

Request for Applications

Graduate Medical Education Expansion Program

FY 2024 - 2025

RFA No. 00340

APPLICATION DEADLINE: 11:59 p.m. CT, January 16, 2024

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1. OVERVIEW OF FUNDING OPPORTUNITY

1.1 PROGRAM TITLE

Graduate Medical Education (GME) Expansion Program

1.2 SYNOPSIS OF PROGRAM

The GME Expansion Program was established to provide funding to enable new or existing nationally accredited Graduate Medical Education residency programs in Texas to increase the number of first-year residency positions. The program helps support the Texas goal of having 10% more first-year entering residency positions than Texas medical school graduates.

This Request for Applications (RFA) seeks to support eligible GME programs and sponsoring institutions that:

1. Intend to create new first-year residency positions in the state by establishing or expanding residency positions in a nationally accredited GME program; and/or
2. Have previously been awarded GME Expansion Program grants from the Texas Higher Education Coordinating Board (THECB) and currently have THECB funded positions.

Additional information regarding eligibility requirements is provided in Section 3.

1.3 PROGRAM AUTHORITY

The statutory authority for the GME Expansion Program is found in Texas Education Code, Chapter 58A, Subchapter B, Graduate Medical Education Residency Expansion, Section 58A.021, and 58A.023-58A.026. GME Expansion Program grants are administered by the THECB under Texas Administrative Code, Title 19, Part I, Chapter 6, Subchapter G, Rules 6.120-6.125 and Subchapter H, Rules 6.135-6.140. The 88th Legislature, Regular Session, appropriated funding in the General Appropriation Act, House Bill 1, and provided direction on program administration and funding in Article III, Riders 34, 41, and 49.

1.4 POINT OF CONTACT

All inquiries and communications concerning this RFA shall be directed in writing via email to:

Cindy Fisher, MBA, Program Director
Academic and Health Affairs
Texas Higher Education Coordinating Board
Email: GME-Expansion@highered.texas.gov
Phone: 512-427-6200

1.5 INQUIRIES

All inquiries shall be directed to point of contact. Applicants and prospective applicants must not discuss an application or this RFA with any other THECB employee unless authorized by the point of contact. Failure to comply with this requirement may result in the disqualification of an application. Applicant may only rely on written responses from the THECB.

Any information deemed by the THECB to be important and of general interest or which modifies requirements of the RFA shall be sent in the form of an addendum to the RFA to all applicants that have submitted an application. All applicants must acknowledge receipt of all addenda, if any, to this RFA by an email to GME-Expansion@highered.texas.gov.

2. AWARD SUMMARY

2.1 MAXIMUM NUMBER OF AWARDS ANTICIPATED AND MAXIMUM AWARD AMOUNT ANTICIPATED

The maximum number of awards is contingent on the number of qualified residency positions filled during the grant period and the available applicable general revenue appropriation or other funds. The THECB expects to award grants of at least \$75,000 per year for each residency position awarded and filled during the grant period.

2.2 GRANT PERIOD

For new or existing programs with an academic year start date of July 1, 2024, the grant period will begin upon execution of the Notice of Grant Award (NOGA) or on July 1, 2024, whichever is later, and will conclude on June 30, 2026, for a 24-month grant period.

For newly established programs, or expanding existing programs, with new positions beginning on July 1, 2025, the grant period will begin upon execution of the Notice of Grant Award (NOGA) or on July 1, 2025, whichever is later, and conclude on June 30, 2026, for a 12-month grant period.

All awarded applicants will have contractual obligations that extend beyond the grant periods as set forth in this RFA or in the NOGA, or any amendments thereto.

2.3 SELECTION FOR FUNDING

The funding available to support the GME Expansion in state fiscal years (FY) 2024 and 2025 will be awarded to applicants based on the number of qualified residency positions filled for the GME academic years beginning in July 2024 and/or July

2025. Criteria for evaluation and selection of applications for awards are described in Section 7.

If additional funding becomes available to support the GME Expansion Program, the THECB's point of contact will notify eligible applicants. In order to receive a grant award from additional funding, further documentation and/or work, and an updated application may be required.

2.4 APPLICATION TIMELINE

The application process for this RFA is anticipated to proceed according to the published application timeline. A calendar of events for the entire grant period is in Appendix B.

Date	Application Steps
January 16, 2024	Application Deadline
January 2024	THECB Announcement of Grant Awards

3. ELIGIBILITY REQUIREMENTS

3.1 ELIGIBLE APPLICANT

An eligible applicant is an entity that is (1) located in the state of Texas, and (2) a sponsoring institution of an eligible GME program accredited by the Accreditation Council for Graduate Medical Education (ACGME) for graduates of allopathic (Doctor of Medicine or MD) and osteopathic (Doctor of Osteopathic Medicine or DO) medical schools, or an eligible GME program accredited by the Council on Podiatric Medical Education (CPME) for graduates of podiatric medical schools (Doctor of Podiatric Medicine or DPM).

3.2 ELIGIBLE PROJECTS

Applications submitted under this RFA must intend to accomplish one or more of the following:

1. Have had positions funded by the THECB during previous grant periods under Unfilled Position, Resident Physician Expansion, New and Expanded, or GME Expansion programs.
2. Increase number of filled accreditor-approved first-year residency positions in existing programs (create new PGY 1 positions).
3. Establish new GME programs with accreditor-approved first-year residency positions that will be filled during the grant period (create new PGY 1 positions).

3.3 PRIORITY PROJECTS

Each application that successfully passes the screening process for completeness and eligibility shall be reviewed and assigned to a priority funding level as described in Section 7.2.

3.4 MAXIMUM NUMBER OF APPLICATIONS PER APPLICANT

An eligible sponsoring institution applicant should submit one application for each eligible residency program for which awards are being requested. An eligible CPME accredited GME program should submit one application for all new or expanded residency positions for which an award is being requested.

3.5 NOTICE OF INTENT TO APPLY

A Notice of Intent to Apply (NOI) is not required.

4. APPLICATION SUBMISSION

4.1 APPLICATION DEADLINE: 11:59 p.m. CT, January 16, 2024

Applications must be:

- completed according to the guidelines in Section 8
- submitted by an authorized agent of the applicant entity
- submitted via email to GME-Expansion@highered.texas.gov to the point of contact listed in Section 1.4.

Late or incomplete applications will not be accepted. Applications submitted to an address different from GME-Expansion@highered.texas.gov will not be accepted.

THECB will not accept mailed, hand-delivered, or faxed applications.

Submission of an application confers no rights of applicant to an award or to a subsequent agreement if there is one. The issuance of this RFA does not guarantee that an agreement will ever be awarded. The THECB reserves the right to amend the terms and provisions of the RFA, negotiate with applicant, add, delete, or modify the agreement and/or the terms of application submitted, extend the deadline for submission of application, or withdraw the RFA entirely for any reason solely at THECB's discretion. An individual application may be rejected if it fails to meet any requirement of this RFA. The THECB may seek clarification and additional documentation from applicant at any time, and failure to respond within a reasonable timeframe is cause for rejection of an application.

4.2 THECB CONFIRMATION OF APPLICATION RECEIPT

The THECB shall not be responsible for applications that are captured, blocked, filtered, quarantined, or otherwise prevented from reaching the proper destination server by THECB or applicant antivirus or other security software.

The THECB will confirm application receipt via email within **three (3)** state business days of receipt by the THECB. If an applicant does not receive such confirmation from the THECB, contact the point of contact listed in Section 1.4 immediately. Applicant will be required to provide proof of timely submission of the application.

4.3 COST OF APPLICATION PREPARATION

All costs associated with the preparation and submission of an application for this RFA are the responsibility of the applicant.

4.4 APPLICATION DELIVERY AND LATE APPLICATIONS

Applications must be submitted by an authorized agent of the applicant.

Applications shall be considered to be “on time” if they are received on or before the date and time of established deadlines. Applicant shall be solely responsible for ensuring that application is received by the THECB prior to the deadlines outlined in Section 4. The THECB shall not be responsible for failure of electrical or mechanical equipment, operator error, or inability of an electronic delivery agent to deliver an Application prior to the deadline. Failure to respond in a timely manner to this RFA shall result in applicant losing the opportunity to receive a grant under this program. A late application, regardless of circumstances, shall not be evaluated or considered for award.

5. PROGRAM BACKGROUND

5.1 DETAILED PROGRAM OVERVIEW

In 2013, the 83rd Texas Legislature appropriated \$12 million to support several efforts to increase the number of first-year residency positions available in the state. Each subsequent legislative session continued an increase in appropriation to support the efforts of the GME Expansion Program.

These efforts to increase the number of first-year residency positions have provided Texas medical students with a greater opportunity to remain in the state for their residency training. However, despite substantial progress, the establishment of six additional medical schools continues to require further increases in the number of first-year residency positions to maintain the 1.1 residency positions to 1 medical student ratio goal. In 2023, the 88th Texas Legislature appropriated a total of \$232,621,310 to support the GME Expansion Program in the 2024-25 biennium.

6. PROJECT REQUIREMENTS

6.1 FUNDING RESTRICTION

GME Expansion program funds shall not be substituted for any other funds available to the applicant or any program or project partners. Awarded funds shall be spent only on expenses that support GME expansion as documented in the applicant's budget.

6.2 ALLOWABLE COSTS AND PROHIBITED COSTS

6.2.1 Allowable Cost Categories.

Reasonable costs in the budget categories below are allowable:

- **Resident Compensation** - Salaries/stipends and benefits for residents actively participating in the awarded residency program.
- **Professional Liability Insurance** - For residents actively participating in the awarded residency program.
- **Other Direct Resident Costs** - Approval of expenditures for Other Direct Resident Costs is at the sole discretion of the THECB. These costs must be specifically identified, itemized, and justified in the application budget and the negotiated award budget.

6.2.2 Prohibited Costs.

The following types of costs shall not be included in the proposed budget or be paid with GME Expansion Program grant funds:

- Costs incurred prior to the appropriate grant period.
- Salaries/stipends and benefit payments for resident positions subsidized by the military, Public Health Service, or other federal agencies.
- Salaries/stipends and benefits that are calculated at a higher pay rate than that which an individual normally receives in a position (or in a similar position).
- Professional liability insurance for professional activities outside residency program training.
- Food and beverages that are not considered as per diem for travel.
- Alcohol

- Foreign travel
- Travel not consistent with state of Texas guidelines relating to type (transportation, lodging, meals) funding basis (as actual costs, per diem, mileage), reasonableness, and cost-effectiveness.
- Tips or gratuity
- Indirect costs
- Real property

6.2.3 Budget Changes

Submission of a Budget Change Request form and the THECB's prior written approval from the point of contact for the GME Expansion program is required to allow:

- Any changes to Other Direct Resident Costs category
- Transfers of funds between Resident Compensation and Professional Liability Insurance categories, as approved in the award budget, that exceed \$75,000 for the grant period.

Budget change requests will not be accepted after May 1, 2026.

7. AWARD SELECTION CRITERIA

Each applicant shall satisfy Section 3. Eligibility Requirements to be considered during the award selection process. Grants awards will be made based on the number of qualified residency positions filled for the GME academic years beginning in July 2024 and July 2025.

This RFA is designed to issue grant awards that provide the best overall value to the state. Selection criteria shall be based on eligibility requirements, funding priorities, and project quality, as determined by reviewer criteria, and other factors, including past performance on THECB grants.

7.1 APPLICATION SCREENING

THECB staff shall conduct an initial screening of applications to determine if they adhere to the grant program requirements contained in the RFA. An application must meet RFA requirements and be submitted with proper authorization on or before the day specified by the THECB to qualify for further consideration.

All incomplete, ineligible, or otherwise non-compliant applications will not be considered for funding. It is anticipated that THECB staff will notify applicants eliminated through the screening process within 30 days of the submission deadline.

Each application that passes the initial screening for completeness and eligibility will be further considered for award selection according to the funding priority categories and general selection criteria described in Sections 7.2 and 7.3.

7.2 PRIORITY CRITERIA FOR AWARD SELECTION

An eligible applicant's program will be given funding priority in the selection process based on previous GME Expansion grant funding status awarded by the THECB and recognition of need for specialties identified as having critical shortage levels in the state, per Texas Education Code §58A.0245. As the first step in the selection process, available funds will be awarded to eligible applicants that meet the criteria for priority level one.

If funding remains after priority level one applicants have been selected, priority level two applicants will be considered, followed by consideration of funding priority level three and level four applicants, respectively.

PRIORITY LEVELS

1. Eligible GME programs that have: (a) received GME Expansion grants for positions during prior grant periods under Unfilled Position, New and Expanded, Resident Physician Expansion, or GME Expansion programs, and (b) have at a minimum maintained the number of previously funded positions.
2. Primary Care or Psychiatry Residency Programs: Expand an eligible existing or establish an eligible new program located in the state. Primary care specialties are defined as Family Medicine, Internal Medicine, Obstetrics and Gynecology, and Pediatrics.
3. Other GME Specialty Programs: Expand an eligible existing or establish an eligible new program in a medical specialty that is not primary care nor Psychiatry. This category is further prioritized by the probability that the resident filling the funded position will remain in state to practice (adapted from Appendix B., Table B.1, of the Physician Supply and Demand Projections 2021-2032 report released May 2022 by the Texas Department of State Health Services). A revised list that includes only programs with PGY 1 positions is included in Appendix C. Prioritization will follow numerical order as listed.
4. Other eligible GME specialty programs not specified in criteria 2 or 3.

7.3 GENERAL CRITERIA FOR AWARD SELECTION

Applications must demonstrate that the eligible GME program has previous THECB GME Expansion funded positions and/or is creating new first-year residency positions that will be filled in July 2024 and/or July 2025.

7.4 RECOMMENDATION FOR FUNDING

THECB staff shall make a recommendation of selected applicants to be funded to the Commissioner of Higher Education. Final approval will be consistent with THECB Rule 1.16.

8. APPLICATION FORMAT AND CONTENT

An application must include the elements described in Subsections 8.1 through 8.8 of this RFA. The application form is available on the THECB website:

www.highered.texas.gov/GMEX

In completing the application, applicants should provide sufficient information to allow reviewers to clearly evaluate the application based on the selection criteria described in Section 7.2 and 7.3 of this RFA.

The application form and attachments must be submitted by an agent of the applicant who is authorized to make the submission on behalf of the applicant.

A checklist of required forms is included in Appendix D.

8.1 CERTIFICATION OF APPLICATION INFORMATION (Section 1)

The Certification section provides a signature by an authorized institutional representative to certify the accuracy and completeness of information submitted in the application. The signatory must be an individual who is authorized to bind the applicant institution.

8.2 PROJECT NARRATIVE (Section 2)

8.2.1 Contact Information

Provide applicant contact information, including:

- Name of GME program and sponsoring institution
- Applicant contact name, position/title, phone, and email
- Additional applicant contact name, position, phone, and email.

8.2.2 Project Summary

Check the appropriate project category for the applicant GME program. Applicant should check all that apply.

8.2.3 Description of Applicant and Partners

Provide a description of applicant, including:

- Name of sponsoring institution and GME program
- GME program specialty, length (in years), accreditor, initial accreditation date, initial program start date, accreditor program code, and major participating site
- GME program street address, city, county, zip code
- GME program director name, email address, and phone
- GME program coordinator name, email address, and phone
- Other staff name, email address, and phone

8.2.4 Assessment of Need

Complete the residency positions data table. For positions previously funded by the THECB, include positions that received awards at any time beginning in academic year 2014 through 2023 under all grant programs related to residency position expansion (Unfilled Positions, New and Expanded, Resident Physician Expansion, and GME Expansion programs).

8.3 PROJECT WORK PLAN OR TIMELINE (Section 3)

Awards will be made based on qualified positions selected for funding during the 2024 and 2025 academic years (July 1 - June 30).

8.3.1 Project Goal Statement

Select the grant period for which the applicant intends to apply. The applicant will provide a statement that describes the total number of residency positions requested to be funded, including maintaining previously supported positions, and any additional increases in first-year residency positions.

8.3.2 Major Project Objectives and Expected Outcomes

Select the project objective(s) the applicant intends to accomplish during the grant period. Select all that apply.

8.4 PROJECT EVALUATION

Only newly matched residents shall fill PGY 1 awarded positions. Programs will submit documentation of matched PGY 1 residents and provide the names of those

residents filling awarded positions. Positions funded in Year 1 will continue to be funded in Year 2 (for the 24-month grant period), provided that the residents initialing filling the funded positions continue to be part of the program and the PGY 1 expansion is maintained. All awarded positions must remain filled during the academic year in which they are funded. If a resident named in a funded position leaves the program, the position may be refilled: (1) upon notice and approval by the THECB, pursuant to Section 9.5, and (2) within 60 days of the position being vacated. If not refilled, funding for that position ceases based on the separation date of the resident. A return of the advanced funds will be required based on the date of separation.

Project evaluation will be completed through submission of grant reports. Section 10 provides details on grant reporting requirements.

THECB may conduct an evaluation to assess the statewide effectiveness of the program/project.

8.5 BUDGET (Section 4)

Applicant must submit a proposed budget for the GME program requesting funding. The budget must include:

- A reasonable estimate of funding expenditures over the grant period
- Amounts and justification of allowable funds expenditures by category and year (Refer to Section 6.2)

The THECB shall negotiate an award budget with each awarded applicant. Each awarded GME program's annual budget amount for the grant period will be determined by the number of positions expected to be verified each year. A revised budget shall be required if the award is amended during the grant period.

Funding is provided based on awarded verified positions. GME Expansion Program funds may be expended on reasonable and necessary costs for expansion of the applicant's GME program.

Awarded applicant is responsible for submitting required documentation for actual expenditures (see Section 10.3 Financial Reports).

8.6 FINANCIAL VIABILITY

If Applicant is an Existing GME Program

Complete the table with financial statement data for the applicant GME program's most recently ended fiscal year. In the revenue section, include grant funding and all other sources of income that supported the program. In the expenditure section,

include all expenditures related to operation of the program, regardless of funding source.

If Applicant is a New GME Program with Start Date of July 1, 2022, or July 1, 2023

Complete the table with projected financial statement data for the 2024-2025 and/or 2025-2026 GME academic year, July 1 through June 30. Include amounts and sources of all income and amounts and categories of all expenditures related to operation of the program.

8.7 EVIDENCE OF LEADERSHIP COMMITMENT

A separate document is not required under this RFA. The signature in the Certification section by the representative authorized to bind the sponsoring institution or GME program certifies that the entity receiving the GME Expansion Program grant is fully committed to fulfill the requirements and the work to be performed under the GME Expansion Program.

The applicant contact of the sponsoring institution or GME program, should an award be made, is required to keep his/her leadership apprised of the program's performance and fulfillment of grant requirements during the grant period.

8.8 ATTACHMENTS

The following attachments, which are considered a part of the GME Expansion Program application, should be submitted as separate files from the completed Application form via email to GME-Expansion@highered.texas.gov no later than January 16, 2024, 11:59 p.m. CT.

Existing Programs with Previously Funded Positions

Documentation of current program accreditation - provide each applicant GME program's most recent accreditation letter from the associated accrediting body (ACGME or CPME).

Expanding Existing Programs

Documentation of accreditor approval of additional first-year residency positions

- Provide evidence of applicant's approval from ACGME or CPME for the increase in number of first-year residency positions. If the request and approval are for a temporary increase, provide a plan, including a timetable, for obtaining national accreditor approval for a permanent increase in the number of first-year residency positions.
- If a request for approval of first-year residency position expansion has not been submitted to the ACGME or CPME at the time of this application, applicant must submit a draft request letter that applicant intends to submit to the accrediting

body and specify the planned date of submission. Applicants must specify the expected date of national accreditor approval for expansion.

To qualify for a grant award, accreditation approval for the expanded positions must be in effect no later than July 1 of the academic year in which the new position(s) begin.

Establishing New GME Programs

Provide a plan and include a timetable for establishing a new GME program and achieving accreditation from applicant's accrediting body. Applicants must also provide documentation relating to an application in-process for program accreditation by the ACGME or CPME. To qualify for a grant award, accreditation for the new program must be in effect no later than July 1 of the eligible academic year in which the program begins. Eligible academic year start dates for this RFA are July 1, 2024, and July 1, 2025.

9. DISTRIBUTION OF AWARD FUNDS

9.1 ISSUANCE OF GRANT AWARD

Following all negotiations between THECB and applicants, the awarded applicants will receive an electronic copy of the THECB's GME Expansion Program Notice of Grant Award (sample NOGA in Appendix E), which will take effect on the day the NOGA is fully executed, or on July 1, 2024, whichever is later, for a 24-month grant period award or on July 1, 2025, whichever is later, for a 12-month grant period award. Throughout this RFA, the terms "NOGA," "Award," and "Grant" are used interchangeably.

The NOGA must be executed by an individual authorized to enter into a grant agreement on behalf of the applicant. Upon execution of a NOGA resulting from this RFA, the term "Applicant" shall have the same meaning as "Awarded Applicant" or "Grantee." The Texas Higher Education Coordinating Board, a state agency, may also be referred to as the "THECB," "Board," or "Agency." At times, THECB or "Board" and Awarded Applicant are referred to singularly as "Party" and collectively as "Parties."

9.2 "DISCLOSURE OF INTERESTED PARTIES" REQUIREMENT

If applicable, the THECB may not execute a NOGA with a for-profit, not-for-profit entity or organization, including private institutions, until the entity has presented a certificate disclosing interested parties in compliance with Section 11.24 of this RFA.

9.3 FUNDS DISBURSEMENT AND PAYMENT TERMS

After full NOGA execution and THECB receipt of the Disclosure of Interested Parties as applicable, grant award funds will be disbursed according to the following provisions of this RFA.

GME Expansion Program grants are funded through state general appropriations and other funding. Awarded applicants shall receive payments through the Texas Comptroller of Public Accounts. THECB shall not disburse awarded funds until the NOGA has been fully executed and, if applicable, the Disclosure of Interested Parties has been received and acknowledged by THECB, as described in Section 9.2.

For a 24-month grant period award, the funds will be disbursed into two payments; one for each academic year awarded. Academic Year 1 payment will be disbursed on or after July 1, 2024. Academic Year 2 payment will be disbursed no earlier than June 1, 2025.

For a 12-month grant period award, the funds will be disbursed in one payment, no earlier than July 1, 2025.

The amount of each payment will be determined by the actual number of awarded GME positions verified for each academic year (see Section 10.1 for information on the verification process). Payments will not be disbursed until the verification process has been completed and any award amendments have been fully executed.

All grant-related expenses must be incurred on or prior to June 30, 2026.

Awarded applicant shall not expend or incur against awarded funds until the NOGA has been fully executed.

9.4 LAST DAY OF EXPENDITURES

All allowable grant-related expenses must be incurred on or before June 30, 2026. Expenses incurred after this date cannot be charged to the GME Expansion Program.

9.5 RETURN OF UNEXPENDED FUNDS

Unfilled Positions

The THECB monitors funded residency positions by the resident name given during the verification process as filling the funded position (see Section 10.1 for information on the verification process). If, during the monitoring and reporting process, it is determined that the awarded position(s) is/are unfilled, a return of funds for the unfilled position(s) will be required. The THECB will determine the amount of funds to be returned and send the program a return of funds request, along with instructions for returning the funds. Grantee shall return the funds to the

THECB within ninety (90) days of receipt of the return request, unless otherwise agreed by the THECB and grantee.

Vacated Positions

Use of grant funds for allowable expenses is permitted only if the funded position remains filled by the originally named resident (when the position was initially funded at the PGY 1 level) or refilled by a new resident (with same PGY level) entering the program within sixty (60) days of the original resident vacating the position. A return of funds to the THECB is required for funded positions that remain vacant after the 60-day period. It is the responsibility of the program to let the THECB know within thirty (30) days when a funded position becomes vacant and inform the THECB of their intent on refilling the vacated position. The THECB will determine whether to approve the position being refilled and the amount of funds, if any, to be returned. THECB will send a return of funds request, if applicable, along with instructions for returning the funds. Grantee shall return the funds to the THECB within ninety (90) days of receipt of the return request, unless otherwise agreed by the THECB and grantee.

Award Termination

Grantee shall return any remaining funds promptly if award is terminated.

9.6 GRANT EXTENSION

Extension of the GME Expansion Program grant period is not allowed.

10. MONITORING AND REPORTING REQUIREMENTS

10.1 MONITORING

THECB staff shall monitor and oversee the GME Expansion Program progress and compliance through required reporting to ensure that grant commitments are fulfilled and that the financial matters related to the grant award are accurate and appropriate. Awarded applicant shall be required to complete the reports listed in Sections 10.2 and 10.3 for residency positions funded as a result of this RFA. THECB reserves the right to adjust the reporting deadlines as necessary. Any changes to reporting deadlines will be communicated in writing with Grantees. THECB will provide a template and instructions for electronic submission for required reports.

If awarded applicant does not submit the required reports detailed in Sections 10.2 and 10.3 by the established deadline, and the awarded applicant has not been granted a submission extension, the THECB reserves the right to require that funds already disbursed to the grantee be returned and/or funds expected to be disbursed be put on hold. If a required report is not accepted by the THECB, a return of funds to the THECB may be required. Delinquent and unaccepted reports may affect awarded applicant's eligibility to apply for future THECB grant awards.

Verification Process

Award amounts for each academic year are determined by the number of verified filled positions. The verification process begins immediately after Match Week. The THECB will send verification requests to grantees, requesting copies of Match documentation and ACGME resident rosters, as well as completion of a verification spreadsheet that includes the names of residents filling funded positions. If verification confirms the awarded positions are expected to be filled, the funds disbursement process will begin. If verification differs from the awarded positions, an award amendment will be required prior to funds disbursement.

Unfilled or Vacated Funded Positions

It is the responsibility of the grantee to notify the THECB when it is known that a resident that fills/or is expected to fill a funded position does not begin or is no longer part of the GME awarded program (see Section 9.5).

Change in Accreditation

Grantee must notify the THECB within thirty (30) days if, at any time during the grant period, the GME program's accrediting body revises the accreditation status of the program to probationary or withdraws accreditation.

10.2 PROJECT/PROGRAM NARRATIVE REPORTS

Grantee shall submit program reports as specified by the THECB on or before the following due dates. Grantee shall submit a copy of the ACGME or CPME resident roster for the program report requirement. The THECB reserves the right to adjust the reporting deadlines as necessary. Any changes to reporting deadlines will be communicated in writing with grantees.

For a 24-Month Grant Period Award:

- Interim Program Report due October 1, 2025.
- Final Program Report due October 1, 2026.

For a 12-Month Grant Period Award:

- Interim Program Report due January 10, 2026.
- Final Program Report due October 1, 2026.

10.3 FINANCIAL REPORTS

Awarded applicant shall submit financial expenditure reports to the point of contact on or before the following due dates. Financial report templates will be provided by the THECB. For each expenditure report, grantee must include supporting

documentation (e.g. purchase orders, general ledger entries, receipts) including but not limited to itemized descriptions for the reported actual expenditures.

For a 24-Month Grant Period Award:

- Interim Expenditure Report due October 1, 2025. The report will include, but may not be limited to, total expenditures by budget category and unexpended balance as of June 30, 2025.
- Final Financial Report due October 1, 2026. The report must detail actual expenditures for the grant period by purpose and amount. The report must also document the unexpended balance of the GME Expansion program's funds as of June 30, 2026.

For a 12-Month Grant Period Award:

- Interim Expenditure Report due January 10, 2026. The report will include, but may not be limited to, total expenditures by budget category and unexpended balance as of November 30, 2023.
- Final Financial Report due October 1, 2026. The report must detail actual expenditures for the grant period by purpose and amount. The report must also document the unexpended balance of the GME Expansion program's funds as of June 30, 2026.

11. TERMS AND CONDITIONS

11.1 Termination

Notwithstanding the termination or expiration of this Grant Agreement, the provisions of this Grant Agreement regarding confidentiality, indemnification, transition, records, right to audit and independent audit, property rights, dispute resolution, invoice and fees verification, provision of services, and default shall survive the termination or expiration dates of this Grant Agreement.

11.1.1 Convenience of the State

THECB, in its sole discretion, may terminate this Grant Agreement upon one (1) calendar day's written notice to Grantee. Such notice will be provided in accordance with Section 11.35 of this Grant Agreement. In the event of such termination, Grantee shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. THECB sole and maximum obligation shall be to pay Grantee for previously authorized services completed in accordance with the Grant Agreement and performed prior to the effective date of termination.

THECB shall have no other liability, including no liability for any costs associated with the termination.

11.1.2 Termination for Cause

THECB may, by written notice to Grantee, immediately terminate this Grant Agreement for cause if: (a) THECB is not reasonably satisfied with Grantee's performance; (b) default or abandonment by Grantee occurs; or (c) Grantee fails to comply fully with any term or condition of this Grant Agreement, through no material fault of THECB. If THECB deems it appropriate under the circumstances, THECB will provide a three (3) business day advance written notice of intent to terminate to Grantee, and THECB will provide Grantee with an opportunity for consultation with THECB prior to termination during that three (3) business day period.

If Grantee fails or refuses to perform its obligations or comply with terms of this Grant Agreement, THECB may exercise any and all rights as may be available to it by law or in equity. In the event THECB exercises its right to terminate for cause, Grantee is responsible for paying reasonable costs, fees, expenses, and other damages available to THECB including but not limited to, attorney's fees, court costs, and any other consequential damages to the state of Texas and THECB resulting from Grantee's non-performance or non-compliance.

11.1.3 Abandonment or Default

If Grantee abandons or defaults on the Grant Agreement, THECB reserves the right to terminate the Grant Agreement without notice and re-award the Grant Agreement to the next best responsive and responsible grant applicant. The defaulting Grantee will not be considered in the re-award and may not be considered in future solicitations for the same type of work unless the specification or scope of work significantly changed. The period of suspension will be determined by THECB based on the seriousness of the default.

11.1.4 Applicable Law and Conforming Amendments

THECB may terminate this Grant Agreement immediately upon notice to Grantee in the event federal or state law is enacted, amended, or judicially interpreted so as to render continued fulfillment of the Grant Agreement, on the part of THECB, wholly unreasonable or impossible. THECB reserves the right, at its sole discretion, to unilaterally amend this Grant Agreement throughout the Grant Agreement Term to incorporate any modifications necessary for THECB's compliance, as a Texas state agency, with all applicable state and federal laws, rules, regulations, requirements, and guidelines.

11.1.5 Excess Obligations (Non-Appropriation)

The Grant Agreement is subject to termination or cancellation, without penalty to THECB, either in whole or in part, subject to the availability of state funds.

11.1.6 Effect of Termination

Upon any termination, all indemnities, including without limitation those set forth in this Grant Agreement, as well as Grant Agreement provisions regarding confidentiality, records retention, right to audit, ownership, and dispute resolution, shall survive the termination of this Grant Agreement for any reason whatsoever and shall remain in full force and effect. In the event of any termination, Grantee shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination, unless otherwise agreed to in writing by the Parties. For any termination by THECB other than termination for non-appropriation, THECB shall be liable to Grantee for only that portion of the previously authorized performance completed in accordance with Grant Agreement requirements and performed prior to the effective date of termination.

11.1.7 Transfer of Duties

In the event of termination, Grantee will provide reasonable cooperation to transfer its duties under the Grant Agreement to another entity without disruption, if applicable.

11.2 Amendment

This Grant Agreement may be modified only by written amendment executed by the Parties hereto; however, any amendment of this Grant Agreement that conflicts with Texas state laws shall be void ab initio.

11.3 Indemnification, Acts or Omissions

(This section does not apply to state agencies, local government entities, or political subdivisions of the state of Texas.)

GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND THECB, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, OTHER CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM, ANY ACTS OR OMISSIONS OF GRANTEE OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN EXECUTION OR PERFORMANCE OF THE GRANT AGREEMENT AND ANY PURCHASE ORDERS ISSUED UNDER THE GRANT

AGREEMENT. THE DEFENSE SHALL BE COORDINATED BY GRANTEE WITH THE OFFICE OF THE ATTORNEY GENERAL OF TEXAS IF THECB AND/OR THE STATE OF TEXAS AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, OTHER CONTRACTORS, ASSIGNEES, AND DESIGNEES ARE A NAMED DEFENDANT IN ANY LAWSUIT AND GRANTEE MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE OF THE OFFICE OF THE ATTORNEY GENERAL OF TEXAS. GRANTEE AND THECB AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

11.4 Sovereign Immunity

The Parties stipulate and agree that no provision of, or any part of this Grant Agreement between THECB and Grantee, or any subsequent amendment shall be construed: (1) as a waiver of the doctrine of sovereign immunity or immunity from suit as provided for in the Texas Constitution and Texas state laws; (2) to extend liability to THECB beyond such liability provided for in the Texas Constitution and Texas state laws; or (3) as a waiver of any immunity provided by the Eleventh Amendment or any other provision of the United States Constitution or any immunity recognized by the courts and the laws of the state of Texas and the United States. The state of Texas and THECB do not waive sovereign immunity by entering into this Grant Agreement and specifically retain such immunity and all defenses available to them under Texas state laws or common law.

11.5 Assignment

Grantee shall not assign its rights under the Grant Agreement or delegate the performance of its duties under the Grant Agreement without THECB's prior written approval. Any attempted assignment in violation of this provision is void and without effect.

11.6 Delegation or Subcontracting

Unless as otherwise provided for in this Grant Agreement, no contractual rights, interest, or obligation shall be delegated or subcontracted by Grantee without THECB's prior written approval. No delegation or subcontract approved by THECB shall relieve Grantee of any obligation or responsibility under this Grant Agreement and Grantee shall ensure that the terms and conditions of this Grant Agreement are applicable to any subcontractor. It is the Parties' intent that to the extent subcontracting is approved by THECB, Grantee shall make a good faith effort to subcontract with Historically Underutilized Businesses (HUB), as defined in Texas Government Code § 2161.001(2), during the performance of this Grant Agreement. The goal of the HUB program is to promote full and equal business opportunities for all businesses contracting with the state of Texas.

11.7 Right to Audit and Records Retention

Grantee understands that acceptance of funds under this Grant Agreement, or indirectly through a subcontract under this Grant Agreement, acts as acceptance of the authority of the State Auditor's Office, THECB or any successor agency, as well as any external auditors selected by the State Auditor's Office, THECB or, in agreements involving federal funds, any auditors selected by the United States, including, but not limited to the cognizant federal agencies and/or federal Offices of the Inspector General (collectively referred to as "Audit Entities"), to conduct an audit or investigation in connection with those funds. Grantee further agrees to cooperate fully with the Audit Entities in the conduct of an audit or investigation, including promptly providing all records requested. Grantee will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Grantee and the requirements to cooperate is included in any subcontract it awards.

Grantee shall maintain its records and accounts in a manner which assures a full accounting for all funds received and expended by Grantee in connection with the Grant Project. These records and accounts (which includes all receipts of expenses incurred by Grantee) shall be retained by Grantee and made available for inspecting, monitoring, programmatic or financial auditing, or evaluation by THECB and by others authorized by law or regulation to do so for a period of not less than seven (7) years from the date of completion of the Grant Agreement or the date of receipt by THECB of Grantee's final claim for payment or final expenditure report or until any litigation/billing issues are resolved, whichever is later. If an audit has been announced, the records shall be retained until such audit has been completed. Grantee shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all documents and other information related to the services provided in this Grant Agreement. Grantee and any subcontractors shall provide any Audit Entities with any information such entity deems relevant to any monitoring, investigation, evaluation, or audit.

Grantee's failure to comply with this subsection (Right to Audit and Records Retention) shall constitute a material breach of this Grant Agreement and shall authorize THECB and the state of Texas to immediately assess appropriate damages for such failure. THECB reserves the right to require the reimbursement of any over-payments determined as a result of any audit or inspection of records on work performed under this Grant Agreement. Grantee shall reimburse THECB for any over-payments within thirty (30) calendar days of receipt of THECB's written notice.

Awarded applicant shall have an accounting system that accounts for cost in accordance with generally accepted accounting principles. Awarded applicant's accounting system must include an accurate and organized file/records system for accounting and financial purposes for providing backup materials for billings.

11.8 Time and Effort Recordkeeping

For those personnel whose salaries are prorated between or among different funding sources, time and effort records will be maintained by Awarded applicant that confirm the project work provided within each funding source. Awarded applicant must adjust payroll records and expenditures based on this documentation. This requirement applies to all projects, regardless of funding sources, unless otherwise specified.

11.9 Texas Grant Management Standards

Grantee agrees to follow and comply with the Texas Grant Management Standards (TGMS), including all of its applicable conditions and State Assurances. TGMS is herein incorporated for all purposes into this Agreement. All applicable conditions and uniform assurances can be found at <https://comptroller.texas.gov/purchasing/docs/grant-management-reader.pdf>.

11.10 Forms, Assurances, and Reports

Awarded applicant shall timely file with the proper authorities all forms, assurances and reports required by state laws and regulations. THECB shall be responsible for reporting to the proper authorities any failure by awarded applicant to comply with the foregoing laws and regulations coming to THECB's attention and may deny reimbursements or recover payments made by THECB to Awarded Applicant in the event of awarded applicant's failure to so comply.

11.11 Site Visits

Throughout the Grant Term, THECB and/or its representatives shall have the right to make site visits to review the awarded program's operations and accomplishments.

11.12 Supplanting Prohibition

A Grant Award may not be used to replace federal, state, or local funds.

11.13 Carryover of Funds

At THECB's discretion and in compliance with Texas law, unencumbered funds may carry over from each year of the Grant Period.

11.14 Applicable Conditions and Uniform Assurances

The standard financial management conditions and uniform assurances set out in the RFA are applicable to all grants, cooperative agreements, contracts, and other financial assistance arrangements executed between state agencies, local

governments, and any other sub-recipient not specifically excluded by state or federal law.

11.15 Child Support Obligation Family Code

(Not applicable to state agencies, government entities, or nonprofits.)

“Under Section 231.006, Family Code, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.” Tex. Fam. Code § 231.006(d). If this certification is shown to be false, Grantee is liable to THECB for attorneys’ fees, the costs necessary to complete the Grant Agreement, including the cost of advertising and awarding a second grant agreement, and any other damages provided by law or Grant Agreement.

11.16 Dispute Resolution

The dispute resolution process provided in Texas Government Code Chapter 2009 is available to the Parties to resolve any disputes arising under the Grant Agreement.

11.17 Public Disclosure

Publication, including presentations, is encouraged; however, awarded applicant agrees to notify THECB prior to the publication of any information, including results, findings, or reports regarding the activities being conducted under this RFA. Awarded applicant shall ensure the following statement is included in any published work:

This work was supported in whole or in part by a grant from the Texas Higher Education Coordinating Board (THECB). The opinions and conclusions expressed in this document are those of the author(s) and do not necessarily represent the opinions or policies of THECB.

Should awarded applicant be contacted by any news media about any information, including results, findings, or reports regarding activities being conducted under this RFA, awarded applicant shall notify its THECB Point of Contact, when possible, before communicating with news media. If that is not possible, awarded applicant shall notify its THECB Point of Contact immediately after concluding the communication with the news media.

Should awarded applicant desire to contact any news media about any information, including results, findings, or reports regarding activities being conducted under this RFA, awarded applicant shall notify its THECB Point of Contact before communicating with news media.

Any written publication shall be sent electronically to the THECB Point of Contact.

11.18 Confidentiality, Public Information Act, and FERPA

Notwithstanding any provisions of this Agreement to the contrary, Grantee understands that as a Texas state agency, THECB is subject to and will comply with the Texas Public Information Act, Government Code, Chapter 552 as interpreted by judicial rulings and opinions of the Attorney General of Texas. Grantee will cooperate with THECB in the production of documents responsive to any such requests under the Public Information Act at no additional charge to THECB.

11.18.1 Public Information Act

THECB will determine whether to submit a request for a ruling seeking to withhold information from a Public Information Act requestor to the Open Records Division of the Office of the Attorney General of Texas. This Grant Agreement and all data and other information generated or otherwise obtained in its performance may be subject to the Texas Public Information Act. Grantee will notify THECB's Point of Contact within twenty-four (24) hours of receipt of any third-party requests for information it receives relating to this Grant Agreement. In accordance with Texas Government Code § 2252.907, Grantee is required to make any information created or exchanged with THECB pursuant to this Grant Agreement, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to THECB and shall cooperate with THECB in doing so. Grantee agrees to maintain the confidentiality of information received from THECB and the state of Texas during the performance of this Grant Agreement, including information which discloses confidential personal information. Grantee will not disclose any information to which it is privy under this Grant Agreement without THECB's prior written consent. Grantee will indemnify and hold harmless the state of Texas, its officers, and its employees and THECB, its officers, and its employees for any claims for damages that arise from the disclosure by Grantee of information also held by the state of Texas or THECB to which Grantee is privy under this Grant Agreement.

All submitted Applications become the property of THECB after the RFA submittal deadline date. Upon acceptance of the Grant Agreement, all information submitted with applicant's application becomes public record and all information submitted with awarded applicant's application becomes part of the Grant Agreement. Therefore, such information is subject to disclosure under the Texas Public Information Act, unless an exception under the Texas Public Information Act is applicable.

Any proprietary information or copyrighted materials included in applicant's application may be subject to disclosure unless such

proprietary information or copyrighted materials is clearly identified by applicant, and such identification is submitted concurrently with the original submission of the proprietary information. Such identification of proprietary information shall be clearly marked in the Application on each page it appears. Such markings should be in boldface type at least 14-point font.

If awarded applicant fails to clearly identify proprietary information with the original submission of the proprietary information, then those sections will be deemed non-proprietary and made available upon public request after the grant is awarded. The production of any material under the Grant shall not have the effect of violating or causing THECB to violate any law, including the Texas Public Information Act.

11.18.2 Family Educational Rights and Privacy Act

Grantee agrees to comply with the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, and the implementing federal regulations, 34 C.F.R. Part 99.

11.19 Infringements

(This section does not apply to state agencies, local government entities, or political subdivisions of the state of Texas.)

GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS, THECB, AND THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, OTHER CONTRACTORS, ASSIGNEES, OFFICERS, AND DESIGNEES FROM AND AGAINST ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS, OR INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, SERVICE MARK, TRADE SECRET OR OTHER INTELLECTUAL OR INTANGIBLE PROPERTY RIGHT IN CONNECTION WITH OR ARISING FROM THE PERFORMANCES OR ACTIONS OF GRANTEE PURSUANT TO THIS GRANT/AWARD AGREEMENT. GRANTEE AND THECB AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. GRANTEE SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY GRANTEE WITH THE OFFICE OF THE ATTORNEY GENERAL OF TEXAS IF THECB AND/OR THE STATE OF TEXAS AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, OTHER CONTRACTORS, ASSIGNEES, AND DESIGNEES ARE A NAMED DEFENDANT IN ANY LAWSUIT AND GRANTEE MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE OF THE OFFICE OF THE ATTORNEY GENERAL OF TEXAS. GRANTEE AND THECB AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Grantee shall have no liability under this section if the alleged infringement is caused in whole or in significant part by: (i) THECB's use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii)

any modification made to the product by THECB without Grantee's approval, (iii) any modifications made to the product by Grantee pursuant to THECB's specific instructions, (iv) any intellectual property right owned by or licensed to THECB by a person or entity other than Grantee, or (v) any use of the product or service by THECB that is not in substantial conformity with the terms of any applicable license agreement.

If Grantee becomes aware of an actual or potential claim, or THECB provides Grantee with notice of an actual or potential claim, Grantee may (or in the case of an injunction against THECB, shall), at Grantee's sole option and expense; (i) procure for THECB the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that THECB's use is non-infringing.

11.20 Ownership/Work Made for Hire

For purposes of this Grant Award, the term "Work" or "Work Product" is defined as all work papers, work products, materials, approaches, designs, specifications, systems, software, programs, source code, documentation methodologies, concepts, intellectual property, or other property developed, produced, or generated in connection with the work performed under the Grant Agreement.

Copyright. When copyrightable material is developed in the course of or under this grant agreement, awarded applicant is free to copyright the materials or permit others to do so. THECB shall have a royalty-free, non-exclusive, fully-paid up, no cost, transferable, worldwide, and irrevocable right and license to reproduce, publish, or otherwise use and to authorize others to use for governmental and educational purposes: (1) the copyright in any work developed under the Grant and (2) any rights of copyright to which a awarded applicant (or any sub-grantee or subcontractor of the Grantee) purchases ownership with Grant funds. In no event shall awarded applicant (or any sub-grantee or subcontractor to the awarded applicant) charge other Texas state agencies, institutions of higher education, or independent institutions of higher education (as the terms "institutions of higher education" and "independent institutions of higher education" are defined in the Texas Education Code) for any license to use any or all copyrights purchased with Grant funds or in any work developed under the grant agreement.

Data. THECB has the right to: (1) obtain, reproduce, publish, or otherwise use the data first produced under this grant and (2) authorize others to receive, reproduce, publish, or otherwise use such data for governmental and educational purposes. In no event shall awarded applicant (or any sub-grantee or subcontractor to the awarded applicant) charge other Texas state agencies, institutions of higher education, or independent institutions of higher education (as the terms "institutions of higher education" and "independent institutions of higher education" are defined in the Texas Education Code) for any license to use any or all data first produced under this Grant.

Grantee shall ensure that this provision, “Ownership/Work Made for Hire,” is contained in any subcontract THECB has authorized Grantee to award. Grantee shall not use, willingly allow, or cause to have such Work used for any purpose other than the performance of Grantee’s obligations under this Grant Agreement without THECB’s prior written consent; provided, however, that Grantee shall be allowed to use non-confidential materials for writing samples in pursuit of work or for other governmental or educational purposes.

11.21 Governing Law and Venue

The Grant Agreement shall be governed by and construed in accordance with Texas state laws, without regard to the conflicts of law provisions. The venue of any suit arising under the Grant Agreement is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to THECB.

11.22 Additional Grantee Responsibilities

Grantee shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations and the orders and decrees of any court, administrative body, or tribunal in any matter affecting the performance of this Grant Agreement, including applicable workers’ compensation laws, compensation statutes and regulations, and licensing laws and regulations. Upon THECB’s request, Grantee shall furnish THECB with satisfactory proof of its compliance. Grantee shall be responsible for damage to THECB’s equipment, and/or the workplace and its contents by Grantee’s or its subcontractors’ work, negligence in work, personnel, and equipment. Grantee shall be responsible and liable for the safety and health of its employees and contractors while they are performing work under this Grant Agreement.

Grantee hereby covenants, represents, and warrants that Grantee (including, for purposes of this section, its employees, consultants, subcontractors, and agents): (1) has the technical expertise and general skills necessary to perform in accordance with this Grant Agreement competently and professionally, (2) is not a party to or bound by any agreement, obligation, or understanding which restricts or limits in any way Grantee’s right to enter into this Grant Agreement or Grantee’s right or ability to perform Grantee’s obligations under this Grant Agreement, (3) shall not use the trade secrets, intellectual property rights, copyrights, or other proprietary rights of any third party in the performance of Grantee’s obligations under this Grant Agreement without having first lawfully obtained the right in writing to do so, and (4) has the necessary equipment, facilities and workers to perform Grantee’s obligations under this Grant Agreement.

11.23 Conflict of Interest

Grantee represents and warrants that Grantee, its principals, employees, or subcontractors have no potential conflict of interest with THECB under this Grant

Agreement. Failure to disclose a conflict of interest, at any time during the duration of this Grant Agreement, shall be cause for termination of this Grant Agreement. Grantee represents and warrants that performance under the Grant Agreement will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

11.24 Disclosure of Interested Parties

THECB may not execute a grant valued at \$1 million dollars or more until the Business Entity has presented a certificate disclosing interested parties. “Business Entity” is defined as an entity (other than a governmental entity or state agency) through which business is conducted, regardless of whether the entity is for-profit or nonprofit. The Texas Ethics Commission has an online portal for vendors/grantees. Grantees will need to create a username and password to complete the “Certificate of Interested Parties” form. After the form has been completed, print and sign the form before sending a final copy to THECB at Procurement@highered.texas.gov. The Texas Ethics Commission portal link can be found at: <https://www.ethics.state.tx.us/filinginfo/1295/>.

11.25 Financial Interests and Gifts

Grantee represents and warrants that neither Grantee nor any person or entity that will participate financially in this Grant Agreement has received compensation from THECB or any agency of the state of Texas for participation in preparation of specifications for this Grant Agreement.

11.26 Antitrust

The undersigned affirms under penalty of perjury of Texas state laws that: “(1) in connection with this Grant Agreement, neither I nor any representative of Grantee have violated any provision of the Texas Free Enterprise and Antitrust Act, Texas Business and Commerce Code Chapter 15; (2) in connection with this Grant Agreement, neither I nor any representative of Grantee have violated any federal antitrust law; and (3) neither I nor any representative of Grantee have directly or indirectly communicated any of the contents of this Grant Agreement to a competitor of Grantee or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Grantee.”

11.27 Equal Opportunity

Grantee represents and warrants that it shall not discriminate against any person on the basis of race, color, national origin, religion, political belief, sex, age, or disability in the performance of this Grant Agreement.

11.28 Independent Contractor

Grantee shall be an independent contractor in all matters relating to this Grant Agreement. Grantee and its employees, agents, and subcontractors shall not be deemed or construed to be the employees or agents of THECB for any purposes whatsoever. Grantee agrees and acknowledges that Grantee, its employees and agents, and Grantee's subcontractors are independent contractors of THECB and/or the state of Texas and are not employees of THECB or the state of Texas, and Grantee agrees that it shall have complete responsibility in the area of employment law and relations regarding its own employees, contractors, and agents, including but not limited to: wrongful discharge lawsuits, unemployment issues, workers' compensation, employment taxes, any other benefits and reimbursement due to losses in these areas. Consistent therewith, Grantee agrees that it shall make its own arrangements to provide its employees with all necessary employee benefits, including unemployment and workers' compensation benefits, and THECB is in no way a party to such arrangements. Regarding its employees, Grantee shall have the sole authority to hire, fire, transfer, train, evaluate, discipline, pay, and assign work.

Grantee agrees and acknowledges that Grantee and Grantee's employees or assistants shall not be entitled to any state of Texas benefit on account of the services provided hereunder. If THECB or the state of Texas shall nonetheless become liable for such payments or obligations, Grantee shall promptly pay or reimburse THECB or the state of Texas for such liability or obligation.

11.29 Eligibility/Authorization to Work in the United States

Grantee shall ensure that all personnel provided to perform work under this Grant Agreement possess proof of eligibility/authorization to work in the United States in compliance with the Immigration Reform and Control Act of 1986, the Immigration Act of 1990 including any amendments already adopted or as may be adopted hereafter, and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 including any amendments already adopted or as may be adopted hereafter. Grantee shall maintain written records on all personnel provided under the Grant Agreement and shall provide such records to THECB upon request. Failure to maintain and provide records upon request shall represent a material breach of this Grant Agreement and THECB shall have the right to terminate the Grant Agreement for cause. Grantee shall ensure this section is included in all subcontracts it is authorized by THECB to enter.

11.30 Taxes, Workers' Compensation Insurance, and Unemployment Insurance, Including Indemnity

(This section does not apply to state agencies, local government entities, or political subdivisions of the state of Texas.)

GRANTEE AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS GRANT AGREEMENT, GRANTEE SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF GRANTEE'S AND GRANTEE'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCE OF THIS GRANT AGREEMENT. GRANTEE AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THECB AND/OR THE STATE OF TEXAS SHALL NOT BE LIABLE TO GRANTEE, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY.

GRANTEE AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS THECB, THE STATE OF TEXAS AND THEIR OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES AND DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS GRANT AGREEMENT. GRANTEE SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY GRANTEE WITH THE OFFICE THE ATTORNEY GENERAL OF TEXAS IF THECB AND/OR THE STATE OF TEXAS AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, OTHER CONTRACTORS, ASSIGNEES, AND DESIGNEES ARE A NAMED DEFENDANT IN ANY LAWSUIT AND GRANTEE MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE OF THE OFFICE OF THE ATTORNEY GENERAL OF TEXAS. GRANTEE AND THECB AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Applicant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations (including THECB rules relating to the GME Expansion Program as codified in Title 19, Part 1 of the Texas Administrative Code, Chapter 6) and the orders and decrees of any court, administrative body, or tribunal in any matter affecting the performance of the Grant Agreement, including, if applicable, workers' compensation laws, compensation statutes and regulations, and licensing laws and regulations. Upon THECB's request, Grantee shall furnish THECB with satisfactory proof of its compliance.

11.31 Prohibition on Use of Funds for Lobbying

Grantee represents and warrants that THECB's payments and Grantee's receipt of appropriated or other funds under this Grant Agreement are not prohibited by Texas Government Code §§ 556.005 or 556.008.

11.32 Buy Texas

In accordance with Texas Government Code § 2155.4441, Grantee agrees that during the performance of a Grant Agreement for services it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state.

11.33 Provision of Services

If applicable, upon THECB's request for the provision of any services for which THECB has made payment, Grantee shall immediately provide such services to THECB. Any failure to provide such services immediately shall be considered a material breach of this Grant Agreement.

11.34 Force Majeure

THECB may grant relief from performance of this Grant Agreement if Grantee is prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of Grantee. The burden of proof for the need of such relief shall rest upon Grantee. Grantee shall notify THECB in writing if it believes that a force majeure may have occurred and THECB shall, in its sole discretion, determine if force majeure has occurred.

11.35 Notice

Form of Notice. All notices and other communications in connection with this Grant Agreement shall be in writing.

Method of Notice. All notices must be given by (i) personal delivery, (ii) express courier (with confirmation), (iii) registered or certified mail (return receipt requested), or (iv) electronic mail to the Parties at the address specified in this Grant Agreement, or to the address that a Party has notified to be that Party's address for the purposes of this section.

Receipt of Notice. A notice in accordance with this Grant Agreement will be effective upon receipt by the Party to which it is given or, if mailed by registered or certified mail, upon the earlier of receipt or the third business day following mailing.

THECB shall not be responsible for notices that are captured, blocked, filtered, quarantined, or otherwise prevented from reaching the proper destination server by THECB or Grantee's anti-virus or other security software.

11.36 False Statements; Breach of Representations

Grantee represents and warrants that all statements and information prepared and submitted to THECB are current, complete, true, and accurate. Submitting a false

statement or material misrepresentations made during the performance of a Grant Agreement is a material breach and may void the Grant Agreement.

11.37 Severability and Waiver

The invalidity, illegality, or unenforceability of any provision of this Grant Agreement shall in no way affect the validity, legality, or enforceability of any other provisions.

Each and every right granted to the Parties hereunder or under any other document delivered hereunder or in connection herewith, or allowed them by law or equity, shall be cumulative and may be exercised from time to time. Failure by THECB or Grantee at any time to require strict performance of any contractual provision or obligation contained herein shall not constitute a waiver or diminish the rights of either Party thereafter to demand strict compliance. Neither THECB's review, approval, acceptance of, nor payment for any of the services provided in this Grant Agreement shall be construed to operate as a waiver of any rights under the Grant Agreement, or of any cause of action arising out of the performance of the services required by the Grant Agreement.

11.38 Human Trafficking Prohibition

"Under Section 2155.0061, Texas Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate." Tex. Gov't Code § 2155.061.

11.39 Foreign Terrorist Organizations

Grantee represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Texas Government Code § 2252.152.

11.40 System for Award Management

THECB is federally mandated to adhere to the directions provided in the President's Executive Order 13224, Executive Order on Terrorist Financing – *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*, and any subsequent changes made to it. Grantee certifies that Grantee is in compliance with the state of Texas statutes and rules relating to procurement and that Grantee is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.sam.gov>.

11.41 Notification of Grant Agreement

(Only applies to employees of a Texas state agency or any public or private institution of higher education.)

THECB will send notification to the key personnel’s employer if the personnel are otherwise employed outside of their contracted work with THECB.

11.42 Insurance

Only if required by law, Grantee agrees to maintain at its expense insurance as required for the work being performed under this Grant Agreement. Such insurance will protect THECB from all claims for bodily injury, death, or property damage which may arise out of or result from the performance of Grantee’s obligations under the Agreement. Grantee represents and warrants that it will, within ten (10) business days of award of Grant Agreement, provide THECB with current certificates of insurance or other proof acceptable to THECB of the following insurance coverage:

Grantee must maintain workers’ compensation insurance coverage in accordance with statutory limits.

Minimum Required Amounts of Insurance Coverage	
<i>Workers’ Compensation</i>	Statutory Limits
<i>Employer’s Liability</i> Bodily Injury by Accident Bodily Injury by Disease Bodily Injury by Disease	\$1,000,000 Each Accident \$1,000,000 Each Employee \$1,000,000 Policy Limit
<i>Commercial General Liability</i> (Occurrence Based)	Bodily Injury and Property Damage \$1,000,000 Each Occurrence Limit \$2,000,000 Aggregate Limit \$5,000 Medical Expense Each Person \$2,000,000 Products/Completed Operations Aggregate Limit \$1,000,000 Personal Injury and Advertising Liability \$50,000 Damage to Premises Rented
<i>Automobile Liability</i> All Owned, Hired and Non-Owned Vehicles	\$500,000 Combined Single Limit (for Each Accident)
<i>Umbrella/Excess Liability</i>	\$1,000,000 Per Occurrence

Note: The required insurance coverage must be issued from a company or companies that have both: (1) a Financial Strength Rating of “A” or better from A.M. Best Company, Inc.; and (2) a Financial Size Category Class of “VII” or better from A.M. Best Company, Inc.

All insurance policies for required coverage must be issued by companies authorized to do business under Texas state laws and in a form satisfactory to THECB. All required insurance contracts must be written on a primary and non-contributory basis with any other insurance coverages Grantee currently has in place; and include a Waiver of Subrogation Clause.

All certificates of insurance for required coverage other than workers’ compensation and professional liability must name the state of Texas and its officers, directors, and employees as additional insureds.

Grantee shall:

- (1) Provide written notice to THECB by e-mail at Procurement@highered.texas.gov and by U.S. First Class Mail to 1801 N. Congress Ave. Suite 12.200, Austin, Texas 78701 at least thirty (30) calendar days prior to any cancellation, non-renewal, or material change of a required policy;
- (2) Ensure all insurance policies and certificates of insurance for required coverage are written to include all products, services, and locations related to Grantee’s performance under the Grant Agreement; and
- (3) Deliver to THECB by e-mail at Procurement@highered.texas.gov and by U.S. First Class Mail to 1801 N. Congress Ave., Suite 12.200, Austin, Texas 78701, all renewal policies at least ten calendar days prior to any expiration of a required policy. All renewal policies and corresponding certificates of insurance must meet all terms set forth in the Grant Agreement.

Grantee must ensure that all provisions of the Grant Agreement concerning liability, duty, and standard of care, together with the indemnification provision, are underwritten by contractual liability coverage sufficient to include such Grantee’s obligations under the Grant Agreement.

11.43 Debts and Delinquencies to the State

Grantee agrees that any payments due under the Grant Agreement shall be applied towards any debt or delinquency that is owed to the state of Texas.

11.44 Deceptive Trade Practices; Unfair Business Practices

Grantee represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Texas Business and Commerce Code, Chapter 17, or allegations of any unfair business practice, in any administrative

hearing or court suit, and further, that if it has been the subject of either or both such allegations, that Grantee has not been found to be liable for any such practices in such proceedings. Grantee certifies that it has no officers who have served as officers of other entities which have been the subject of allegations of Deceptive Trade Practices Act conduct, violations thereof, or allegations of any unfair business practices, in an administrative hearing or court suit and further, that if such officers have been the subject of either or both such allegations, that such officers have not been found to be liable for any such practices in such proceedings.

11.45 Suspension and Debarment

Grantee certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the Debarred Vendor List maintained by the Texas Comptroller of Public Accounts and the System for Award Management (SAM) maintained by the General Services Administration.

11.46 Excluded Parties

Grantee certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*, published by the United States Department of the Treasury, Office of Foreign Assets Control.

11.47 E-Verify: U.S. Department of Homeland Security's E-Verify System

By entering into this Grant Agreement, Grantee certifies and ensures that it utilizes and will continue to utilize, for the Grant Agreement Term, the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of all persons: (a) employed to perform duties within Texas, during the Grant Agreement Term; and (b) (including subcontractors) assigned by Grantee to perform work pursuant to the Grant Agreement, within the United States of America.

Upon THECB's request, Grantee shall provide an electronic or hardcopy screenshot of the confirmation or tentative non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for the three most recent hires that match the criteria above, by Grantee, and Grantee's subcontractors, as proof that this provision is being followed.

If this certification is falsely made, this Grant Agreement may be immediately terminated, at THECB's or the state of Texas's discretion and at no fault to THECB or the state, without prior notification. Grantee shall also be responsible for the costs of any re-solicitation that THECB or the state of Texas must undertake to replace the terminated Grant Agreement.

11.48 Drug-Free Workplace

Grantee represents and warrants that it shall comply with the applicable provisions of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 701, et seq.) and maintain a drug-free work environment.

11.49 No Commissions

THECB shall not pay any commissions to Grantee under this Grant Agreement.

11.50 Applicable Taxes

This Grant Agreement shall not be construed so as to supersede the laws of the United States or the state of Texas that accord the state of Texas, THECB, and all departments, agencies, and instrumentalities of the state of Texas exemptions from payment of all taxes of whatever kind. More specifically, to the extent permitted by applicable law, THECB shall not directly or indirectly be liable for taxes of any kind. Grantee represents and warrants that it shall pay all taxes or similar amounts resulting from this Grant Agreement, including, but not limited to, any federal, state, or local income, sales, or excise taxes of Grantee or its employees. To the extent permitted by applicable law, THECB shall provide all applicable tax exemption certificates upon Grantee's request.

11.51 Electronic and Information Resources Accessibility Standards

State agencies and institutions of higher education shall procure products which comply with the state of Texas accessibility requirements for electronic and information resources specified in Title 1 Texas Administrative Code, Part 10, Chapter 213, when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

Grantee shall provide the Texas Department of Information Resources (DIR) with the Uniform Resource Locator (URL) to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with Texas state accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<https://www.section508.gov/buy/>). Grantees not listed with the Buy Accessible Wizard or supplying a URL to their VPAT must provide DIR with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the Buy Accessible Wizard or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.

11.52 Smoking Policy

THECB has a policy of being a smoke-free agency. The policy reflects THECB's commitment to providing a healthy environment for all THECB employees and

visitors. This policy prohibits smoking within any state building. Grantee, by acceptance of this Grant Agreement, agrees to abide by this policy when on THECB's property.

11.53 Substitutions

Substitutions are not permitted without THECB's written approval.

11.54 Grantee Information Responsibilities

(Applicable for Agreements \$1 Million and Above)

Grantee represents and warrants that it will comply with the requirements of Texas Government Code § 552.372(a). Except as provided by Texas Government Code § 552.374(c), the requirements of Texas Government Code §§ 552.371-.766 may apply to the Grant Agreement and Grantee agrees that the Grant Agreement can be terminated if Grantee knowingly or intentionally fails to comply with a requirement of that subchapter.

11.55 Cybersecurity Training

Grantee represents and warrants that it will comply with the requirements of Texas Government Code 2054.5192 relating to cybersecurity training and required verification of completion of the training program.

11.56 Disaster Recovery Plan

Upon THECB's request, Grantee shall provide the descriptions of its business continuity and disaster recovery plans. 13 Tex. Admin. Code § 6.94(a)(9).

11.57 Entire Agreement and Order of Precedence

This Grant Agreement consists of the following documents: the final executed Grant Agreement (including its exhibits and any amendments), THECB's Request for Applications, and Grantee's response to the Request for Applications.

In the event of conflicts, contradictions, or inconsistencies between or among these documents, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of precedence:

- (1) Any duly executed amendments to the final executed Grant Agreement;
- (2) The final executed Grant Agreement, including its exhibits;
- (3) The original Request for Applications including any addenda issued; and
- (4) Grantee's Application in response to the Request for Applications, including any addenda.

This Grant Agreement (including its exhibits and any amendments) contains the final, complete, and exclusive understanding of the Parties, and supersedes all prior, contemporaneous, oral, or written understandings, representations, and negotiations between the Parties relating to the subject matter of this Grant Agreement. The Parties further agree that this Grant Agreement may not in any way be explained or supplemented by a prior or existing course of dealings between the Parties, by usage of trade or custom, or by any prior performance between the Parties pursuant to this Grant Agreement or otherwise.

If language contained in a particular section of the RFA is found to be in conflict with language in another section, the most stringent requirement(s) shall prevail.

Appendix A: RFA DEFINITIONS

The following definitions shall apply:

1. **Applicant** – An eligible entity submitting an application in accordance with the terms of this RFA that is (1) located in the state of Texas, and (2) a Sponsoring Institution of an graduate medical education program accredited by the Accreditation Council for Graduate Medical Education (ACGME) for graduates of allopathic (Doctor of Medicine or MDs) and osteopathic (Doctor of Osteopathic Medicine or DOs) medical schools, or an eligible graduate medical education program accredited by the Council on Podiatric Medical Education (CPME) for graduates of podiatric medical schools.
2. **Application** – The final document submitted by an applicant to THECB in response to and in accordance with the terms of this RFA.
3. **Awarded applicant** – The successful recipient ultimately awarded a grant by THECB who is responsible for performing all activities required to fully comply with grant performance requirements and all grant terms and conditions.
4. **First-year residency position** – A residency position offering first year training in a graduate medical education program.
5. **Graduate medical education (GME) program** – A nationally accredited post-Doctor of Medicine (MD) or post-Doctor of Osteopathic Medicine (DO) program that prepares physicians for the independent practice of medicine in a specific specialty area; or a nationally accredited post-Doctor of Podiatric Medicine (DPM) program that prepares podiatrists for independent practice in the specialty area of podiatry.
6. **NOGA – Notice of Grant Award** – Term applied to the official document used by THECB to notify grantees that funding has been approved. NOGAs include such information as award amount, project and budget periods, and specific award terms and conditions. The NOGA creates a legally binding agreement between the parties and incorporates the RFA and the application into the agreement. Throughout this RFA the terms “NOGA,” “Grant Agreement,” and “Grant” are used interchangeably.
7. **PGY # – postgraduate year** – A resident’s current year (denoted by numeral after PGY) of accredited graduate medical education. This designation may or may not correspond to the resident’s year in a particular program.
8. **Sponsoring institution** - The entity that assumes the ultimate financial or academic responsibility for a graduate medical education program.
9. **State fiscal year** – The period of time beginning on September 1 and ending on August 31 of the following year, both dates inclusive.
10. **State of Texas business days** – Monday through Friday, 8:00 a.m. to 5:00 p.m. CT, except for scheduled state of Texas and national holidays.
11. **THECB** – The Texas Higher Education Coordinating Board, a Texas state agency.

Appendix B: CALENDAR OF EVENTS

January 16, 2024	Application Deadline
January 2024	THECB Announces Grant Awards
January 2024	Execution of Grant Agreements Begin
March 2024	Position Verification for Academic Year 2024-2025 Begins
July 1, 2024*	24-Month Grant Period and Academic Year 2024-2025 Award Disbursement Begins
March 2025	Position Verification for Academic Year 2025-2026 Begins
June 2025	Academic Year 2025-2026 Disbursement for 24-Month Grant Period Awards Begin
July 1, 2025*	12-Month Grant Period and Academic Year 2025-2026 Disbursement for 12-Month Grant Period Awards Begin
October 1, 2025	Interim Program and Expenditure Reports Due for 24-Month Grant Period Awards
January 10, 2026	Interim Program and Expenditure Reports Due for 12-Month Grant Period Awards
June 30, 2026	Grant Periods End - Last Day to Expend Grant Funds
October 1, 2026	Final Program Report Due Final Financial Report Due

*Grant period begins on date stated or upon execution of Notice of Grant Award, whichever is later.

Appendix C: PROBABILITY THAT A TEXAS RESIDENT WILL REMAIN IN THE STATE TO PRACTICE (By Specialty)

Specialty	Probability
1. Emergency Medicine	84.6%
2. Anesthesiology	82.6%
3. Physical Medicine & Rehabilitation	78.0%
4. General Surgery	77.8%
5. Orthopedic Surgery	76.8%
6. Urology	75.0%
7. Neurology	71.7%
8. Neurological Surgery	65.5%


Adapted from Appendix B., Table B.1, of the Physician Supply and Demand Projections 2021-2032 report released May 2022 by the Texas Department of State Health Services.

Includes only specialties that offer PGY 1 positions.

Appendix D: CHECKLIST OF REQUIRED FORMS AND ATTACHMENTS

Required Information (RFA Section)	Application Form / Attachment
Certification of Application Information (8.1) Project Narrative (8.2) Project Work Plan (8.3) Budget (8.4) Financial Viability - Financial Statement Table (8.5)	Application Form (Available on www.highered.texas.gov/GMEX)
Official Accreditation Letter (8.7)	Attachment
Request for and Approval from National Accreditor of Additional First-Year Residency Positions - if applicable (8.7)	Attachment
Plan and Timetable for Establishing New GME Program and Achieving Accreditation - if applicable (9.7)	Attachment

Appendix E: SAMPLE NOTICE OF GRANT AWARD

		THECB Award Number: {XXXX} Appropriation Year (AY): 2023
Notice of State Grant Award to {GranteeName}		
Grantee Name and Address: {GranteeName } {GranteeAddress} {GranteeCity}, {GranteeState} {GranteeZip} Residency Program: {ResidencyProgramName} {GranteeAddress} {GranteeCity}, {GranteeState} {GranteeZip}	Grant Title: GME Expansion Program	
	Amount of Award: \$ {total_\$}	
	Division: 070 Academic and Health Affairs	
	Term of Grant: July 1, 2024 - June 30, 2026 All funds must be incurred by June 30, 2026.	
	Payment Method: THECB shall not disburse awarded funds until the NOGA has been fully executed and, if applicable, the Disclosure of Interested Parties has been received and acknowledged by THECB, as described in Section 9.2. Funds will be disbursed in two payments; one for each academic year awarded. <ul style="list-style-type: none"> • Academic Year 1 payment will be disbursed on or after July 1, 2024. • Academic Year 2 payment will be disbursed no earlier than June 1, 2025. The amount of each payment will be determined by the actual number of awarded GME positions verified for each academic year. Payment will not be disbursed until the verification process has been completed and any award amendments have been fully executed. The advancement of funds is necessary to enable the Grantee to fully perform the Services described in its Application.	
Authority: Texas Education Code, Chapter 58A, Subchapter B, Section 58A.021, and 58A.023-58A.02		
The Texas Higher Education Coordinating Board’s (THECB) and Grantee’s (collectively, referred to as “the Parties”) execution of this Notice of Grant Award creates a legally binding agreement between the Parties. The Program requirements (e.g., objectives, scope, budget, methodology) as stated in (1) the original Request for Applications (RFA) including any addenda issued, (2) addenda to Grantee’s Application (if any), and (3) Grantee’s Application are incorporated into and made a part of this Notice of Grant Award for all purposes, supersede any prior or contemporaneous understandings between the Parties pertaining to the subject matter herein whether oral or written, and collectively constitute the entire agreement between the Parties. In the event of a conflict in the language contained in the incorporated documents, conflicts shall be resolved by reference to the language contained in the documents in the order listed above. Any changes in the approved Grant must follow THECB’s amendment process as defined in the RFA. If not a strictly reimbursable award, any funds received by Grantee and not expended prior to the end of the grant term indicated above shall be returned to THECB within ninety (90) calendar days unless otherwise agreed by THECB and Grantee.		
Signed by THECB Official:	Signed by Grantee Official:	
{sign Contact} {sign Contact title}	{signed_by} {signed_by title}	
Date:	Date:	