

Legislative Appropriations Request
For Fiscal Years 2024 and 2025

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

by

Texas Woman's University System

August 2022

TABLE OF CONTENTS

Administrator's Statement	1
Organizational Chart	3
Certificate of Dual Submission	4
Budget Overview - Biennial Amounts	5
Summary of Request	
2A. Summary of Base Request by Strategy	6
2B. Summary of Base Request by Method of Finance	7
2C. Summary of Base Request by Object of Expense	9
2E. Summary of Exceptional Item Request	10
2F. Summary of Total Request by Strategy	11
Strategy Request	
1.1.01 - System Office Operations	13
3B. Rider Revisions and Additions Request	16
Exceptional Item Request	
4A. Exceptional Item Request Schedule	53
4B. Exceptional Item Strategy Allocation Schedule	55
4C. Exceptional Items Strategy Request	56
Higher Education Schedules	
Schedule 7: Personnel	57
Schedule 9: Non-Formula Support	
Leadership for TWU Dallas and TWU Houston	58

Schedules Not Included
88th Legislative Appropriations Request

Agency Code: 775	Agency Name: Texas Woman's University System
For the schedules identified below, Texas Woman's University System either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the TWUS Legislative Appropriations Request for the 2024-2025 biennium.	
Number	Name
2.C.1.	Operating Cost Detail - Base Request
2.D.	Summary of Base Request Objective Outcomes
2.G.	Summary of Total Request Objective Outcomes
3.C.	Rider Appropriations and Unexpended Balances Request
5.A. - 5.E.	Capital Budget and Supporting Schedules
6.A.	Historically Underutilized Business Supporting Schedule
6.B.	Current Biennium One-Time Expenditure
6.C.	Federal Funds Supporting Schedule
6.D.	Federal Funds Tracking Schedule
6.E.	Estimated Revenue Collections Supporting Schedule
6.F.	Advisory Committee Supporting Schedule Part A and B
6.H.	Estimated Funds Outside the Institution's Bill Pattern
6.J.	Behavioral Health Funding Schedule
6.K.	Recently Enacted State Legislation Schedule Part A and B
7 A - 7 B	Administrative and Support Costs
Schedule 1 A	Other Educational and General Income
Schedule 2	Selected Educational, General, and Other Funds
Schedule 3 A	Staff Group Insurance Data Elements (ERS)
Schedule 3 B	Staff Group Insurance Data Elements (UT/ A&M)
Schedule 3 D	Group Insurance Data Elements (Supplemental)
Schedule 4	Computation of OASI
Schedule 5	Calculation of Retirement Proportionality and ORP Differential
Schedule 6	Constitutional Capital Funding
Schedule 8 A	Tuition Revenue Bond Projects
Schedule 8 B	Tuition Revenue Bond Issuance History
Schedule 8 C	Tuition Revenue Bonds Request by Project

Administrator's Statement

8/1/2022 3:44:42PM

88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

775 Texas Woman's University System

An act of the 27th Legislature in 1901 founded the Girls Industrial College as a public institution that would become Texas Woman's University in 1957. At that time, Texas Woman's University was the first women's college in the United States to attain university status. The pioneer spirit of pioneering Texas women is as strong as ever today. In 2021, the 87th Legislature authorized and Governor Abbott signed legislation creating the Texas Woman's University System ("TWU System") and in so doing created the first publicly funded woman focused university system in the United States.

From its founding in 1901, Texas Woman's University was built to serve a population of Texans that typically were not able to obtain higher education and serving non-traditional students remains at the heart of the TWU System mission. Texas is a diverse and growing state and the Texas Woman's University System is focused on providing higher education to women, first-generation students, low-income students, veterans, working mothers, students from the foster care system, and many other underserved non-traditional students; all the while producing some of the most sought after and highly qualified graduates in the fields that Texas needs most.

The Texas Woman's University System is a public doctoral university system offering baccalaureate, master's, and doctoral degree programs. With its main campus in Denton and two health science centers in Dallas and Houston, TWU serves not only the north central region, but also the entire state of Texas. The T. Boone Pickens Institute of Health Sciences - Dallas Center, located in the Southwestern Medical District, offers academic programs in a variety of health science fields to serve this major area of Texas. The TWU Institute of Health Sciences, located in the Texas Medical Center, provides a rich setting for nursing and health sciences students.

Texas Woman's has more than 16,300 students on its three campuses and offers more than 70 programs of study with a total of 150 undergraduate and graduate degrees (bachelor's: 63, master's: 63 and doctoral: 24) in traditional, online and hybrid formats. Nearly 60 percent of TWU students take at least one online course and about half (50.8 percent) of our graduate students only take online or hybrid-online courses.

Strategic Goals

It is the goal of the TWU System to transition the Health Sciences Centers in Dallas and Houston into fully accredited component General Academic Teaching Institutions ("GAIs") within the TWU System under the authorization provided by Senate Bill 1126 in the 87th called session of the Texas Legislature. Per the terms of that legislation TWU Dallas and TWU Houston are not eligible to be considered component GAIs of the TWU System until the beginning of the 2023-24 academic year. Furthermore, the TWU System will need to complete a system wide accreditation process with the Southern Association of Colleges and Schools Commission on Colleges ("SACS") and both TWU Dallas and TWU Houston will need approval as component GAIs from the Texas Higher Education Coordinating Board.

At this time the TWU System has only just begun the process of transitioning TWU Dallas and TWU Houston into component GAIs, and that process is not expected to be completed within the 2024-25 biennium. As such, the TWU System is not requesting funding for TWU Dallas nor TWU Houston as component institutions in the current budget.

775 Texas Woman's University System

Funding Priorities

The TWU System is requesting \$531,052 for the biennium for System operations. The TWU System will use this funding to centralize operations for the TWU System that are currently handled by Texas Woman's University. Functionally, this will result in a reorganization that will allow the TWU System to operate more efficiently as a university system and reduce the unnecessary duplication of services at each campus. The Chancellor of the TWU System will also use this re-allocated funding to develop a strategic plan for development and implementation of the TWU System including but not limited to transfer of personnel from Texas Woman's University to the TWU System as needed, and to fund leadership positions at TWU Dallas and TWU Houston to help implement the accreditation process and transition those branch campuses into component GAIs.

In addition, the Texas Woman's University System supports the following funding priorities :

- Full formula funding for GAIs to include funding for enrollment growth;
- Full funding for the Comprehensive Regional University Formula for at risk student success;
- Increased Financial Aid for Students;
- Additional funding to help IHEs meet nursing workforce demands – specifically increased funding for the Nursing Shortage Reduction Program and the Nursing Faculty Loan Repayment Program;
- Increased funding to offset the cost of Hazelwood;
- Funding for improved mental health services at institutions of higher education to improve mental health care available to students; and
- Funding for Exceptional Item Requests.

Leadership for TWU Dallas and TWU Houston: \$250,000 annually

The transition from a branch campus to a component GAI requires an investment in leadership on each campus. In order to attract and retain the personnel needed to guide TWU Dallas and TWU Houston through the process, the TWU System requests funding to hire highly qualified leadership with experience in developing and implementing such a transition. This funding request would be for a maximum of 5 years by which time the TWU System expects each component institution to have completed the transition and would have self-funded leadership at each component institution.

Background Checks: Texas Woman's University statutory authority to conduct background checks on employees of the University comes from Texas Govt . Code Chapter 411 Subchapter (f) and Texas Education Code Section 51.215. It is Texas Woman's policy and practice to conduct such checks on all employees being considered for positions at Texas Woman's University.

TEXAS WOMAN'S UNIVERSITY SYSTEM
Organizational Chart

Board of Regents

Ms. Kathleen Wu—Chair—Dallas—2023
Ms. Stacie McDavid—Vice Chair—Fort Worth—2025
Ms. Jill Jester—Regent—Denton—2023
Ms. Bernadette C. Coleman—Regent—Denton—2023
Ms. Mary P. Wilson—Regent—Austin—2025
Mr. Bob Hyde—Regent—Irving—2025
Ms. Janelle Shepard—Regent—Weatherford—2027
Dr. Crystal Wright—Regent—Houston—2027
Dr. Shelley Sweatt—Regent—Wichita Falls—2027
Ms. Lily Wilson—Student Regent—Rockwall—2023

Chancellor and President

2.0 FTE




CERTIFICATE

Agency Name Texas Woman's University System

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

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor's Office will be notified in writing in accordance with Article IX, Section 7.01 (2022-23 GAA).

Chief Executive Officer or Presiding Judge

Signature 

Carine M. Feyten, Ph.D.

Printed Name

Chancellor and President

Title

August 5, 2022

Date

Board or Commission Chair

Signature 

Kathleen J. Wu, J.D.

Printed Name


Chair and Presiding Officer, TWU Board of Regents

Title

August 5, 2022

Date

Chief Financial Officer

Signature 

R. Jason Tomlinson

Printed Name

Vice President for Finance & Administration and CFO

Title

August 5, 2022

Date

Budget Overview - Biennial Amounts
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

775 Texas Woman's University System											
Appropriation Years: 2024-25											
GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS	
2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2024-25	
Goal: 1. Provide Instructional and Operations Support											
1.1.1. System Office Operations		531,052						531,052		500,000	
Total, Goal		531,052						531,052		500,000	
Total, Agency		531,052						531,052		500,000	
Total FTEs								0.0		2.0	
										3.0	

2.A. Summary of Base Request by Strategy

8/1/2022 3:44:46PM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

775 Texas Woman's University System

Goal / Objective / STRATEGY	Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
1 Provide Instructional and Operations Support					
1 <i>Provide Instructional and Operations Support</i>					
1 SYSTEM OFFICE OPERATIONS	0	0	0	265,526	265,526
TOTAL, GOAL 1	\$0	\$0	\$0	\$265,526	\$265,526
TOTAL, AGENCY STRATEGY REQUEST	\$0	\$0	\$0	\$265,526	\$265,526
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$0	\$0	\$0	\$265,526	\$265,526
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	0	0	0	265,526	265,526
SUBTOTAL	\$0	\$0	\$0	\$265,526	\$265,526
TOTAL, METHOD OF FINANCING	\$0	\$0	\$0	\$265,526	\$265,526

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

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

8/1/2022 3:44:46PM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **775**

Agency name: **Texas Woman's University System**

METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<u>GENERAL REVENUE</u>						
<u>1</u>	General Revenue Fund					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from the MOF table (2024-25 GAA)					
		\$0	\$0	\$0	\$265,526	\$265,526
TOTAL,	General Revenue Fund					
		\$0	\$0	\$0	\$265,526	\$265,526
TOTAL, ALL	GENERAL REVENUE					
		\$0	\$0	\$0	\$265,526	\$265,526
GRAND TOTAL		\$0	\$0	\$0	\$265,526	\$265,526
FULL-TIME-EQUIVALENT POSITIONS						
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2024-25 GAA)					
		0.0	0.0	0.0	2.0	2.0
TOTAL, ADJUSTED FTES		0.0	0.0	0.0	2.0	2.0

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

8/1/2022 3:44:46PM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **775**

Agency name: **Texas Woman's University System**

METHOD OF FINANCING

Exp 2021

Est 2022

Bud 2023

Req 2024

Req 2025

**NUMBER OF 100% FEDERALLY FUNDED
FTEs**

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

8/1/2022 3:44:47PM

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

775 Texas Woman's University System

OBJECT OF EXPENSE	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1001 SALARIES AND WAGES	\$0	\$0	\$0	\$265,526	\$265,526
OOE Total (Excluding Riders)	\$0	\$0	\$0	\$265,526	\$265,526
OOE Total (Riders)					
Grand Total	\$0	\$0	\$0	\$265,526	\$265,526

2.E. Summary of Exceptional Items Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/1/2022
TIME : 3:44:47PM

Agency code: 775

Agency name: Texas Woman's University System

		2024			2025			Biennium	
Priority	Item	GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Leadership for TWU Dallas & Houston	\$250,000	\$250,000	3.0	\$250,000	\$250,000	3.0	\$500,000	\$500,000
Total, Exceptional Items Request		\$250,000	\$250,000	3.0	\$250,000	\$250,000	3.0	\$500,000	\$500,000
Method of Financing									
	General Revenue	\$250,000	\$250,000		\$250,000	\$250,000		\$500,000	\$500,000
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$250,000	\$250,000		\$250,000	\$250,000		\$500,000	\$500,000
Full Time Equivalent Positions				3.0				3.0	
Number of 100% Federally Funded FTEs									

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/1/2022
TIME : 3:44:47PM

Agency code: 775	Agency name: Texas Woman's University System					
Goal/Objective/STRATEGY	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
1 Provide Instructional and Operations Support						
1 <i>Provide Instructional and Operations Support</i>						
1 SYSTEM OFFICE OPERATIONS	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526
TOTAL, GOAL 1	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526
TOTAL, AGENCY STRATEGY REQUEST	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526

2.F. Summary of Total Request by Strategy
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/1/2022

TIME : 3:44:47PM

Agency code: 775	Agency name: Texas Woman's University System					
Goal/Objective/STRATEGY	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
General Revenue Funds:						
1 General Revenue Fund	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526
	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526
TOTAL, METHOD OF FINANCING	\$265,526	\$265,526	\$250,000	\$250,000	\$515,526	\$515,526
FULL TIME EQUIVALENT POSITIONS	2.0	2.0	3.0	3.0	5.0	5.0

775 Texas Woman's University System

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$265,526	\$265,526
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$265,526	\$265,526
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$265,526	\$265,526
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$265,526	\$265,526
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$265,526	\$265,526
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$265,526	\$265,526
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	2.0	2.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The TWU System was established in May 2021 when Gov. Greg Abbott signed into law Senate Bill 1126, which establishes the three campuses of Texas Woman's University as the state's seventh university system. The legislation paved the way for the newly created TWU System to enhance operations, expand programming, accelerate community and corporate partnerships, increase philanthropy and have a greater impact on the state's workforce. The system will allow for bolstered operations at its Dallas and Houston campuses, a multi-year process that ultimately could establish those campuses as stand-alone universities that better address student and community needs. Additionally, the law reinforces the university's standing as the largest woman-focused institution in the country.

775 Texas Woman's University System

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
------	-------------	----------	----------	----------	---------	---------

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2022 + Bud 2023)</u>	<u>Baseline Request (BL 2024 + BL 2025)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$531,052	\$531,052	\$531,052	Addition of new state agency Texas Woman's University System (775) will shift portion of General Revenue over from Texas Woman's University (731); GR limits and baseline will remain flat.
			<u>\$531,052</u>	Total of Explanation of Biennial Change

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$0	\$0	\$0	\$265,526	\$265,526
METHODS OF FINANCE (INCLUDING RIDERS):				\$265,526	\$265,526
METHODS OF FINANCE (EXCLUDING RIDERS):	\$0	\$0	\$0	\$265,526	\$265,526
FULL TIME EQUIVALENT POSITIONS:	0.0	0.0	0.0	2.0	2.0

3.B. Rider Revisions and Additions Request

Agency Code: 775	Agency Name: Texas Woman's University System	Prepared By:	Date: August 2022	Request Level: Base
Current Rider Number	Page Number in 2022-23 GAA	Proposed Rider Language		
Higher Education Employees Group Insurance Contributions, Rider 6	III-49 to III-50	<p>6. Appropriations Transfers.</p> <p>(no requested change to subsection a)</p> <p>b. The Employees Retirement System, The University of Texas System, and the Texas A&M University System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by December 1 of each year, detailing any such transfers.</p> <p>(renumber and update remaining provisions as appropriate)</p> <p><i>TWU System requests that the reporting provisions of Higher Education Employee Group Insurance Rider 6 subsection b. be deleted. The rider requires a report less than two weeks after the annual Accounting Policy Statement 011 (Benefits Proportional by Fund) reports are submitted to the State Comptroller. Information reported on the Rider 6.b report is preliminary, as the APS 11 reports are audited and finalized by the Comptroller. Over the last several years, there have been significant delays in the Comptroller audits, making it difficult to finalize the appropriation transfer process. Transfers have been occurring up to 18 months after the report is due, as a result of delays in the Comptroller finalizing APS 11 reports thereby minimizing the benefit of the information provided by the report.</i></p>		

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

<p>Higher Education Employees Group Insurance Contributions, Rider 8</p>	<p>III-50</p>	<p>8. Benefits Proportionality Audit Requirement.</p> <p>a. Each institution of higher education, excluding Public Community/Junior Colleges, shall consider as part of its annual audit risk assessment whether to conduct an internal audit of benefits proportional by fund reporting. In the event a benefits proportional internal audit is to be conducted, the institution shall notify the State Auditor's Office. and submit a copy of the internal audit to the Legislative Budget Board, Comptroller of Public Accounts, and State Auditor's Office no later than August 31, 2022. The Any audit must examine fiscal years 2019, 2020, and 2021, and must be conducted using a methodology approved by the State Auditor's Office.</p> <p>b. If the internal audit conducted by an institution identifies any instances in which an institution has not been compliant with the proportionality requirements provided by Article IX, Sec. 6.08, Benefits Paid Proportional by Method of Finance in the prior three fiscal years defined in subsection (a) and received excess General Revenue as a result of this noncompliance, the institution shall submit a reimbursement payment to the Comptroller of Public Accounts within two years from the conclusion of the institution's audit. The Comptroller of Public Accounts shall notify the Legislative Budget Board and State Auditor's Office of all reimbursement payments submitted by an institution of higher education.</p> <p>e. If an institution has previously conducted an internal audit of benefits proportional by fund for the fiscal years included in subsection (a) using a methodology determined to be acceptable by the State Auditor's Office, the State Auditor's Office may waive the requirement that the institution conduct an additional internal audit. The State Auditor's Office shall notify the Legislative Budget Board and Comptroller of Public Accounts of any institutions who receive such a waiver. Any institution that receives a waiver from the audit requirement from the State Auditor's Office is still subject to the provisions of subsection (b) for any instances of noncompliance that were identified.</p>
--	---------------	--

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

		<p><u>ad.</u> For fiscal years 20242³ and 20253⁴, institutions of higher education shall also consider audits of benefits proportional when developing their annual internal audit plans.</p> <p><u>be.</u> It is the intent of the Legislature that the State Auditor's Office audit at least two institutions of higher education for compliance with benefits proportional provisions during the 20242-253 biennium.</p> <p><u>c.</u> <u>If an audit conducted under subsections (a) or (b) identifies any instances in which an institution has not been compliant with the proportionality requirements provided by Article IX, Sec. 6.08, Benefits Paid Proportional by Method of Finance in the prior three fiscal years defined in subsection (a) and received excess General Revenue as a result of this noncompliance, the institution shall submit a reimbursement payment to the Comptroller of Public Accounts within two years from the conclusion of the audit. The Comptroller of Public Accounts shall notify the Legislative Budget Board and State Auditor's Office of all reimbursement payments submitted by an institution of higher education.</u></p> <p><i>TWU System requests that the provisions of the rider be modified by deleting subsections a. and c. to allow institution internal audit departments to evaluate the cost/benefit of the audit as part of their annual risk assessment process. Within the TWU System, these audits utilized significant resources and resulted in only minimal findings. Proposed subsection c. is a renumbering/minor revision of existing subsection b. to properly order the provisions of the rider after the deletion of the other subsections. TWU System has not addressed the intent provision (formerly subsection e.) for the State Auditor (SAO) to conduct two audits. The SAO would be in the best position to evaluate whether this was beneficial and to make recommendations as to whether to retain, modify or delete this provision.</i></p>
--	--	--

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

Higher Education Employees Group Insurance Contributions, Rider 9 (NEW)	III-50 (NEW)	<p><u>9. HEGI State Premium Contribution Rate.</u> For the 2024-25 biennium, funds identified and appropriated through the Higher Education Employees Group Insurance bill pattern are based on the following percentage of the full Employee Retirement System (ERS) premium rates, based on the following institutional categories:</p> <div style="text-align: right;"><u>2024-25</u></div> <table><tr><td><u>The University of Texas System</u></td><td style="text-align: right;"><u>100.0%</u></td></tr><tr><td><u>Texas A&M University System</u></td><td style="text-align: right;"><u>100.0%</u></td></tr><tr><td><u>ERS Participating Institutions</u></td><td style="text-align: right;"><u>100.0%</u></td></tr><tr><td><u>Public Community/Junior Colleges</u></td><td style="text-align: right;"><u>50.0%</u></td></tr></table> <p><i>TWU System requests that the provisions of Rider 61, HEGI State Premium Contribution Rate, be incorporated as a rider in the HEGI bill pattern rather than being in Special Provisions. This allows the information presented to be grouped with the related HEGI appropriations.</i></p> <p><i>Additionally, TWU System requests the Legislature restore the rate for participating institutions to 100% of the ERS rates for employees funded through appropriated funds.</i></p>	<u>The University of Texas System</u>	<u>100.0%</u>	<u>Texas A&M University System</u>	<u>100.0%</u>	<u>ERS Participating Institutions</u>	<u>100.0%</u>	<u>Public Community/Junior Colleges</u>	<u>50.0%</u>
<u>The University of Texas System</u>	<u>100.0%</u>									
<u>Texas A&M University System</u>	<u>100.0%</u>									
<u>ERS Participating Institutions</u>	<u>100.0%</u>									
<u>Public Community/Junior Colleges</u>	<u>50.0%</u>									

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

<p>Support for Military and Veterans Exemptions, Rider 1</p>	<p>III-72 to III-73</p>	<p>1. Distribution to Eligible Institutions. There is appropriated to each eligible institution of higher education for the biennium ending August 31, 2023, an annual distribution amount from the Permanent Fund Supporting Military and Veterans Exemptions to offset the cost to each institution of higher education of the exemptions required by Education Code, Sec. 54.341(k). The annual distribution total from the fund shall be determined by the Texas Treasury Safekeeping Trust Company. The annual distribution from the fund shall be distributed to eligible institutions in proportion to each institution's respective share of the aggregate cost to all institutions of the exemptions required by Education Code, Sec. 54.341(k), as determined and approved by the Legislative Budget Board. The determined distribution allocations shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its distribution calculations and forwards the distribution calculations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board interrupt the counting of the 30 business days.</p> <p>Pursuant to Education Code, Sec. 54.341(h), each institution of higher education shall report information required for determining the distribution allocations. In the event an institution of higher education receives any funds from the Permanent Fund Supporting Military and Veterans Exemptions as a result of data reporting errors, the amount of funds related to the reporting errors shall be lapsed.</p> <p><u>The Legislative Budget Board shall provide a copy of the approved annual distribution allocation data and amounts by institution to all receiving Institutions of Higher Education.</u></p> <p><i>TWU System requests the addition of this provision to allow institutions of higher education to understand the Hazlewood funding distributions and to effectively administer them. The request is consistent with how Permanent Health Fund allocation information is provided to participating entities.</i></p>
--	-------------------------	--

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

<p>Support for Military and Veterans Exemptions, Rider 2</p>	<p>III-72 to III-73</p>	<p>2. Reimbursements for Hazlewood Exemption Program. Notwithstanding Article IX, §14.01, Appropriation Transfers or similar provisions of this Act, the General Revenue amounts appropriated above in Strategy B.1.1, Reimbursement for Hazlewood Exempts, are for the sole purpose of funding the proportionate share of the total cost to each institution for the Hazlewood Exemption Legacy Program and may not be used for any other purpose.</p> <p>The Texas Comptroller of Public Accounts shall annually distribute the appropriations made in Strategy B.1.1, Reimbursement for Hazlewood Exempts, according to the proportion of each institution's respective share of the aggregate cost of the exemption for students under the Hazlewood Exemption Legacy Program in Education Code, §54.341(k), as determined by the Legislative Budget Board consistent with the annual distribution from the Permanent Fund Supporting Military and Veterans Exemptions. The appropriations made in Strategy B.1.1, Reimbursement for Hazlewood Exempts, may not be distributed without the prior written approval of the Legislative Budget Board.</p> <p>The determined distribution allocations shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its distribution calculations and forwards the distribution calculations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board interrupt the counting of the 30 business days.</p> <p><u>For purposes of the requirements of Article IX, Sec. 6.08 Benefits Proportional by Fund of this Act, appropriations made in Strategy B.1.1 and transferred to any institution of higher education shall be counted as if the transferred funds were directly appropriated to respective institution.</u></p> <p>Pursuant to Education Code, §54.341(h), each institution of higher education shall report information required for determining the distribution allocations. In the event an institution of higher education receives any General Revenue as a result of data reporting errors, the amount of funds related to the reporting errors shall be lapsed.</p> <p><u>The Legislative Budget Board shall provide a copy of the approved annual distribution allocation data and amounts by institution to all receiving institutions of higher education.</u></p> <p><i>TWU System requests that proportionality benefits be made available for the general revenue funding associated with Hazlewood. This allows for the more effective use and administration of the funds.</i></p>
--	-------------------------	--

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

		<p><i>TWU System requests the addition of the reporting provision to allow institutions of higher education to understand the Hazlewood funding distributions and to effectively administer them. The request is consistent with how Permanent Health Fund allocation information is provided to participating entities.</i></p>
Support for Military and Veterans Exemptions, Rider 3	III-73	<p>3. Appropriation: Unexpended Balances. Any unobligated and unexpended balances as of August 31, 20231, in Permanent Fund Supporting Military and Veterans Exemptions appropriations made to each eligible institution of higher education are appropriated for the same purpose for the fiscal year beginning September 1, 20231. Any unobligated and unexpended balances as of August 31, 20242, in Permanent Fund Supporting Military and Veterans Exemptions appropriations made to each eligible institution of higher education are appropriated for the same purpose for the fiscal year beginning September 1, 20242.</p> <p><u>Any unobligated and unexpended balances as of August 31, 2024, resulting from appropriation distributions made to each eligible institution of higher education out of Strategy B.1.1, Reimbursement for Hazlewood Exempts, are appropriated for the same purpose for the fiscal year beginning September 1, 2024.</u></p> <p><i>TWU System requests the addition of unexpended balance (UB) authority for the general revenue reimbursement distributions made out of funds appropriated in Strategy B.1.1. Adding UB authority for the Hazlewood general revenue creates consistency between the two Hazlewood funds. Since the funds are received later in the fiscal year, UB authority will allow appropriate time to spend the funds.</i></p>
Support for Military and Veterans Exemptions, Rider 4 (NEW)	III-73	<p><u>4. Texas Veterans Commission Veterans Exemption Data.</u> By November 30 of each year of the biennium, the Texas Veterans Commission shall provide a report to eligible institutions and their system office on veteran, child, spouse and legacy participants in the Hazlewood exemption program. At a minimum, the report would include all institutions, broken down by institution and exemption type, and would contain numbers of students, total exemption hours, total value of exemptions. Any information provided would not be personally identifiable, so as to not violate the federal Family Educational Rights and Privacy Act.</p> <p><i>TWU System requests the addition of this reporting rider to allow institutions of higher education to better understand the Hazlewood funding distributions and to effectively administer them.</i></p>

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Sec. 5</p>	<p>III-266 to III-267</p>	<p>(no requested changes to subsections 1 to 4)</p> <p>5. Tuition Revenue BondCapital Construction Assistance Project and Revenue Bond Transfers.</p> <p>Notwithstanding the other provisions of this act, transfers are not prohibited to the extent they are required to comply with proceedings authorizing bonds or other obligations now outstanding or hereafter issued pursuant to law.</p> <p><i>TWU System proposes an update to the transfer provision related to the former tuition revenue bonds. The updates adopt the new CCAP name under the assumption that the various appropriation strategies will be renamed.</i></p>
---	---------------------------	---

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Sec. 6</p>	<p>III-268</p>	<p>Sec. 6. Expenditure Provisions. The expenditure of the appropriations made in this Article or authorized in law for institutions of higher education, except bequests and gifts specifically designated to be in some manner handled otherwise, shall be subject to the provisions of this section which follow and with exceptions only as specifically noted:</p> <p>1. Annual Operating Budgets Required. It is expressly provided that the governing board of each of the institutions of higher education named herein shall approve on or before September 1, 20231 and 20242, an itemized budget covering the operation of the ensuing fiscal year, which budget shall be prepared within the limits of the revenue available. Each institution's operating budget shall contain a section(s) which provides budget amounts and the method of finance for each listed informational item of appropriated funds contained in this Act. A copy of each budget, and any subsequent amendments thereto, shall be filed with the Legislative Reference Library and the institution's general library to be available for public inspection. Copies of each budget shall also be filed with the Legislative Budget Board (if requested), the Governor, and the Texas Higher Education Coordinating Board by December 1 of each fiscal year.</p> <p>(no requested changes to subsections 2 through 8)</p> <p>9. Tuition Revenue Bonds Capital Construction Assistance Projects and Other Revenue Bonds. Funds clearly identified in separate informational strategies to the <u>state institutions of higher education named in this Article</u> general academic teaching institutions and health sciences centers for capital construction assistance projects or other revenue or tuition revenue bond retirement may be expended only to reimburse institutions or centers for debt retirement authorized by Education Code §55.17 through §55.17991892 and §55.19. Any funds in excess of the amount expended for regularly scheduled principal and interest for debt service reimbursements due each year shall be lapsed to the General Revenue Fund at the end of each fiscal year. Funds may be used for bond and commercial paper debt service payments, which can include principal, interest and fees.</p> <p><i>TWU System requests that the requirement to submit amendments to the Operating Budget be lifted. It is unclear what this provision requires, as routine amendments are not provided to the listed agencies. It is uncertain as to whether the agencies would be equipped to handle the hundreds if not thousands of individual amendments.</i></p> <p><i>In addition, TWU System has had trouble fulfilling the requirements of the rider specifically with respect to submitting a copy of the budget to the LBB in the years when the LBB's Operating Budget process is not</i></p>
---	----------------	---

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

		<p><i>ongoing. The LBB typically does not want copies of institution budget documents in the off years. The requested revision would alleviate the requirement in the off years, unless the LBB specifically requests the documents.</i></p> <p><i>Under the assumption that the various tuition revenue bond (TRB) appropriation strategies will be renamed, TWU System proposes updates to the former TRB limiting rider. The updates adopt the new CCAP strategy name reference, expands the statutory reference to include authorizations under SB52 (87th Leg, 3rd Called Session) as well as clean up old language limiting the rider only to general academic institutions and health science centers – which omitted system offices, TSTC, and health-related institutions such as U. T. M. D. Anderson Cancer Center which is technically not a “health science center”.</i></p>
--	--	---

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Rider 11</p>	<p>III-271</p>	<p>Sec. 11. Method of Financing Scholarships.</p> <ol style="list-style-type: none"> 1. Out of the funds identified by this Article in the informational items described as "Other Educational and General Income," the respective governing boards of the general academic teaching institutions and of the health centers, health science centers, or technical colleges may allocate and expend the actual receipts in such informational item for student scholarships pursuant to the provisions of Education Code §56.031 to §56.039, cited as the Texas Public Educational Grants Program. 2. Copies of such approved allocations together with copies of rules and regulations adopted by the respective governing boards concerning the award of such scholarships shall be filed with the Coordinating Board and with the Comptroller prior to the disbursement of any moneys for scholarships. Copies of any subsequent changes in such allocations or rules shall be similarly filed with the Coordinating Board and with the Comptroller. 3. No educational and general funds appropriated in this Act for scholarships to institutions of higher education may be used to provide athletic scholarships. 34. Out of the additional funds appropriated for the 20242-253 biennium for the informational strategy described as "Scholarships," funds the respective governing boards shall allocated and expended such funds by the respective governing boards for need-based student scholarships shall be allocated and expended without regardless of <u>to</u> the race, sex, color, or ethnicity of the student recipient. <p><i>TWU System requests deletion of the reporting requirement in Paragraph 2 related to scholarships. TPEG scholarships are long established, and this would relieve a regulatory burden.</i></p> <p><i>TWU System also requests clean-up of Paragraph 4. Since the adoption of the current formula funding model in the 1998-99 appropriation bill (75th Legislature), institutions no longer have the informational strategy of "Scholarships" in their bill pattern. The revision is intended to continue the existing requirement while eliminating the outdated language.</i></p>
---	----------------	---

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Rider 26</p>	<p>III-274 to III-275</p>	<p>Sec. 26. General Academic Funding. Appropriations made in this Act for formula funding for general academic institutions will consist of four<u>the following</u> formulas and supplemental items.</p> <p>1. Instruction and Operation Formula. The Instruction and Operations Formula shall provide funding for faculty salaries, including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the 2024<u>2</u>-25<u>3</u> biennium is \$59.45<u>55.66</u> in fiscal year 2024<u>2</u> and fiscal year 2025<u>3</u>.</p> <p>Weighting is determined by the following matrix:</p> <p>(matrix and paragraph 2 omitted for space considerations)</p> <p>3. Infrastructure Support. Funding associated with plant-related formulas and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board. The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater, and thermal energy. The average rate per square foot is \$5.84<u>5.47</u> in fiscal year 2024<u>2</u> and fiscal year 2025<u>3</u>.</p> <p>4. Supplemental Non-formula Items. Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, organized activities, scholarships, tuition revenue <u>capital construction assistance projects</u> bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges.</p> <p>(no requested changes to Paragraphs 5 except routine updates)</p> <p>6. Small Institution Supplement. The Small Institution Supplement, as a set-aside within the General Academic Institution Infrastructure Formula, shall provide supplemental funding to general academic institutions with headcounts of fewer than 10,000 students. For the 2024<u>2</u>-25<u>3</u> biennium, general academic institutions with a headcount of fewer than 5,000 students shall receive a small institution supplement of \$2,812,342<u>2,633,133</u>. The small institution supplement shall decrease proportionate to the increase in headcount above 5,000 until the institution reaches 10,000 headcount. Once an institution reaches 10,000 headcount, it shall no longer be eligible for this supplement.</p>
---	---------------------------	--

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

		<p>These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 202222<u>24</u>.</p> <p><i>TWU System requests the update of these paragraphs to reflect the THECB formula recommendations. The edit to Paragraph 4 is in anticipation of the tuition revenue bond strategies being renamed and is appropriate only if that occurs.</i></p>
--	--	--

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Rider 26</p>	<p>III-274 to III-275</p>	<p>(all other changes to Rider 26 are requested above)</p> <p><u>7. Research Funding and Formulas.</u> <u>The general academic institutions shall retain 100 percent of indirect research costs recovered on grants. Each institution also shall participate in one of the following research formulas subject to their eligibility for each formula.</u></p> <p><u>a. Texas Research University Fund.</u> <u>The Texas Research University Fund shall provide funding to The University of Texas at Austin and Texas A&M University based on each institution's average research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board. For the 2024-25 biennium, each institution receives 10.8 percent of its three-year average of total research expenditures as reported to the Texas Higher Education Coordinating Board.</u></p> <p><u>b. Core Research Support.</u> <u>The core research support fund is established to promote increased research capacity at Emerging Research Universities. Funding to eligible institutions shall be allocated as follows: 50 percent based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years, determined in the manner described by Section 62.095(b); and 50 percent based on the average amount of total research funds expended by each institution per year for the three preceding state fiscal years, determined in the manner described by Section 62.053(b). For the 2024-25 biennium, each institution is funded at an average of 11.2 percent of eligible research expenditures as determined by criteria listed above.</u></p> <p><u>c. Comprehensive Research Fund.</u> <u>The Comprehensive Research Fund shall provide funding to promote increased research capacity at general academic institutions, excluding The University of Texas at Austin, Texas A&M University, and institutions of higher education designated as an emerging research university under the Higher Education Coordinating Board's accountability system. Funding to eligible institutions shall be allocated among institutions based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years as reported to the Higher Education Coordinating Board. For the 2024-25 biennium, each institution receives 17.4 percent of its three-year average of restricted research expenditures as reported to the Texas Higher Education Coordinating Board.</u></p> <p><i>TWU System requests the addition of Paragraph 7 to Rider 26 to consolidate information on all general academic institution formula methodologies into one rider and to update funding to the THECB Formula Funding recommendations. It is believed that this helps clarify formula vs. non-formula bill pattern items.</i></p>
---	---------------------------	--

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

		<i>The rider is submitted in combination with the requests for Special Provisions Riders 56 and 58 which previously included the methodologies plus unexpended balance authority and informational listings of formula amounts. In the event this request is not adopted, the language should remain in Riders 56 and 58.</i>
Special Provisions Relating Only to State Agencies of Higher Education, Rider 35	III-283	<p>Sec. 35. Endowed Programs. A state university that, within five years of receiving a donation, diminishes its financial support from local funds for a program created or endowed by the donor shall notify the donor in accordance with the donor agreement. If the agreement so provides, then upon application by the donor, the university shall return the donation or endowment.</p> <p><i>TWU System requests the deletion of this rider as regulatory relief.</i></p>

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Rider 44</p>	<p>III-284 to III-285</p>	<p>Sec. 46. Report Concerning Designated Tuition.</p> <p>(a) Not later than January 1, 2022, the governing board of each public institution of higher education that charges students designated tuition under §54.0513, Education Code, shall use the appropriations in the Act to report to the legislature, for the 2019-20 and 2020-21 academic years:</p> <p style="padding-left: 40px;">(1) the amount the institution has collected in designated tuition;</p> <p style="padding-left: 40px;">(2) the purposes for which the institution spent the money derived from designated tuition and the amount of that money spent for each of those purposes; and</p> <p style="padding-left: 40px;">(3) the amount set aside from designated tuition for resident undergraduate and graduate student assistance under §§56.011 and 56.012, Education Code and how these amounts are allocated under the following categories:</p> <p style="padding-left: 80px;">(a) grants</p> <p style="padding-left: 80px;">(b) scholarships;</p> <p style="padding-left: 80px;">(c) work study programs;</p> <p style="padding-left: 80px;">(d) students loans;</p> <p style="padding-left: 80px;">(e) and student loan repayment assistance.</p> <p>(b) Reports required by this section shall be delivered to the Lieutenant Governor, the Speaker of the House, the chair of the Senate Finance Committee, the chair of the House Appropriations Committee, and the Legislative Budget Board.</p> <p><i>TWU System requests the deletion of this reporting requirement as a reduction of administrative burden. Tuition deregulation has been in statute for almost 20 years and the report has likely lessened in importance. An informational listing/projection of designated tuition by institution is included Rider 50.</i></p>
---	---------------------------	--

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

<p>Special Provisions Relating Only to State Agencies of Higher Education, Rider 56</p>	<p>III-288 to III-289</p>	<p>Sec. 56. Research Funding for General Academic Institutions. Below are informational amounts related to the Texas Research University Fund and the Comprehensive Research Fund.</p> <p>1. Texas Research University Fund. The Texas Research University Fund shall provide funding to The University of Texas at Austin and Texas A&M University based on each institution's average research expenditures for the previous three year period as reported to the Higher Education Coordinating Board. For the 2022-23 biennium, each institution receives 10.1 percent of its three year average of total research expenditures as reported to the Texas Higher Education Coordinating Board. The amounts listed below for informational purposes are appropriated out of the General Revenue fund elsewhere in the Act in each affected institution's "Texas Research University Fund" strategy and shall be expended to support faculty for the purpose of instructional excellence and research. Any unexpended balances as of August 31, 20242, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 20242.</p> <p>(informational listing of institutions and amounts not included in this request – update as appropriate)</p> <p>2. Comprehensive Research Fund. The Comprehensive Research Fund shall provide funding to promote increased research capacity at general academic institutions, excluding The University of Texas at Austin, Texas A&M University, and institutions of higher education designated as an emerging research university under the Higher Education Coordinating Board's accountability system. Funding to eligible institutions shall be allocated among institutions based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years as reported to the Higher Education Coordinating Board. For the 2022-23 biennium, each institution receives 16.3 percent of its three year average of restricted research expenditures as reported to the Texas Higher Education Coordinating Board. The amounts listed below for informational purposes are appropriated out of the General Revenue fund elsewhere in the Act in each affected institutions' "Comprehensive Research Fund" strategy and shall be expended for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity at the institution. Any unexpended balances as of August 31, 20242, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 20242.</p> <p>(listing of institutions and amounts not included in this request – update as appropriate)</p> <p><i>TWU System requests the changes to consolidate information on all general academic institution formula methodologies into one rider (Rider 26). It is believed that this helps clarify formula vs. non-formula bill</i></p>
---	---------------------------	---

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

		<p><i>pattern items. The changes to Rider 56 are submitted in combination with the requests for Special Provisions Riders 26 (GAI formula rider) and 58 Emerging Research Universities Research Funding.</i></p>
<p>Special Provisions Relating Only to State Agencies of Higher Education, Rider 58</p>	<p>III-289 to III-290</p>	<p>Sec. 58. Emerging Research Universities Research Funding. <u>Below are informational amounts for the two funding programs to support research at Emerging Research Universities shall consist of appropriations from two research programs.</u></p> <p>1. Texas Research Incentive Program. Pursuant to Education Code, Sec. 62.121-62.124, the Texas Research Incentive Program shall provide matching funds to emerging research universities, designated under the Higher Education Coordinating Board's accountability system, to assist institutions in leveraging private gifts for the enhancement of research productivity. The amounts listed below for each emerging research university are for informational purposes only.</p> <p>(listing of institutions and amounts not included in this request – update as appropriate)</p> <p>2. Core Research Support: The core research support fund is established to promote increased research capacity at Emerging Research Universities. Funding to eligible institutions shall be allocated as follows: 50 percent based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years, determined in the manner described by Section 62.095(b); and 50 percent based on the average amount of total research funds expended by each institution per year for the three preceding state fiscal years, determined in the manner described by Section 62.053(b). For the 2022-23 biennium, each institution is funded at an average of 10.4 percent of eligible research expenditures as determined by criteria listed above. Any unexpended balances as of August 31, 2024², are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2024². The amounts listed below for each institution are for informational purposes only.</p> <p>(listing of institutions and amounts not included in this request – update as appropriate)</p> <p><i>TWU System requests the changes to consolidate information on all general academic institution formula methodologies into one rider (Rider 26). It is believed that this helps clarify formula vs. non-formula bill pattern items. The changes to Rider 58 are submitted in combination with the requests for Special Provisions Riders 26 (GAI formula rider) and 56 Research Funding for General Academic Institutions.</i></p>

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

Special Provisions Relating Only to State Agencies of Higher Education, Rider 59	III-290	<p>Sec. 59. Research Funding Reporting Requirement. Each general academic institution and health related institution shall report, by December 1 of each year of the biennium, to the Legislative Budget Board and Governor, the following information:</p> <p>(a) The amount of research funds awarded to the institution in the prior fiscal year, from appropriations made elsewhere in this Act, from the following, listed individually by source of funding:</p> <p>1. Core Research Support;</p> <p>2. Texas Research University Fund;</p> <p>3. Comprehensive Research Fund;</p> <p>4. Available National Research University Fund;</p> <p>5. Texas Research Incentive Program;</p> <p>6. Governor's University Research Initiative; and the</p> <p>7. Cancer Prevention and Research Institute of Texas.</p> <p>(b) For each individual award granted to an institution under programs listed in Subsection (a), the amount of funding, if any, provided to an institution from an external source as a matching award amount.</p> <p><i>TWU System requests the deletion of this rider and reporting requirement. The report is redundant as all information included in the report is found in the General Appropriations Act or online at the Texas Higher Education Coordinating Board (TRIP) and CPRIT websites.</i></p>										
Special Provisions Relating Only to State Agencies of Higher Education, Rider 59	III-291	<p>Sec. 61. HEGI State Premium Contribution Rate. For the 2022-23 biennium, funds identified and appropriated through the Higher Education Employees Group Insurance bill pattern are based on the following percentage of the full Employee Retirement System (ERS) premium rates, based on the following institutional categories:</p> <table><tr><td></td><td>2022-23</td></tr><tr><td>The University of Texas System</td><td>78.2%</td></tr><tr><td>Texas A&M University System</td><td>78.2%</td></tr><tr><td>ERS Participating Institutions</td><td>78.6%</td></tr><tr><td>Public Community/Junior Colleges</td><td>50.0%</td></tr></table> <p><i>TWU System requests that the provisions of Rider 61 be moved to the Higher Education Group Insurance bill pattern and added to it as a new rider (see request above). This allows the information presented to be grouped with the related HEGI appropriations. In the event this is not moved to the HEGI bill pattern, this request is withdrawn.</i></p>		2022-23	The University of Texas System	78.2%	Texas A&M University System	78.2%	ERS Participating Institutions	78.6%	Public Community/Junior Colleges	50.0%
	2022-23											
The University of Texas System	78.2%											
Texas A&M University System	78.2%											
ERS Participating Institutions	78.6%											
Public Community/Junior Colleges	50.0%											

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

Article IX, Section 6.08	IX-28 to IX-30	<p>Sec. 6.08. Benefits Paid Proportional by Method of Finance.</p> <p><i>(Paragraph (a) through (f) omitted due to space considerations)</i></p> <p>(g) Each agency or institution of higher education (excluding a community or junior college) having General Revenue Fund appropriations and other sources of financing shall file with the Comptroller and the State Auditor a report demonstrating proportionality. The report shall be filed before November 20 following the close of the fiscal year for the salaries, wages, and benefits of the preceding year which ended August 31. The report shall be in a format prescribed by the Comptroller in collaboration with the Legislative Budget Board and the State Auditor's Office. <u>The Comptroller shall have 180 days after the due date to review this report, after which the report is considered final and approved. This deadline shall not apply if an agency or institution of higher education has not satisfactorily resolved issues raised by the Comptroller.</u></p> <p><i>(The remainder of Section 6.08 is omitted due to space considerations)</i></p> <p><i>TWU System requests that a deadline for review of the Benefits Proportionality reports (APS 11 Reports) be established. Currently reviews are often in excess of 18 months, making it difficult to administer the provisions of the HEGI reallocation rider (Rider 6.a) on a timely basis. Appropriations lapse two years after the end of a fiscal year and this leaves little time to ensure an appropriate reallocation has occurred.</i></p>
--------------------------	----------------	---

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

Article IX, Section 7.01	IX-35 to IX-36	<p>Sec. 7.01. Budgeting and Reporting.</p> <p>(a) As a limitation and restriction upon appropriations made by this Act, agencies and institutions of higher education appropriated funds by this Act may expend appropriated funds only if there is compliance with the following provisions:</p> <ol style="list-style-type: none"> (1) On or before December 1 of each year, an itemized budget covering the operation of that fiscal year shall be filed with the Governor, the Legislative Budget Board, and the Legislative Reference Library in the format prescribed jointly by the Legislative Budget Board and the Governor. (2) All subsequent amendments to the original budget shall be filed with the Governor and the Legislative Budget Board within 30 days of approval of such amendments unless such reporting requirement is waived. (3) Under guidelines developed by the Legislative Budget Board, each agency shall file a report with the Legislative Budget Board, the Governor, the Legislative Reference Library, the state publications clearinghouse of the Texas State Library, State Auditor's Office, and the appropriate substantive committees of the House and Senate. The report shall analyze the agency's performance relative to the attainment of stated outcome, output and efficiency targets of each funded goal and strategy. The report shall be submitted at such intervals required by the Legislative Budget Board. The report shall contain a comparison of actual performance for the reporting period with targeted performance based on the level of funding appropriated. In developing guidelines for the submission of agency performance reports, the Legislative Budget Board (in consultation with the Governor) shall: <ol style="list-style-type: none"> (A) specify the measures to be reported including the key performance measures established in this Act; (B) approve the definitions of measures reported; and (C) establish standards for and the reporting of variances between actual and targeted performance levels. (4) The Legislative Budget Board (in consultation with the Governor) may adjust projected performance target levels, develop new measures, modify or omit existing measures and measure definitions, and/or transfer measures between agencies, goals or strategies to reflect appropriation changes made by riders or other legislation subsequent to passage of this Act, invocation of budget execution authority by the Governor and the Legislative Budget Board, or as unforeseen circumstances may warrant during the biennium.
--------------------------	----------------	--

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

		<p>(5) To ensure that the Program and Cost Accounting functions of the Uniform Statewide Accounting System (USAS) are maximized, it is the intent of the Legislature that the Legislative Budget Board and the Governor:</p> <p style="padding-left: 40px;">(A) determine the agencies, institutions, goals, strategies or other reporting units for which cost accounting data is required;</p> <p style="padding-left: 40px;">(B) approve the basis for calculating and allocating costs to selected functions, tasks or measures;</p> <p style="padding-left: 40px;">(C) determine the frequency of reporting cost accounting data needed; and</p> <p style="padding-left: 40px;">(D) provide for the integration of cost accounting data into the budget development and oversight process.</p> <p>(6) The determinations to be made should be based upon due consideration of the relative benefits and cost-effectiveness of applying cost accounting requirements to a given state operation.</p> <p>(b) It is further the intent of the Legislature that the Comptroller develop and provide USAS training modules and support for state agencies and institutions to activate the cost accounting requirements addressed above.</p> <p><u>(c) The provisions of (a)(1) and (a)(2) of this section shall not apply to an institution of higher education as annual operating budget requirements for institutions of higher education are set forth in Article III, Sec. 6.1, Annual Operating Budgets Required, of this Act.</u></p> <p><i>TWU System requests that the budget and budget amendment provisions of this section be made not applicable to institutions of higher education. Higher Education has a competing budget requirement in Article III, Sec. 6.01. The primary difference between the two sections is the inclusion of a method of finance in the Article III budget requirements and the recipient lists for budget amendments and the annual budget.</i></p>
--	--	--

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

Article IX, Section 7.04	IX-35 to IX-36	<p>Sec. 7.04. Contract Notification: Amounts Greater than \$50,000.</p> <p>(a) In this section "contract" includes a contract, grant, or agreement, including a revenue generating contract, an interagency or interlocal grant or agreement, purchase order or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part <u>with funds appropriated by this Act</u>, by a state agency or institution of higher education.</p> <p>(b) In this section "contract" does not include a contract with a value of less than or equal to \$50,000.</p> <p>(c) In this section "contract" includes an amendment, modification, renewal or extension which increases a contract's value from a value less than or equal to \$50,000 to a value greater than \$50,000.</p> <p>(d) Before the 30th calendar day after awarding a contract or granting an amendment, modification, renewal, or extension, a state agency or institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts, amendments, modifications, renewals, and extensions to which the agency or institution was a party.</p> <p>(e) A state agency or institution of higher education receiving an appropriation under this Act shall report a contract pursuant to this section without regard to source of funds or method of finance associated with the expenditure, including a contract for which only non-appropriated funds will be expended.</p> <p>(f) The Legislative Budget Board may conduct reviews of contracts required to be submitted under this section 7.04 and valued at \$1,000,000 or more. If a contract reported under this section is found to violate:</p> <ol style="list-style-type: none"> (1) State of Texas Procurement and Contract Management Guide; or (2) Any applicable statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements; the Director of the Legislative Budget Board may provide written notification to the comptroller, the governor, and/or the Legislative Budget Board detailing the requirements of this section that the agency did not meet and any recommendations to address identified risks related to the procurement or contract. The recommendations may include enhanced monitoring by Legislative Budget Board staff; auditing by the State Auditor's Office; required agency consultation with the Quality Assurance Team and/or Contract Advisory Team; or contract cancellation.
--------------------------	----------------	--

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

		<p>(g) For contracts with an initial award value greater than \$1 million, a state agency or institution of higher education shall provide notice of a contract for services for which the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent or more, in accordance with procedures established by the Legislative Budget Board, to:</p> <p>(1) the governor;</p> <p>(2) the lieutenant governor; and</p> <p>(3) the speaker of the house of representatives.</p> <p>(h) A state agency or institution of higher education must provide the notice required under Subsection (g) not later than the 30th day after the date of the disclosure or discovery that the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent. The notice must include:</p> <p>(1) the amount of the cost increase;</p> <p>(2) the reason for the cost increase; and</p> <p>(3) any opportunity the state agency had to lessen the cost or to purchase the service from another vendor after the first dollar of the increased cost was discovered or disclosed to the agency or institution.</p> <p>(i) The Legislative Budget Board shall establish the procedures for the notice required by Subsections (g) or (h).</p> <p><i>TWU System requests the revision of this reporting requirement to limit it to funds within the Act as regulatory relief.</i></p>
--	--	--

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

Article IX, Section 7.04	IX-35 to IX-36	<p>Sec. 7.04. Contract Notification: Amounts Greater than \$50,000.</p> <p>(a) In this section "contract" includes a contract, grant, or agreement, including a revenue generating contract, an interagency or interlocal grant or agreement, purchase order or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education.</p> <p>(b) In this section "contract" does not include a contract with a value of less than or equal to \$50,000 <u>for a state agency or a value of less than or equal to \$250,000 for an institution of higher education.</u></p> <p>(c) In this section "contract" includes an amendment, modification, renewal or extension which increases a contract's value from a value less than or equal to \$50,000 to a value greater than \$50,000 <u>for a state agency or from a value of less than or equal to \$250,000 to a value greater than \$250,000 for an institution of higher education.</u></p> <p>(d) Before the 30th calendar day after awarding a contract or granting an amendment, modification, renewal, or extension, a state agency or institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts, amendments, modifications, renewals, and extensions to which the agency or institution was a party.</p> <p>(e) A state agency or institution of higher education receiving an appropriation under this Act shall report a contract pursuant to this section without regard to source of funds or method of finance associated with the expenditure, including a contract for which only non-appropriated funds will be expended.</p> <p>(f) The Legislative Budget Board may conduct reviews of contracts required to be submitted under this section 7.04 and valued at \$1,000,000 or more. If a contract reported under this section is found to violate:</p> <p style="padding-left: 40px;">(1) State of Texas Procurement and Contract Management Guide; or</p> <p style="padding-left: 40px;">(2) Any applicable statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements; the Director of the Legislative Budget Board may provide written notification to the comptroller, the governor, and/or the Legislative Budget Board detailing the requirements of this section that the agency did not meet and any recommendations to address identified risks related to the procurement</p>
--------------------------	----------------	--

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

		<p>or contract. The recommendations may include enhanced monitoring by Legislative Budget Board staff; auditing by the State Auditor's Office; required agency consultation with the Quality Assurance Team and/or Contract Advisory Team; or contract cancellation.</p> <p>(g) For contracts with an initial award value greater than \$1 million, a state agency or institution of higher education shall provide notice of a contract for services for which the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent or more, in accordance with procedures established by the Legislative Budget Board, to:</p> <p>(1) the governor;</p> <p>(2) the lieutenant governor; and</p> <p>(3) the speaker of the house of representatives.</p> <p>(h) A state agency or institution of higher education must provide the notice required under Subsection (g) not later than the 30th day after the date of the disclosure or discovery that the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent. The notice must include:</p> <p>(1) the amount of the cost increase;</p> <p>(2) the reason for the cost increase; and</p> <p>(3) any opportunity the state agency had to lessen the cost or to purchase the service from another vendor after the first dollar of the increased cost was discovered or disclosed to the agency or institution.</p> <p>(i) The Legislative Budget Board shall establish the procedures for the notice required by Subsections (g) or (h).</p> <p><i>TWU System requests the revision of this reporting requirement to increase the reporting threshold for institutions of higher education from \$50,000 to \$250,000 as regulatory relief.</i></p>
--	--	---

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

<p>Article IX, Section 7.11</p>	<p>IX-40 to IX-41</p>	<p>Sec. 7.11. Notification of Certain Purchases or Contract Awards, Amendments, and Extensions.</p> <p>(a) In this section "contract" includes a contract, grant or agreement, including a revenue generating contract, an interagency or interlocal grant or agreement, purchase order or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part <u>with funds appropriated by this Act</u>, by a state agency or institution of higher education.</p> <p>(b) Until providing notice that satisfies the requirements of Subsections 7.11(c) and (d), an agency or institution of higher education appropriated funds in this Act may not expend any funds to make a payment on a contract if the expected amount of the contract exceeds or may reasonably be expected to exceed either of the following thresholds:</p> <p style="padding-left: 40px;">(1) \$10 million; or</p> <p style="padding-left: 40px;">(2) \$1 million in the case of a contract awarded:</p> <p style="padding-left: 80px;">(A) as a result of an emergency or following an emergency procedure allowed by statute; or</p> <p style="padding-left: 80px;">(B) without issuing a request for proposal, request for bid, or other similar process common to participation in the competitive bidding processes required by statute, rule, or ordinary and commonly recognized state policies and procedures.</p> <p>(c) An agency or institution of higher education may not expend funds to make a payment on a contract under Subsection (b)(1) or (b)(2) until the notice required in this Section 7.11 is provided to the Legislative Budget Board. The notice shall be provided to the Legislative Budget Board:</p> <p style="padding-left: 40px;">(1) within 15 calendar days of contract award; or</p> <p style="padding-left: 40px;">(2) within 5 calendar days of contract award if the contract was awarded as a result of an emergency or following an emergency procedure allowed by statute. Such a purchase must be necessary to avoid an immediate hazard to life, health, safety or the welfare of humans, or to avoid an immediate hazard to property.</p> <p>(d) The notice required by Section 7.11(c) must include:</p>
---------------------------------	-----------------------	---

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

		<p>(1) (A) information regarding the nature, term, amount and the vendor(s) awarded the contract;</p> <p>(B) a copy of the contract documents, including all appendices and attachments, and, if applicable, a finding of fact for major consulting contracts from the Governor's Office stating that the consulting services are necessary as required by Government Code, Section 2254.028(a)(3);</p> <p>(C) each request for proposal, invitation to bid, or comparable solicitation related to the contract; and</p> <p>(D) Subsections (d)(1)(B) and (C) shall not apply:</p> <p style="padding-left: 40px;">(i) to an enrollment contract described by T.A.C. Section 391.183 as that section existed November 1, 2013;</p> <p style="padding-left: 40px;">(ii) to a contract of the Texas Department of Transportation that relates to highway construction or engineering, or is subject to Section 201.112, Transportation Code;</p> <p>(2) (A) certification signed by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education stating that the process used to award the contract, contract extension, or purchase complies with or is consistent with the following:</p> <p style="padding-left: 40px;">(i) State of Texas Procurement and Contract Management Guide; and</p> <p style="padding-left: 40px;">(ii) statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements; or</p> <p>(B) if the process to award the contract, contract extension, or procurement did not comply with the requirements of Subsection (d)(2)(A)(i) and (ii), or if these requirements are found to be inapplicable, the agency or institution of higher education shall provide either a legal justification for the inapplicability of the requirements or an explanation for the alternative process utilized, and legal justification for the alternative process;</p> <p>(3) certification by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education that the agency or institution has a process for:</p>
--	--	--

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

		<p>(A) verification of vendor performance and deliverables;</p> <p>(B) payment for goods and services only within the scope of the contract or procurement order;</p> <p>(C) calculation and collection of any liquidated damages associated with vendor performance; and</p> <p>(D) when, why, or how to apply corrective action plans for continuing poor vendor performance;</p> <p>(4) certification by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education that the agency or institution will comply with the requirement to provide information to the Vendor Performance Tracking System when the contract is completed; and</p> <p>(5) any other information requested by the Legislative Budget Board before or after the Legislative Budget Board receives the notice as required by this Section 7.11.</p> <p>(e) A state agency or institution of higher education receiving an appropriation under this Act shall provide notice of a contract pursuant to this section without regard to the source of funds or method of finance associated with the expenditures, including a contract for which only non-appropriated funds will be expended.</p> <p>(f) If the agency does not satisfy the notification requirements of this section, the Director of the Legislative Budget Board may provide written notification to the comptroller, governor, and Legislative Budget Board detailing the requirements of this section that the agency did not meet and any recommendations to address identified risks related to the procurement or contract. The recommendations may include enhanced monitoring by Legislative Budget Board staff; auditing by the State Auditor's Office; required agency consultation with the Quality Assurance Team and/or Contract Advisory Team; or contract cancellation.</p> <p>(g) It is the intent of the legislature that a written notice certified as required by this Section 7.11 should be considered a "governmental record" as defined under Chapter 37, Penal Code.</p> <p><i>TWU System requests the revision of this reporting requirement to limit it to funds within the Act as regulatory relief. TWU System also proposes the deletion of references to "institution" in the provision related to the Vendor Performance Tracking System. Pursuant to SB 799, 87th Leg RS, Section 7, which amended Government Code, Section 2155.089(c), contracts entered into by institutions of higher education</i></p>
--	--	--

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

		<i>are statutorily excluded from VPTS requirements.</i>
--	--	---

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

Article IX, Section 9.12	IX-50 to IX-52	<p>Sec. 9.12. Assignment of Contract Responsibility.</p> <p>(a) In this section:</p> <ol style="list-style-type: none"> (1) "Agency" and "state agency" mean a state officer, board, commission, or department in the executive branch of government appropriated funds under this General Appropriations Act. (2) "Assignment" includes any legal means for transferring the responsibilities for fulfillment of any duties, rights, or obligations due to a state agency or institution of higher education under a contract, from the original party obligated to the agency or institution (the assignor) to another party (the assignee) assuming the duties, rights, or obligations due to a state agency or institution of higher education under a contract. (3) "Contract" has the meaning provided by Sec. 7.04 (Contract Notification: Amounts Greater than \$50,000), Article IX, of this General Appropriations Act. (4) "Institution of higher education" or "institution" has the meaning provided by Sec. 61.003(8), Education Code, except that the term does not include a public junior college. (5) "Major information resources project" has the meaning provided by Sec. 2054.003, Government Code. (6) "Quality assurance team" means the quality assurance team established under Sec. 2054.158, Government Code. (7) "Sensitive personal information" has the meaning provided by Sec. 521.002, Business & Commerce Code. (8) "Total value of the contract" includes the value of all payments <u>from funds appropriated by this Act</u>, as calculated by the quality assurance team, made and expected to be made in the future by a state agency or institution of higher education over the life of the contract beginning from the date of execution of the original contract between the state agency or institution of higher education and the original party with responsibilities for fulfillment of any duties, rights, or obligations due to a state agency or institution of higher education under the contract and including total payments made before assignment of the contract and the total payments expected to be made in the future after the assignment of the contract.
--------------------------	----------------	---

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

		<p>(no changes proposed to the remainder of this section)</p> <p><i>TWU System requests the modification of this section as regulatory relief. As modified, it is believed that the provisions of this rider would still be applicable to contracts funded from appropriated sources.</i></p>
--	--	---

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

		<p>Sec. 11.03. Statewide Capital Planning.</p> <p>(a) An agency or institution of higher education appropriated funds by this Act shall supply to the Bond Review Board capital planning information relating to projects subject to this section and financing options for the 2024-25 fiscal biennium in a format and according to guidelines developed by the Bond Review Board. Such information shall include:</p> <ul style="list-style-type: none"> (1) a description of the project or acquisition; (2) the cost of the project; (3) the anticipated useful life of the project; (4) the timing of the capital need; (5) a proposed source of funds (method of financing); (6) a proposed type of financing; and (7) any additional related information requested by the Bond Review Board. <p>(b) The Bond Review Board shall compile a statewide capital expenditure plan for the 2024-25 fiscal biennium from the information submitted by agencies and institutions in accordance with the capital planning guidelines. Copies of the guidelines shall be filed with the Governor and the Legislative Budget Board no later than December 31, 2021. The Bond Review Board shall file copies of the capital expenditure plan for the period beginning September 1, 2023, with the Governor and the Legislative Budget Board no later than September 1, 2022.</p> <p>(c) The statewide capital plan required by this section shall identify the state's capital needs and alternatives to finance these needs. The Bond Review Board shall review input from all state agencies and institutions regarding the agencies' and institutions' current and future capital needs as part of the strategic planning process. The Bond Review Board shall inform the Legislature on the possible budget impact of the capital plan on the state's debt capacity</p> <p>(d) This section applies to each anticipated state project requiring capital expenditures for:</p>
--	--	--

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

		<p>(1) land acquisition;</p> <p>(2) construction of buildings and other facilities;</p> <p>(3) renovations of buildings and other facilities estimated to exceed \$1 million in the aggregate for a single state agency or institution of higher education; or</p> <p>(4) major information resources projects estimated to exceed \$1 million.</p> <p>(c) The Higher Education Coordinating Board and the Bond Review Board shall eliminate redundant reporting by consolidating this report and the <u>An institution of higher education that completes the Higher Education Coordinating Board's Master Plan report is exempt from the provisions of this section. The Bond Review Board shall utilize information obtained from the Higher Education Coordinating Board's Master Plan report, to the greatest extent possible.</u></p> <p><i>TWU System requests the modification of this section as regulatory relief. The Texas Higher Education Coordinating Board (THECB) collects capital information from institutions of higher education. The Legislature has previously instructed the Bond Review Board (BRB) and THECB to consolidate reporting to the greatest extent possible. Rather than having institutions prepare two reports, the BRB should use information obtained from THECB and work with THECB to incorporate any required information not currently available into the existing Master Plan report.</i></p>
--	--	---

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

Article IX, Section 13.11	IX-67	<p>Sec. 13.11. Reporting of Federal Homeland Security Funding. All state agencies and institutions shall include in their operating budget reports to the Legislative Budget Board:</p> <p class="list-item-l1">(1) an estimated amount of federal homeland security funding received by the agency or institution of higher education and used for the operation and administration of state homeland security programs; and</p> <p class="list-item-l1">(2) the amount of federal homeland security funding received by the agency or institution and passed through to other agencies, institutions <u>of higher education</u>, or local units of government.</p> <p class="list-item-l1">(3) <u>This section does not apply to institutions or agencies of higher education that do not receive an appropriation of federal homeland security funding in this Act.</u></p> <p><i>TWU System requests the modification of this rider to be limited to agencies and institutions of higher education that receive federal funding for Homeland Security appropriated through the General Appropriations Act.</i></p>
---------------------------	-------	---

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

<p>Article IX, Section 17.10 (Paragraphs (b)(10) and (f) only)</p>	<p>IX-82 to IX-84</p>	<p>Sec. 17.09. Contract Management and Oversight.</p> <p><i>(Paragraph (a) omitted due to space considerations)</i></p> <p>(b) Agencies and institutions should manage contracts consistent with state statute, the General Appropriations Act, and the State of Texas Procurement and Contract Management Guide and ensure proper oversight of contract processes including:</p> <p><i>(intervening provisions (1) to (9) omitted due to space considerations)</i></p> <p>(10) Ensure that vendor performance is reported to the Vendor Performance Tracking System (VPTS) and that VPTS data is used in selecting vendors for contract awards. <u>This provision does not apply to an institution of higher education.</u></p> <p><i>(subsequent paragraphs omitted due to space considerations)</i></p> <p><i>TWU System requests the change to this requirement to reflect current statute. Pursuant to SB 799, 87th Leg RS, Section 7, which amended Government Code, Section 2155.089(c), contracts entered into by institutions of higher education are statutorily excluded from the requirement to include VPTS. Accordingly, changes are proposed to specifically exempt institutions of higher education from provision (b)(10).</i></p>
--	-----------------------	---

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

Article IX, Section 17.11	IX-84	<p>Sec. 17.10. Energy Efficiency Savings for State Facilities.</p> <p>(a) In this section, "facility" means a facility with at least 100,000 gross square feet.</p> <p>(b) It is the intent of the legislature that a state agency that is appropriated money by this Act with charge and control over a facility shall have a remote or on-site assessment of the facility performed by the Energy Systems Laboratory at Texas A&M Engineering Experiment Station or another qualified provider to determine whether implementation of continuous commissioning or existing building commissioning practices would result in estimated savings of at least 10 percent in utility costs for the facility. A state agency shall supply any documents necessary to perform the assessment. The state agency shall report to the Legislative Budget Board on the results of the assessment.</p> <p>(c) If the results of an assessment performed under Subsection (b) of this section show estimated utility cost savings of at least 10 percent, the state agency shall have the Energy Systems Laboratory at Texas A&M Engineering Experiment Station or another qualified provider prepare a plan for implementation of continuous commissioning or existing building commissioning practices and monitoring of the implementation for the state agency.</p> <p>(d) <u>This section does not apply to an institution of higher education.</u></p> <p><i>TWU System requests the change to this requirement as regulatory relief.</i></p>

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/1/2022**
TIME: **3:44:50PM**

Agency code: **775** Agency name: **Texas Woman's University System**

CODE	DESCRIPTION	Excp 2024	Excp 2025
<p style="text-align: center;"> Item Name: Leadership for TWU Dallas & Houston Item Priority: 1 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 01-01-01 System Office Operations </p>			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	250,000	250,000
TOTAL, OBJECT OF EXPENSE		\$250,000	\$250,000
METHOD OF FINANCING:			
1	General Revenue Fund	250,000	250,000
TOTAL, METHOD OF FINANCING		\$250,000	\$250,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.00	3.00

DESCRIPTION / JUSTIFICATION:

The goal of transitioning TWU Dallas and TWU Houston from branch campuses to component GAIs requires an investment in leadership on each campus. In order to attract and retain the personnel needed to guide TWU Dallas and TWU Houston through the process, the TWU System is looking to hire highly qualified leadership with experience in developing and implementing such a transition.

The TWU System will additionally need to complete a system wide accreditation process with SACS, and both TWU Dallas and TWU Houston will need approval as component GAIs from the Texas Higher Education Coordinating Board, which will require leadership to be in place.

This funding request would be for a maximum of 5 years by which time the TWU System expects each component institution to have completed the transition and would have self-funded leadership at each component institution.

EXTERNAL/INTERNAL FACTORS:

Additional information for this exceptional item is available in Schedule 9, Non-Formula Support Item Information.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **8/1/2022**
TIME: **3:44:50PM**

Agency code: **775** Agency name: **Texas Woman's University System**

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2024</u>	<u>Excp 2025</u>
-------------	--------------------	------------------	------------------

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Funding to remain in place until component institution have completed the transition to stand-alone institution and be able to self-fund leadership.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2026</u>	<u>2027</u>	<u>2028</u>
\$250,000	\$250,000	\$250,000

Agency code:	775	Agency name:	Texas Woman's University System				
Code	Description			Excp 2024		Excp 2025	
Item Name:		Leadership for TWU Dallas & Houston					
Allocation to Strategy:		1-1-1	System Office Operations				
OBJECTS OF EXPENSE:							
1001		SALARIES AND WAGES		250,000		250,000	
TOTAL, OBJECT OF EXPENSE				\$250,000		\$250,000	
METHOD OF FINANCING:							
1		General Revenue Fund		250,000		250,000	
TOTAL, METHOD OF FINANCING				\$250,000		\$250,000	
FULL-TIME EQUIVALENT POSITIONS (FTE):				3.0		3.0	

4.C. Exceptional Items Strategy Request
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/1/2022
TIME: 3:44:50PM

Agency Code: **775** Agency name: **Texas Woman's University System**

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Provide Instructional and Operations Support

STRATEGY: 1 System Office Operations

Service Categories:

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

CODE	DESCRIPTION	Excp 2024	Excp 2025
------	-------------	-----------	-----------

OBJECTS OF EXPENSE:

1001	SALARIES AND WAGES	250,000	250,000
------	--------------------	---------	---------

Total, Objects of Expense		\$250,000	\$250,000
----------------------------------	--	------------------	------------------

METHOD OF FINANCING:

1	General Revenue Fund	250,000	250,000
---	----------------------	---------	---------

Total, Method of Finance		\$250,000	\$250,000
---------------------------------	--	------------------	------------------

FULL-TIME EQUIVALENT POSITIONS (FTE):	3.0	3.0
--	-----	-----

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Leadership for TWU Dallas & Houston

Schedule 7: Personnel
88th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/1/2022
Time: 3:44:50PM

Agency code: **775** Agency name: **Texas Woman's University System**

	Actual 2021	Actual 2022	Budgeted 2023	Estimated 2024	Estimated 2025
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Non-Faculty Employees	0.0	0.0	0.0	2.0	2.0
Subtotal, Directly Appropriated Funds	0.0	0.0	0.0	2.0	2.0
GRAND TOTAL	0.0	0.0	0.0	2.0	2.0

775 Texas Woman's University System

Leadership for TWU Dallas and TWU Houston

(1) Year Non-Formula Support Item First Funded:	2024
Year Non-Formula Support Item Established:	2024
Original Appropriation:	\$500,000

(2) Mission:

The transition from a branch campus to a component GAI requires an investment in leadership on each campus. In order to attract and retain the personnel needed to guide TWU Dallas and TWU Houston through the process, the TWU System requests funding to hire highly qualified leadership with experience in developing and implementing such a transition.

(3) (a) Major Accomplishments to Date:

none

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

N/A

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

Local and institutional funds

(5) Formula Funding:

N/A

(6) Category:

Start-Up

(7) Transitional Funding:

Y

(8) Non-General Revenue Sources of Funding:

Local and institutional funds

(9) Impact of Not Funding:

This funding is necessary for the System to establish leadership needed at the TWU Dallas and TWU Houston campuses in a timely manner and without impacting existing operational funding levels. Accreditation and THECB approval timelines for the System and each component institution will likely take longer without the requested funding.

775 Texas Woman's University System

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

State funding would likely only be necessary for five years until revenue generated from tuition and external fund sources can be utilized to sustain operations and transition away from non-formula support.

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

5 years

(12) Benchmarks:

N/A

(13) Performance Reviews:

N/A
