

Memorandum

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To: The Honorable Glenn Hegar
Comptroller of Public Accounts

From: Harrison Keller, Ph.D. 
Commissioner of Higher Education

Date: December 29, 2022

Subject: National Research University Fund

Distribution of the National Research University Fund (NRUF) follows Texas Education Code Section 62.148. Texas Tech University, University of Houston, The University of Texas at Dallas, and The University of Texas at Arlington remain eligible to receive funds in Fiscal Year (FY) 2023.

The May 2022 [NRUF Eligibility report](#) established that an additional institution, The University of Texas at San Antonio (UT-San Antonio), was eligible for fund distribution in FY 2022, pending the outcome of a statutorily required audit conducted by the State Auditor's Office (SAO). However, the SAO audit determined that certain FY 2020 expenditures reported by UT-San Antonio did not meet the requirements of the definition of restricted research and were thus dis-allowed for purposes of meeting the restricted research expenditure threshold of \$45 million for two consecutive years.

If UT-San Antonio meets the requirements again during the next review, the institution will be eligible for fund distribution in FY 2023, pending the outcome of a subsequent SAO audit. If UT-San Antonio establishes eligibility, the distribution amount for each of the five institutions will be smaller compared to the distribution amount if only the four established institutions are eligible. In order not to exceed the annual NRUF distribution, the fund distribution can only be finalized after the review process for UT-San Antonio.

If your staff have any questions or need additional information, they may contact Melitta Berger, Senior Director, State Funding Policy, at (512) 427-6133 or reach out to me directly.

c: Brian McCall
James B. Milliken
Tedd L. Mitchell

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