2042	3,114,500	3,113,750
Subtotal - UHD				9,558,125	7,261,625
University of Houston - Victoria					
UHV	Consolidated Revenue Refunding Bonds, Series 2016A (UHV Allied TRB - refund 2008)	2016	2/15/2028	104,700	100,900
UHV	Consolidated Revenue Refunding Bonds, Series 2016A (UHV Eco Dev TRB - refund 2008)	2016	2/15/2028	375,800	372,000
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (Learning Commons - TRB)	2017	2/15/2037	1,048,750	1,048,500
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (Learning Commons - TRB CP)	2017	2/15/2037	54,750	58,125
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (Buildout REDC - TRB)	2017	2/15/2037	329,875	330,375
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (Buildout REDC - TRB CP)	2017	2/15/2037	178,250	178,125
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (Land Acquisition & Demo - TRB)	2017	2/15/2037	337,500	337,750
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (STEM Bldg- TRB)	2017	2/15/2037	870,000	869,875
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (STEM Land TRB)	2017	2/15/2037	143,250	144,125
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (UHV Allied TRB - refund 2008)	2017	2/15/2027	5,625	10,250
UHV	Consolidated Revenue Refunding Bonds, Series 2017A (UHV Eco Dev TRB - refund 2008)	2017	2/15/2028	28,125	31,750
UHV	Consolidated Revenue Refunding Bonds, Series 2017C (Campus Expansion)	2017	2/15/2038	207,294	259,544
UHV	Consolidated Revenue Refunding Bonds, Series 2017C (Town Plaza)	2017	2/15/2038	127,669	128,794
UHV	Consolidated Revenue Refunding Bonds, Series 2017C (Land Acquisition)	2017	2/15/2038	34,537	33,537
UHV	Consolidated Revenue Refunding Bonds, Series 2020A (Ben Wilson CP)	2020	2/15/2041	452,525	453,900
UHV	Consolidated Revenue Refunding Bonds, Series 2020A (Campus Expansion)	2020	2/15/2041	246,025	243,650
UHV	Consolidated Revenue Refunding Bonds, Series 2020A (UHV Allied TRB- Refund 2008)	2020	2/15/2041	5,625	5,375

Schedule 8C: Tuition Revenue Bonds Request by Project
89th Regular Session, Agency Submission, Version 1

Agency Code: 797	Agency Name: University of Houston System
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Component	Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2026	Requested Amount 2027
UHV	Consolidated Revenue Refunding Bonds, Series 2020A (UHV Eco Dev- Refund 2008)	2020	2/15/2041	28,125	31,750
UHV	Consolidated Revenue Refunding Bond , Series 2022A (Bldg. Reno & Campus Infra Upgrades CP)	2022	2/15/2042	678,500	678,125
UHV	Consolidated Revenue Refunding Bond , Series 2022A (Bldg. Reno & Campus Infra Upgrades)	2022	2/15/2042	2,435,750	2,435,375
Subtotal - UHV				7,692,675	7,751,825
University of Houston - System Administration					
UHSA	Consolidated Revenue Refunding Bonds, Series 2016A (TRB - Refund 2008 Sugarland)	2016	2/15/2028	1,254,700	1,243,600
UHSA	Consolidated Revenue Refunding Bonds, Series 2017A (Sugarland TRB - refund 2008)	2017	2/15/2028	90,250	96,000
UHSA	Consolidated Revenue Refunding Bonds, Series 2017A (Katy Building CP)	2017	2/15/2037	61,375	59,625
UHSA	Consolidated Revenue Refunding Bonds, Series 2017A (Katy Building)	2017	2/15/2037	2,103,875	2,103,125
UHSA	Consolidated Revenue Refunding Bonds, Series 2017A (Katy Land)	2017	2/15/2037	1,074,625	1,073,625
UHSA	Consolidated Revenue Refunding Bonds, Series 20020A (TRB - Refund 2008 Sugarland)	2020	2/15/2041	101,750	107,000
UHSA	Consolidated Revenue Refunding Bonds, Series 2022A (Medical Research Bldg. - TRB)	2022	2/15/2042	4,147,625	4,148,500
Subtotal - UHSA				8,834,200	8,831,475
Total				57,309,417	55,068,213

Schedule 8C: Tuition Revenue Bonds Request by Project
 89th Regular Session, Agency Submission, Version 1

Agency Code: 797

Agency Name:

University of Houston System

Component	Requested Amount 2026	Requested Amount 2027
UH	21,963,968	21,958,288
UHCL	9,260,449	9,265,000
UHD	9,558,125	7,261,625
UHV	7,692,675	7,751,825
UHSA	8,834,200	8,831,475
Total by Component	57,309,417	55,068,213

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Teacher Preparation Program

(1) Year Non-Formula Support Item First Funded: 2024
Year Non-Formula Support Item Established: 2024
Original Appropriation: \$2,000,000

(2) Mission:

The University of Houston System universities are strategically positioned to implement a program in partnership with Houston Independent School District and other school districts in the Houston region to recruit, instruct, and support those students seeking a teaching career and place them in teaching positions within these districts. The University of Houston System has a proven history of success with this model and, with additional state investment, will continue to step forward to assist in addressing the critical teacher shortage in the state's largest school district.

(3) (a) Major Accomplishments to Date:

The University of Houston System has had collaborative discussions with Houston Independent School District toward securing a commitment to provide half the necessary funding for the program in 2024-25.

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

The University of Houston System would implement this initiative with HISD to establish a fellowship which will ultimately provide area schools with teachers and staff who are well trained and committed to improving their communities through education. The program is designed to provide approximately 80 to 100 students with tuition assistance and academic support concentrating on the junior and senior years of their collegiate careers as well as provide them with the necessary tools to succeed. The University of Houston System would also seek to collaborate with at least 3 other districts in the region to implement similar fellowships. In doing so, the opportunity to broaden impact is more than doubled.

Beyond the fellowship experience itself, students are prioritized to be offered a teaching position in HISD or other participating district upon graduation from the program. Districts are also anticipated to provide continued coaching and mentoring in the first years of teaching. The first two years of teaching in particular are often the most critical for new teachers.

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

NA

(5) Formula Funding:

NA

(6) Category:

Public Service

(7) Transitional Funding:

N

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(8) Non-General Revenue Sources of Funding:

The State of Texas, and the districts that comprise the Gulf Coast Region, and especially Houston Independent School District are experiencing an increasingly critical shortage of full-time teachers from the elementary to the high school level. Governor Abbott highlighted this crisis in his March 2022 letter to Texas Education Agency Commissioner Morath instructing him to create a task force to address these staffing shortages across the state, stating, “Teachers play a critical role in the development and long-term success of our students.”

Without this funding, the UH System, HISD and other partnering districts would not have the required support to implement this critically needed program to address the teacher shortage in the largest school district in the state. Additionally, these funds significantly reduce tuition cost to students and therefore their after graduation debt. Reducing debt for our future teachers is critical in encouraging teachers to remain classroom teachers, rather than seeking other employment.

(9) Impact of Not Funding:

Permanent

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

No

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

No

(12) Benchmarks:

None

(13) Performance Reviews:

Performance of the program would be measured by the numbers of students completing the program and entering the teacher workforce at HISD and other participating districts.

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University of Houston at Katy Academic Expansion

(1) Year Non-Formula Support Item First Funded:	2026
Year Non-Formula Support Item Established:	2026
Original Appropriation:	\$20,000,000

(2) Mission:

The University of Houston at Katy, an instructional site of the University of Houston, supports the mission of the University of Houston and will provide Katy-area students relevant UH programs/academic paths that match essential industry needs. The investment will support the expansion of new programs/migration of existing programs, with needed faculty and staff, to create new leaders and professionals.

(3) (a) Major Accomplishments to Date:

The region’s strong relationship with the Katy instructional site will provide opportunities for student internships and employment for graduates , leading to a pool of career-ready professionals with skills to meet the growing demands of the Texas economy .

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

UH at Katy’s initial plans will bring Bauer College of Business programs in Management, Accounting, Supply Chain, and Management Information Systems to students. Additional plans include a Design Academy—a partnership with the Hines College of Architecture and a two-year academic partner, and Biology and Computer Science programs offered by the College of Natural Sciences and Mathematics. Reinforcement of programs from the Cullen College of Engineering will contribute to the region’s forecasted employment growth areas. The college will offer undergraduate and graduate programs in Data Science, and master’s degrees in Electrical Engineering, Chemical Engineering, and Energy Transition. In addition, Cullen College will also offer an Advanced Energy Transition Certificate program. Additionally, UHV’s exit from Katy, expected during the biennium, requires the University of Houston to backfill existing academic programs in business and education currently offered by UH – Victoria, allows existing students to complete their studies without disruption and continues to fulfill the commitment created by establishing an academic presence in Katy.

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

N/A

(5) Formula Funding:

N/A

(6) Category:

Instructional Support

(7) Transitional Funding:

N

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(8) Non-General Revenue Sources of Funding:

N/A

(9) Impact of Not Funding:

According to a recent report from the Texas Workforce Investment Council, approximately 80 percent of the fastest growing occupations are in STEM fields. With this in mind, plans to add STEM-related programs, and bolster existing STEM-related programs at UH at Katy, align with regional and state goals. By creating skilled professionals to meet growing industry opportunities, UH at Katy connects with local and state workforce needs, ensuring the impact of future Texas professionals stays in Texas.

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

Discontinued after 5-7 years

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

No

(12) Benchmarks:

None

(13) Performance Reviews:

None
