Legislative Appropriations Request

For Fiscal Year 2028 and 2029

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

by

University of Houston System Administration

Date of Submission
August 7, 2026

Table of Contents

Page

THIS PAGE INTENTIONALLY BLANK

CERTIFICATE

Agency Name 783 University of Houston System Administration

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

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Office of the Governor will be notified in writing in accordance with Senate Bill 1, Article IX, Section 7.01, Eighty-ninth Legislature, Regular Session, 2025.

Chief Executive Office or Presiding Judge

Signature

Dr. Renu Khator

Printed Name

Chancellor-University of Houston System

Title

August 7, 2026

Date

Board or Commission Chair

Signature

Jack B. Moore

Printed Name

Chairman, UH System Board of Regents

Title

August 7, 2026

Date

Chief Financial Officer

Signature

Raymond S. Bartlett

Printed Name

Senior Vice Chancellor, Admin and Finance

Title

August 7, 2026

Date

Schedules Not Included

Agency Code:	Agency Name:	Date:
783	University of Houston System Administration	August 7,2026

For the schedules identified below, the University of Houston System Administration either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the U.H. System Administration Legislative Appropriations Request for the 2028-29 biennium

Number	Name
2C.1	Operating Costs Detail – Base Request
2D	Summary of Base Request Objective Outcomes
2G	Summary of Total Request Objective Outcomes
3A.1	Program – Level Request Schedule
5A	Capital Budget Project Schedule
5B	Capital Budget Project Information
5C	Capital Budget Project Allocation to Strategies (Baseline)
5D	Capital Budget Operating and Maintenance Expenses
5E	Capital Budget Project-OOE and MOF Detail by Strategy
6C	Federal Funds Supporting Schedule
6D	Federal Funds Tracking Schedule
6E	Estimated Revenue Collections Supporting Schedule
6F.a – 6F.b	Advisory Committee Supporting Schedule Part A ~ Part B
6G	Homeland Security Funding
7A - 7B	Indirect & Direct Administrative and Support Costs
Schedule 1A	Other Educational and General Income
Schedule 2	Selected Educational, General and Other Funds
Schedule 3B	Staff Group Insurance Data Elements (UT/A&M)
Schedule 3D	Group Insurance Data Elements (Supplemental)
Schedule 6	Constitutional Capital Funding

783 University of Houston System Administration

Overview

As one of Texas' largest public university systems and the leading provider of comprehensive higher education services in Greater Houston, the University of Houston System plays a vital role in educating the workforce, advancing research and innovation, and supporting economic prosperity throughout Texas. As seen in Figure 1, the System serves more than 70,000 students annually and provides a pipeline of talent to Texas' most critical industries. Located in one of the nation's most dynamic metropolitan regions, the UH System supports economic sectors central to Texas' future, including energy, healthcare, aerospace, and advanced manufacturing. The System's students include substantial numbers of first-generation, low-income, transfer, veteran, and adult learners. The University of Houston System remains committed to ensuring that educational opportunity remains accessible to every qualified student regardless of background or circumstance.

The University of Houston System consists of:

•University of Houston (UH) – Texas' premier urban research university and a Carnegie-designated Tier One institution recognized nationally for academic excellence, research productivity, innovation, and workforce development.

•University of Houston-Clear Lake (UHCL) – a comprehensive regional university serving the Bay Area and Gulf Coast region through strong partnerships with NASA, healthcare providers, school districts, and industry.

•University of Houston-Downtown (UHD) – a comprehensive regional university with one of the most diverse universities in Texas, it is a nationally recognized leader in workforce preparation, social mobility, and educational access.

•Tilman J. Fertitta Family College of Medicine (UHCOM) – the medical school of the University of Houston, its mission focuses on primary care, population health, and service to underserved communities.

The University of Houston System remains committed to responsible stewardship of public resources. System Administration provides centralized leadership and shared services that improve efficiency, accountability, and service delivery across the System's institutions. System Administration’s core functions include:

•Board of Regents support.
•Legal affairs.
•Internal audit.
•Compliance.
•Information security.
•Government relations.
•Strategic planning.
•Financial oversight.

Through strong governance and responsible fiscal management, the UH System maximizes the return on taxpayer investment.

Under Chancellor Renu Khator's visionary leadership, the University of Houston System has undergone the most significant transformation in its history. Through strategic investments in student success, research excellence, institutional quality, and community engagement, the University of Houston System continues to expand educational opportunity for Texans and provides the workforce that strengthens the economy of Texas.

Student Access and Degree Production

Since 2008, the University of Houston System has maintained a commitment to improving student success, degree completion, and workforce development. Through its strategic investments in academic support services, advising, financial aid, and student success initiatives, the System has significantly improved outcomes for students across its institutions.

A key factor in the University of Houston System's success has been its leadership in regional collaborations designed to improve student outcomes. Through initiatives such as Houston Guided Pathways to Success (Houston GPS), UH System institutions have partnered with community colleges and other regional institutions to streamline transfer pathways, reduce excess credit hours, improve persistence, and accelerate graduation. Houston GPS has produced measurable improvements in student progression and completion metrics while helping students earn credentials more efficiently and at lower cost.

The results of this sustained focus on student success are reflected in record levels of degree production. As seen in Figure 2, UH System institutions collectively award more than 18,000 degrees annually, supplying Texas employers with highly educated graduates in fields critical to the state's future, which contributes directly to the state's workforce readiness and global competitiveness.

The System's focus on affordability has also played an important role in promoting student success. By expanding access to financial aid and implementing programs that reduce financial barriers to enrollment and completion, UH System institutions have enabled more students to earn degrees without excessive debt and to enter the workforce prepared to succeed in high-demand careers. These investments generate long-term returns through increased earnings, greater economic mobility, and stronger communities across Texas.

Excellence in Research and Innovation

Research and innovation are central to the mission of the University of Houston System and serve as powerful drivers of economic growth, workforce development, healthcare advancement, and societal progress throughout Texas. Led by the University of Houston—one of the nation's Carnegie-designated Tier One (R1) research universities—the UH System has built a nationally recognized research enterprise. Research conducted across the System supports Texas' leadership in energy, healthcare, aerospace, advanced manufacturing, artificial intelligence, and cybersecurity.

Research excellence extends throughout the UH System. The University of Houston-Clear Lake maintains longstanding partnerships with NASA's Johnson Space Center and contributes to research and workforce development in aerospace, engineering, and related fields. A growing component of the System's research portfolio is the work being conducted through the Tilman J. Fertitta Family College of Medicine. Established to address critical physician shortages and healthcare disparities, the College of Medicine conducts research focused on improving health outcomes, addressing chronic disease, advancing primary care, and developing innovative approaches to population health.

Through its commitment to research and innovation, the University of Houston System will continue to serve as a catalyst for economic prosperity, healthcare advancement, and opportunity for all Texans.

National Competitiveness

Through the collective accomplishments of the University of Houston, the University of Houston-Clear Lake, and the University of Houston-Downtown, the University of Houston System has established itself as one of the nation's leading metropolitan university systems and a model for how public higher education can expand opportunity while advancing research and workforce development.

The UH System's commitment to academic excellence is reflected in the distinction of its faculty and researchers. Across the System are recipients of some of the nation's most prestigious academic and scholarly honors, including members of the National Academies, Guggenheim Fellows, MacArthur Fellows, Pulitzer Prize winners, and National Humanities Medal recipients.

The UH System has also earned national recognition for promoting social mobility and expanding access to higher education. UH and UHD are consistently recognized for helping students achieve upward economic mobility through education. Additionally, UH System students regularly earn prestigious national and international awards, including Fulbright scholarships and other competitive fellowships that reflect the quality of the educational experience provided across System institutions. The University of Houston is also home to a Phi Beta Kappa chapter, one of the most prestigious recognitions of excellence in the liberal arts and sciences and an honor held by only a small percentage of institutions nationwide.

Economic and Community Impact

A defining strength of the University of Houston System is its ability to meet students where they live and work. Through the University of Houston, University of Houston-Clear Lake, and University of Houston-Downtown, the System provides educational opportunities across the Greater Houston region, offering flexible pathways that accommodate traditional students, working adults, transfer students, military-affiliated students, and place-bound learners.

The Houston metropolitan area is among the fastest-growing and most diverse regions in the nation, and the UH System serves as a primary pipeline of talent for the region's employers. System institutions work closely with industry, healthcare providers, government agencies, and community organizations to align academic programs with workforce needs. Collectively, UH System institutions award more than 18,000 degrees annually, helping employers meet the demand for a highly skilled workforce.

Healthcare represents another important area of community impact. Through the Tilman J. Fertitta Family College of Medicine and the System's health-related academic programs, UH is helping address workforce shortages and healthcare disparities across Texas.

The UH System is also deeply committed to expanding economic opportunity through educational access and social mobility. Through initiatives such as Cougar Promise, Gator Promise, Hawk Promise and other financial aid programs, the System helps students overcome financial barriers and achieve upward economic mobility through higher education.

Advancing Building a Talent Strong Texas

The University of Houston System is a committed partner in advancing the goals of Building a Talent Strong Texas, the state's strategic higher education plan. Through the collective efforts of the University of Houston, University of Houston-Clear Lake, and University of Houston-Downtown, the System is helping Texas develop the talent necessary to meet current and future workforce demands while expanding opportunities for students from all backgrounds. The UH System's mission aligns closely with the objectives of Building a Talent Strong Texas by increasing credential attainment, improving student success, enhancing workforce readiness, and promoting economic mobility.

Houston Guided Pathways to Success (Houston GPS)

The University of Houston System is proud to serve as a national leader in student success through its partnership in Houston Guided Pathways to Success (Houston GPS), a collaborative regional initiative designed to improve educational attainment, strengthen transfer pathways, and accelerate degree completion for students across the Greater Houston region. Established in 2014, Houston GPS brings together the universities and community colleges serving nearly 300,000 students in the Houston region with the shared goal of creating seamless educational pathways that help students earn credentials more efficiently and enter the workforce prepared for success.

Since the Houston GPS's inception, participating institutions have reported improvements in key student success metrics, including reductions in excess credit accumulation. These outcomes demonstrate that institutional collaboration can significantly improve educational attainment while helping students complete their credentials more quickly and affordably.

Legislative Priorities

Formula Funding

Formula funding remains the foundation of the state's investment in public higher education and is essential to supporting instructional delivery, student success, workforce development, and institutional excellence. The University of Houston System remains steadfast in its commitment to deliver high-quality, affordable education while supporting students in achieving the objectives of the state's current higher education strategic plan, Building a Talent Strong Texas. We respectfully urge the Legislature to adopt the Texas Higher Education Coordinating Board's formula funding recommendations for the 2028-29 biennium.

UH System believes that Texas should continue moving toward a funding model that rewards student success while preserving the stability and predictability institutions need to plan effectively and serve students. We are committed to working collaboratively with the Legislature, the Coordinating Board, and institutional stakeholders to implement an equitable, transparent, and sustainable performance-based funding formula that recognizes the diverse missions of Texas public universities and appropriately accounts for the populations they serve.

Any performance-based model should reward institutions for advancing statewide priorities, including degree completion, workforce-aligned credentials, research productivity, student success, and service to economically disadvantaged, first-generation, transfer, and at-risk students. At the same time, performance funding should complement—not replace—the core instructional support provided through the main funding formulas. Universities must retain sufficient base resources to educate students, maintain academic quality, support research and innovation, and respond to emerging state and regional workforce needs. A balanced approach that combines stable base funding with meaningful performance incentives will best ensure long-term success for students, institutions, and the state.

Restoration of 3% Reductions

A three percent reduction to the University of Houston System components' base budgets would have significant consequences on their ability to meet the growing educational and workforce needs of Texas. Unlike one-time budget adjustments, reductions to base funding create an ongoing loss of resources that compounds over time, limiting their capacity to serve students, recruit and retain high-quality faculty, support research activity, maintain critical infrastructure, and respond to the state's economic and workforce priorities.

The University of Houston System has experienced substantial enrollment growth, increased research activity, and rising demand for graduate and professional education while continuing to serve a highly diverse student population. State appropriations remain a foundational component of the institutions’ operating budgets and provide essential support for instructional programs, student services, and research initiatives that directly benefit Texas. For all these reasons, we respectfully urge the Legislature to restore the 3% percent base reductions for the 2028-29 biennium.

Equitable Funding of Health-Related Programs

The University of Houston System supports equitable state funding for health-related programs offered at General Academic Institutions. Programs in nursing, optometry, pharmacy, social work, public health, and other health professions play a critical role in addressing Texas' workforce shortages and improving healthcare outcomes throughout the state.

Despite serving many of the same workforce and public health needs as traditional health-related institutions, health programs at General Academic Institutions often do not receive comparable levels of state support. Equitable funding would better reflect the instructional costs associated with these programs and help institutions expand enrollment, improve educational quality, and address critical shortages in healthcare professions, particularly in underserved communities.

The UH System respectfully proposes that the UH optometry program, the only public optometry school in Texas, be included in the Health Related Institutions funding formula with an allocation weight equivalent to that of the medical programs, reflecting the rigorous requirements and academic standards shared by these programs. Additionally, the UH System also recommends that the pharmacy, nursing, and social work programs at the University of Houston likewise be funded in the HRI funding formulas to align with similar programs at other health science centers in the state.

Student Financial Aid/TEXAS Grants

Expanding state support for financial aid remains critical to ensuring that higher education remains affordable and accessible for all Texans. Programs such as TEXAS Grants and other need-based aid initiatives help remove financial barriers that often prevent qualified students from enrolling in or completing college.

The University of Houston System enrolls a large number of first-generation and low-income students. Increased state financial aid funding enables more students to pursue degrees, graduate with less debt, and enter the workforce prepared to contribute to the state's economy. Investments in financial aid are investments in Texas' future workforce, economic mobility, and prosperity. The University of Houston System strongly encourages the Legislature to increase funding levels for the TEXAS Grants program administered by the Texas Higher Education Coordinating Board, ensuring that more students can achieve their educational goals.

Capital Construction and Infrastructure

The University of Houston System is grateful to the Legislature for the capital construction projects authorized by the 87th Legislature in Senate Bill 52 from the Third Called Session. The authorization of those projects recognized the critical facilities needs facing rapidly growing public universities and demonstrated the state's commitment to maintaining a strong and competitive higher education system. The System greatly appreciates this partnership and the Legislature's recognition that capital investments are essential to maintaining the quality, capacity, and competitiveness of Texas public higher education.

783 University of Houston System Administration

The University of Houston System looks forward to continuing its partnership with the Legislature to address strategic capital needs across the state. Future investments in higher education infrastructure will ensure that Texas universities remain equipped to meet the demands of a growing population, support cutting-edge research, and provide students with the facilities necessary to succeed in a global economy. The University of Houston System respectfully requests that the 90th Legislature enact legislation authorizing new CCAP projects.

Exceptional Item Requests

1. Restoration of Three Percent Reduction

The University of Houston System respectfully requests that the Legislature restore the funding that was reduced from the system's base budget. The reduction would negatively impact the UH System's Teacher Preparation Program and the UH at Katy Academic Expansion.

Preparing qualified teachers remains a workforce priority for the state, and especially for the Greater Houston region. A reduction to the Teacher Preparation Program would reduce the number of teaching residencies and tuition assistance packages that could be offered in partnership with Houston ISD, Alief ISD, Cypress-Fairbanks ISD, and other regional school districts, limiting the pipeline of new teachers entering classrooms during a critical statewide teacher shortage.

Additionally, the Katy region continues to experience significant growth, which has increased demand for accessibility to higher education opportunities. A reduction to the Katy Academic Expansion non-formula support would delay the launch and scaling of high-demand courses that are aligned with the area's workforce needs.

2. Katy Academic Building

The University of Houston System respectfully requests authorization for a Capital Construction Assistance Project (CCAP) to construct a new 150,000 square foot academic building on the University of Houston Katy campus. This facility is a critical component of the System's strategic expansion of academic programs designed to meet the region's rapidly growing workforce needs.

The University of Houston Katy campus currently provides students in West Houston and Katy access to more than 20 undergraduate degree programs and over 12 graduate programs in high demand and emerging fields, including business, engineering, and nursing. The proposed building will include a mix of undergraduate and graduate classrooms, instructional laboratories, specialized teaching spaces, testing centers, faculty and staff space needs and student support spaces essential to delivering high quality academic services.

This project will expand capacity, strengthen regional workforce pipelines, and ensure that students in one of the fastest growing areas of Texas have access to high quality higher education aligned with industry needs.

Background Checks

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

Looking Forward

The University of Houston System enters the 2028–2029 biennium stronger than at any point in its history. The System's institutions are producing more graduates, conducting more impactful research, creating greater economic value, and serving more Texans than ever before. At the same time, the University of Houston System remains steadfast in its commitment to access, affordability, excellence, accountability, and public service.

As Texas prepares for unprecedented population and economic growth, the University of Houston System is uniquely positioned to address two of the state's most important needs: educational attainment and healthcare workforce development. The continued success of the Tilman J. Fertitta Family College of Medicine and the establishment of a comprehensive University of Houston Health Science Center represent transformative opportunities for the State of Texas.

Together, these initiatives will expand access to care, strengthen the healthcare workforce, accelerate research and innovation, improve health outcomes, and enhance the quality of life for Texans for generations to come.

Figure 1

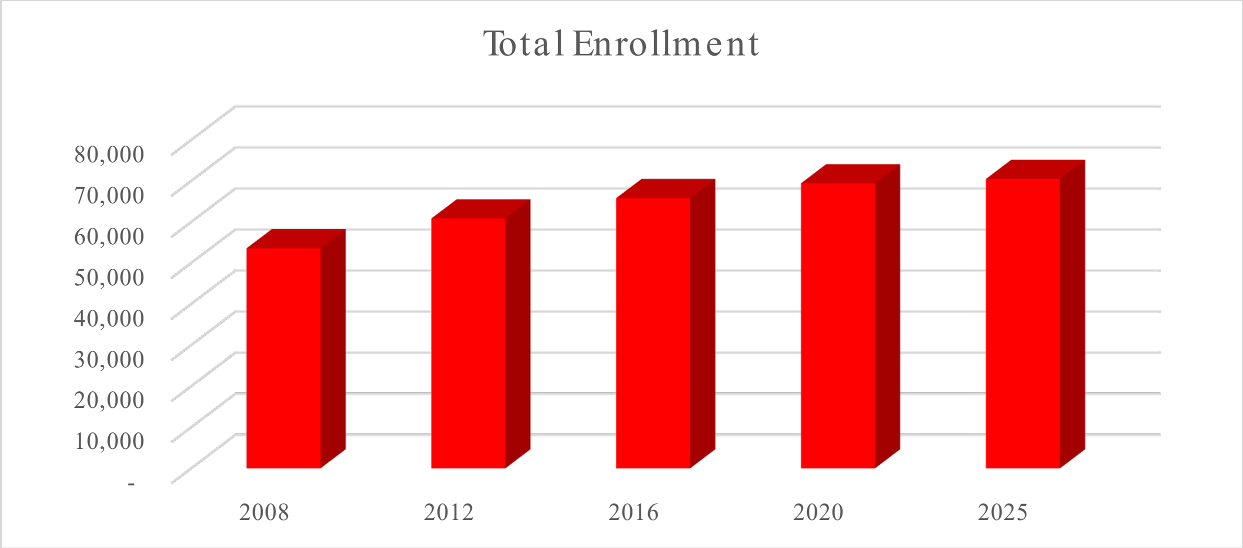
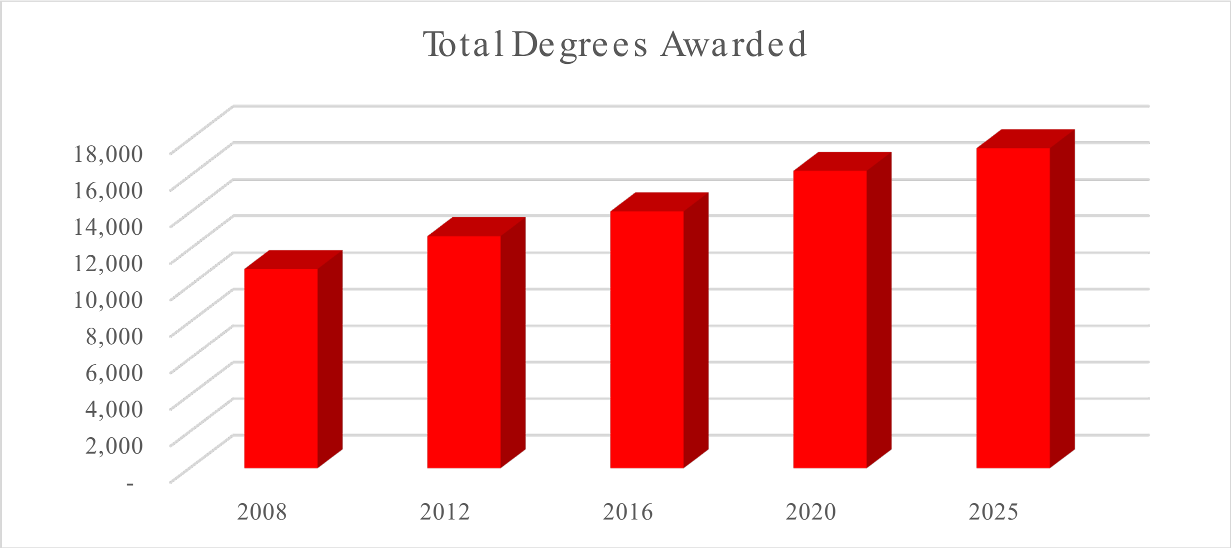
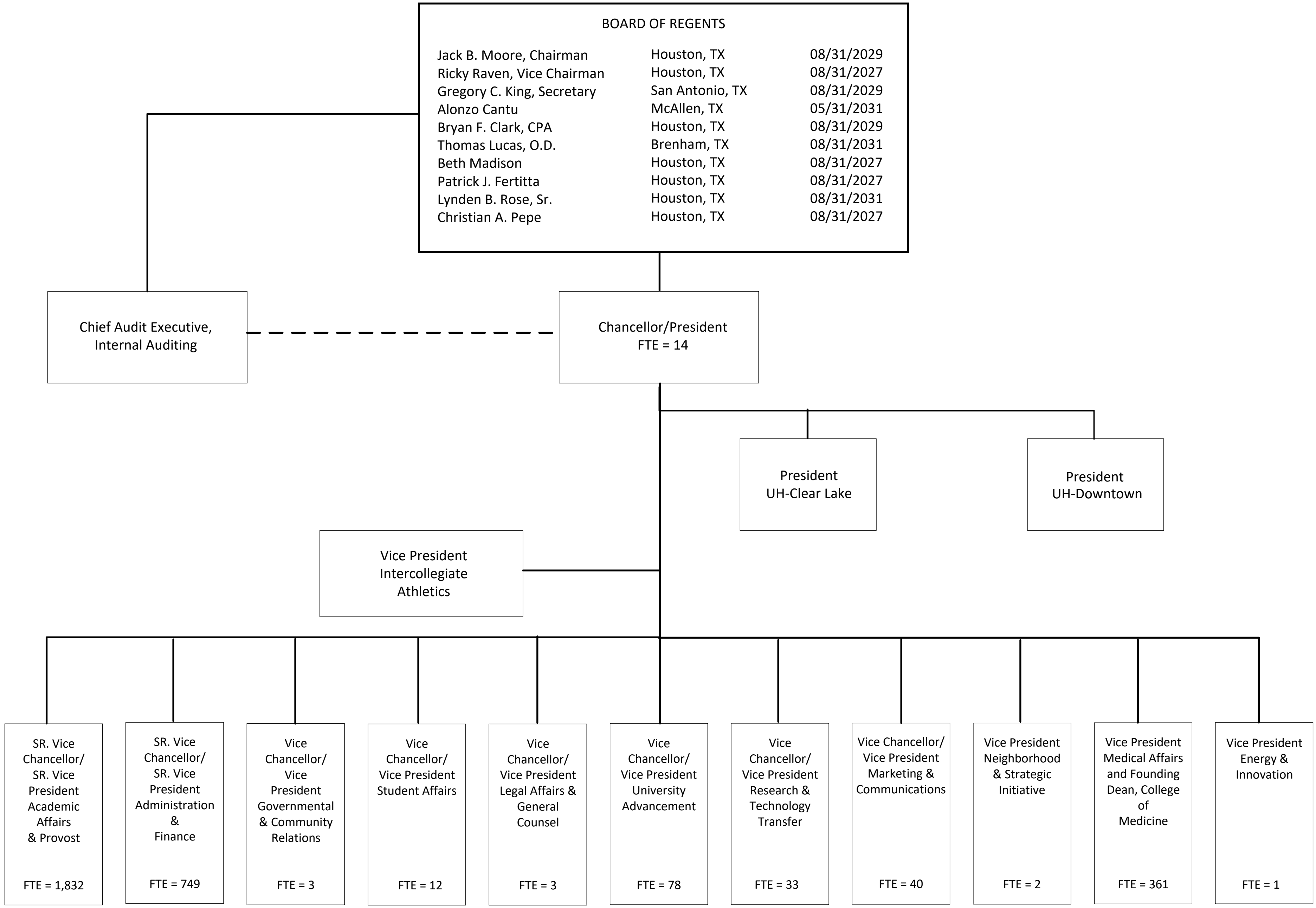


Figure 2



University of Houston System/University of Houston



FTE budgeted in FY2027 from Appropriated Funds; UH= 3,085 FTE, UHSA= 43 FTE, TOTAL= 3,128 FTE

783 University of Houston System Administration

Appropriation Years: 2028-29

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2028-29
Goal: 1. Provide Instructional and Operations Support											
1.1.11. System Office Operations	2,926,280	2,827,591					12,737	22,476	2,939,017	2,850,067	
Total, Goal	**2,926,280**	**2,827,591**					**12,737**	**22,476**	**2,939,017**	**2,850,067**	
Goal: 2. Provide Infrastructure Support											
2.1.1. Uh Ccap Revenue Bonds	43,548,192	43,928,204							43,548,192	43,928,204	
2.1.2. Uh Clear Lake Ccap Revenue Bonds	18,362,512	18,526,864							18,362,512	18,526,864	
2.1.3. Uh Downtown Ccap Revenue Bonds	18,737,468	19,107,000							18,737,468	19,107,000	
2.1.5. Uh System Ccap Revenue Bonds	17,391,207	17,700,350							17,391,207	17,700,350	
Total, Goal	**98,039,379**	**99,262,418**							**98,039,379**	**99,262,418**	
Goal: 3. Provide Non-formula Support											
3.1.1. Teacher Preparation Program	1,988,761	1,940,000							1,988,761	1,940,000	
3.1.2. Katy Expansion	20,000,000	19,400,000							20,000,000	19,400,000	
3.5.1. Exceptional Item Request											36,057,173
Total, Goal	**21,988,761**	**21,340,000**							**21,988,761**	**21,340,000**	**36,057,173**
Total, Agency	**122,954,420**	**123,430,009**					**12,737**	**22,476**	**122,967,157**	**123,452,485**	**36,057,173**
Total FTEs									**42.9**	**42.9**	**0.0**

783 University of Houston System Administration

Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
1 Provide Instructional and Operations Support					
1 Provide Instructional and Operations Support					
11 SYSTEM OFFICE OPERATIONS	1,457,520	1,468,759	1,470,258	1,425,034	1,425,033
TOTAL, GOAL 1	**$1,457,520**	**$1,468,759**	**$1,470,258**	**$1,425,034**	**$1,425,033**
2 Provide Infrastructure Support					
1 Provide Operation and Maintenance of E&G Space					
1 UH CCAP REVENUE BONDS	21,964,102	21,584,090	21,964,102	21,964,102	21,964,102
2 UH CLEAR LAKE CCAP REVENUE BONDS	9,263,431	9,099,080	9,263,432	9,263,432	9,263,432
3 UH DOWNTOWN CCAP REVENUE BONDS	9,553,500	9,183,968	9,553,500	9,553,500	9,553,500
4 UH VICTORIA CCAP REVENUE BONDS	7,748,050	0	0	0	0
5 UH SYSTEM CCAP REVENUE BONDS	8,850,175	8,541,032	8,850,175	8,850,175	8,850,175
TOTAL, GOAL 2	**$57,379,258**	**$48,408,170**	**$49,631,209**	**$49,631,209**	**$49,631,209**
3 Provide Non-formula Support					

783 University of Houston System Administration

Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
1 *INSTRUCTIONAL SUPPORT*					
1 TEACHER PREPARATION PROGRAM	1,000,000	988,761	1,000,000	970,000	970,000
2 KATY EXPANSION	0	10,000,000	10,000,000	9,700,000	9,700,000
5 *Exceptional Item Request*					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 3	$1,000,000	$10,988,761	$11,000,000	$10,670,000	$10,670,000
TOTAL, AGENCY STRATEGY REQUEST	$59,836,778	$60,865,690	$62,101,467	$61,726,243	$61,726,242
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				$0	$0
GRAND TOTAL, AGENCY REQUEST	$59,836,778	$60,865,690	$62,101,467	$61,726,243	$61,726,242

783 University of Houston System Administration

Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	59,836,778	60,865,690	62,088,730	61,715,005	61,715,004
SUBTOTAL	**$59,836,778**	**$60,865,690**	**$62,088,730**	**$61,715,005**	**$61,715,004**
Other Funds:					
802 Lic Plate Trust Fund No. 0802, est	0	0	12,737	11,238	11,238
SUBTOTAL	**$0**	**$0**	**$12,737**	**$11,238**	**$11,238**
TOTAL, METHOD OF FINANCING	**$59,836,778**	**$60,865,690**	**$62,101,467**	**$61,726,243**	**$61,726,242**

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

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

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$59,836,780	$0	$0	$0	$0
Comments: Conference Committee Report for HB1, 88th Legislature.					
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$69,836,780	$69,836,780	$61,715,005	$61,715,004
Comments: Conference Committee Report for SB1, 89th Legislature.					
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$(1,223,040)	$0	$0	$0
TRANSFERS					
89th Leg., Art. IX, P. 119, Contingency and Other Provisions, Sec. 18.76 (Contingency for Senate Bill 2361)	$0	$(7,748,050)	$(7,748,050)	$0	$0
Comments: Decrease of $7,748,050 in both FY26 and FY27 resulting from transfer of Victoria's debt service to TAMU System as of result of SB2361					
LAPSED APPROPRIATIONS					

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

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
Regular Appropriations from MOF Table (2024-25 GAA)	$(2)	$0	$0	$0	$0
TOTAL, General Revenue Fund	**$59,836,778**	**$60,865,690**	**$62,088,730**	**$61,715,005**	**$61,715,004**
TOTAL, ALL GENERAL REVENUE	**$59,836,778**	**$60,865,690**	**$62,088,730**	**$61,715,005**	**$61,715,004**
OTHER FUNDS					
802 License Plate Trust Fund Account No. 0802, estimated					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$11,238	$0	$0	$0	$0
Comments: Conference Committee Report for HB1, 88th Legislature.					
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$11,238	$11,238	$11,238	$11,238
Comments: Conference Committee Report for SB1, 89th Legislature.					
TRANSFERS					
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4					

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

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
	$(3,166)	$0	$0	$0	$0
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	$(542)	$0	$0	$0	$0
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	$(239)	$0	$0	$0	$0
88th Leg., Art. III, P. 271, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	$(889)	$0	$0	$0	$0
89th Leg., Art. III, P. 286-287, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	$0	$(5,624)	$0	$0	$0
89th Leg., Art. III, P. 286-287, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	$0	$(903)	$0	$0	$0

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

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
89th Leg., Art. III, P. 286-287, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 4	$0	$(1,481)	$0	$0	$0
UNEXPENDED BALANCES AUTHORITY					
88th Leg., Art. III, P. 292-293, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 53	$1,624	$0	$0	$0	$0
89th Leg., Art. III, P. 309-310, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 52	$(3,510)	$0	$0	$0	$0
89th Leg., Art. III, P. 309-310, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 52	$0	$3,510	$0	$0	$0
89th Leg., Art. III, P. 309-310, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 52	$0	$(1,499)	$0	$0	$0
89th Leg., Art. III, P. 309-310, Special Provisions Relating Only To State Agencies of Higher Education, Sec. 52					

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

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
	$0	$0	$1,499	$0	$0
BASE ADJUSTMENT					
Revised Receipts FY25	$(4,516)	$0	$0	$0	$0
Revised Receipts FY26	$0	$(5,241)	$0	$0	$0
TOTAL, License Plate Trust Fund Account No. 0802, estimated	**$0**	**$0**	**$12,737**	**$11,238**	**$11,238**
TOTAL, ALL OTHER FUNDS	**$0**	**$0**	**$12,737**	**$11,238**	**$11,238**
GRAND TOTAL	**$59,836,778**	**$60,865,690**	**$62,101,467**	**$61,726,243**	**$61,726,242**

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

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA) **Comments:** From Appropriations Bill	12.9	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2026-27 GAA) **Comments:** From Appropriations Bill	0.0	42.9	42.9	42.9	42.9
TOTAL, ADJUSTED FTES	**12.9**	**42.9**	**42.9**	**42.9**	**42.9**
NUMBER OF 100% FEDERALLY FUNDED FTEs	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

783 University of Houston System Administration

OBJECT OF EXPENSE	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1001 SALARIES AND WAGES	$1,437,595	$11,464,291	$11,465,790	$11,120,699	$11,120,699
1002 OTHER PERSONNEL COSTS	$0	$0	$0	$0	$0
2001 PROFESSIONAL FEES AND SERVICES	$1,500	$0	$0	$0	$0
2006 RENT - BUILDING	$2,628	$0	$0	$0	$0
2008 DEBT SERVICE	$32,180,000	$35,767,558	$36,671,710	$36,671,710	$36,671,710
2009 OTHER OPERATING EXPENSE	$25,215,055	$12,645,080	$12,963,967	$12,963,834	$12,963,833
3001 CLIENT SERVICES	$1,000,000	$988,761	$1,000,000	$970,000	$970,000
OOE Total (Excluding Riders)	**$59,836,778**	**$60,865,690**	**$62,101,467**	**$61,726,243**	**$61,726,242**
OOE Total (Riders)					
Grand Total	**$59,836,778**	**$60,865,690**	**$62,101,467**	**$61,726,243**	**$61,726,242**

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

		2028			2029			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	Restoration of 3 Percent Reduction	$373,725	$373,725		$373,726	$373,726		$747,451	$747,451
2	Katy Academic (classroom) Bldg	$17,654,861	$17,654,861		$17,654,861	$17,654,861		$35,309,722	$35,309,722
Total, Exceptional Items Request		**$18,028,586**	**$18,028,586**		**$18,028,587**	**$18,028,587**		**$36,057,173**	**$36,057,173**
Method of Financing									
General Revenue		$18,028,586	$18,028,586		$18,028,587	$18,028,587		$36,057,173	$36,057,173
General Revenue - Dedicated									
Federal Funds									
Other Funds									
		$18,028,586	**$18,028,586**		**$18,028,587**	**$18,028,587**		**$36,057,173**	**$36,057,173**
Full Time Equivalent Positions									
Number of 100% Federally Funded FTEs				**0.0**			**0.0**		

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

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
1 Provide Instructional and Operations Support						
1 *Provide Instructional and Operations Support*						
11 SYSTEM OFFICE OPERATIONS	$1,425,034	$1,425,033	$0	$0	$1,425,034	$1,425,033
TOTAL, GOAL 1	**$1,425,034**	**$1,425,033**	**$0**	**$0**	**$1,425,034**	**$1,425,033**
2 Provide Infrastructure Support						
1 *Provide Operation and Maintenance of E&G Space*						
1 UH CCAP REVENUE BONDS	21,964,102	21,964,102	0	0	21,964,102	21,964,102
2 UH CLEAR LAKE CCAP REVENUE BONDS	9,263,432	9,263,432	0	0	9,263,432	9,263,432
3 UH DOWNTOWN CCAP REVENUE BONDS	9,553,500	9,553,500	0	0	9,553,500	9,553,500
4 UH VICTORIA CCAP REVENUE BONDS	0	0	0	0	0	0
5 UH SYSTEM CCAP REVENUE BONDS	8,850,175	8,850,175	0	0	8,850,175	8,850,175
TOTAL, GOAL 2	**$49,631,209**	**$49,631,209**	**$0**	**$0**	**$49,631,209**	**$49,631,209**

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

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
3 Provide Non-formula Support						
1 *INSTRUCTIONAL SUPPORT*						
1 TEACHER PREPARATION PROGRAM	$970,000	$970,000	$0	$0	$970,000	$970,000
2 KATY EXPANSION	9,700,000	9,700,000	0	0	9,700,000	9,700,000
5 *Exceptional Item Request*						
1 EXCEPTIONAL ITEM REQUEST	0	0	18,028,586	18,028,587	18,028,586	18,028,587
TOTAL, GOAL 3	**$10,670,000**	**$10,670,000**	**$18,028,586**	**$18,028,587**	**$28,698,586**	**$28,698,587**
TOTAL, AGENCY STRATEGY REQUEST	**$61,726,243**	**$61,726,242**	**$18,028,586**	**$18,028,587**	**$79,754,829**	**$79,754,829**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$61,726,243**	**$61,726,242**	**$18,028,586**	**$18,028,587**	**$79,754,829**	**$79,754,829**

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

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
General Revenue Funds:						
1 General Revenue Fund	$61,715,005	$61,715,004	$18,028,586	$18,028,587	$79,743,591	$79,743,591
	$61,715,005	**$61,715,004**	**$18,028,586**	**$18,028,587**	**$79,743,591**	**$79,743,591**
Other Funds:						
802 Lic Plate Trust Fund No. 0802, est	11,238	11,238	0	0	11,238	11,238
	$11,238	**$11,238**	**$0**	**$0**	**$11,238**	**$11,238**
TOTAL, METHOD OF FINANCING	**$61,726,243**	**$61,726,242**	**$18,028,586**	**$18,028,587**	**$79,754,829**	**$79,754,829**
FULL TIME EQUIVALENT POSITIONS	**42.9**	**42.9**	**0.0**	**0.0**	**42.9**	**42.9**

783 University of Houston System Administration

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Provide Instructional and Operations Support

STRATEGY: 11 System Office Operations

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
1001	SALARIES AND WAGES	$1,437,595	$1,464,291	$1,465,790	$1,420,699	$1,420,699
1002	OTHER PERSONNEL COSTS	$0	$0	$0	$0	$0
2001	PROFESSIONAL FEES AND SERVICES	$1,500	$0	$0	$0	$0
2006	RENT - BUILDING	$2,628	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$15,797	$4,468	$4,468	$4,335	$4,334
TOTAL, OBJECT OF EXPENSE		**$1,457,520**	**$1,468,759**	**$1,470,258**	**$1,425,034**	**$1,425,033**
Method of Financing:						
1	General Revenue Fund	$1,457,520	$1,468,759	$1,457,521	$1,413,796	$1,413,795
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,457,520**	**$1,468,759**	**$1,457,521**	**$1,413,796**	**$1,413,795**
Method of Financing:						
802	Lic Plate Trust Fund No. 0802, est	$0	$0	$12,737	$11,238	$11,238
SUBTOTAL, MOF (OTHER FUNDS)		**$0**	**$0**	**$12,737**	**$11,238**	**$11,238**

783 University of Houston System Administration

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

CODE DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				**$1,425,034**	**$1,425,033**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	**$1,457,520**	**$1,468,759**	**$1,470,258**	**$1,425,034**	**$1,425,033**
FULL TIME EQUIVALENT POSITIONS:	**12.9**	**12.9**	**12.9**	**12.9**	**12.9**

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

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

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$2,939,017	$2,850,067	$(88,950)	$(88,950)	3% reduction
			$(88,950)	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$12,410,000	$15,902,103	$16,182,077	$16,182,077	$16,182,077
2009	OTHER OPERATING EXPENSE	$9,554,102	$5,681,987	$5,782,025	$5,782,025	$5,782,025
TOTAL, OBJECT OF EXPENSE		**$21,964,102**	**$21,584,090**	**$21,964,102**	**$21,964,102**	**$21,964,102**
Method of Financing:						
1	General Revenue Fund	$21,964,102	$21,584,090	$21,964,102	$21,964,102	$21,964,102
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$21,964,102**	**$21,584,090**	**$21,964,102**	**$21,964,102**	**$21,964,102**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$21,964,102**	**$21,964,102**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$21,964,102**	**$21,584,090**	**$21,964,102**	**$21,964,102**	**$21,964,102**
FULL TIME EQUIVALENT POSITIONS:						

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$43,548,192	$43,928,204	$380,012	$380,012	Change in CCAP debt service allocation
			$380,012	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$5,360,000	$6,787,728	$6,910,331	$6,910,331	$6,910,331
2009	OTHER OPERATING EXPENSE	$3,903,431	$2,311,352	$2,353,101	$2,353,101	$2,353,101
TOTAL, OBJECT OF EXPENSE		**$9,263,431**	**$9,099,080**	**$9,263,432**	**$9,263,432**	**$9,263,432**
Method of Financing:						
1	General Revenue Fund	$9,263,431	$9,099,080	$9,263,432	$9,263,432	$9,263,432
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$9,263,431**	**$9,099,080**	**$9,263,432**	**$9,263,432**	**$9,263,432**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$9,263,432**	**$9,263,432**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$9,263,431**	**$9,099,080**	**$9,263,432**	**$9,263,432**	**$9,263,432**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support

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

STRATEGY: 2 University of Houston Clear Lake Capital Construction

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$18,362,512	$18,526,864	$164,352	$164,352	Change in CCAP debt service allocation
			$164,352	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support

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

STRATEGY: 3 University of Houston Downtown Capital Construction

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$5,660,000	$6,983,850	$7,264,857	$7,264,857	$7,264,857
2009	OTHER OPERATING EXPENSE	$3,893,500	$2,200,118	$2,288,643	$2,288,643	$2,288,643
TOTAL, OBJECT OF EXPENSE		**$9,553,500**	**$9,183,968**	**$9,553,500**	**$9,553,500**	**$9,553,500**
Method of Financing:						
1	General Revenue Fund	$9,553,500	$9,183,968	$9,553,500	$9,553,500	$9,553,500
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$9,553,500**	**$9,183,968**	**$9,553,500**	**$9,553,500**	**$9,553,500**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$9,553,500**	**$9,553,500**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$9,553,500**	**$9,183,968**	**$9,553,500**	**$9,553,500**	**$9,553,500**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$18,737,468	$19,107,000	$369,532	$369,532	Change in CCAP debt service allocation
			$369,532	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

GOAL: 2 Provide Infrastructure Support

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

STRATEGY: 4 University of Houston Victoria Capital Construction

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$4,000,000	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$3,748,050	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$7,748,050**	**$0**	**$0**	**$0**	**$0**
Method of Financing:						
1	General Revenue Fund	$7,748,050	$0	$0	$0	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$7,748,050**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$0**	**$0**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$7,748,050**	**$0**	**$0**	**$0**	**$0**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

GOAL:	2	Provide Infrastructure Support			
OBJECTIVE:	1	Provide Operation and Maintenance of E&G Space	Service Categories:		
STRATEGY:	4	University of Houston Victoria Capital Construction	Service: 10	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$0	$0	$0		
			$0	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$4,750,000	$6,093,877	$6,314,445	$6,314,445	$6,314,445
2009	OTHER OPERATING EXPENSE	$4,100,175	$2,447,155	$2,535,730	$2,535,730	$2,535,730
TOTAL, OBJECT OF EXPENSE		**$8,850,175**	**$8,541,032**	**$8,850,175**	**$8,850,175**	**$8,850,175**
Method of Financing:						
1	General Revenue Fund	$8,850,175	$8,541,032	$8,850,175	$8,850,175	$8,850,175
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$8,850,175**	**$8,541,032**	**$8,850,175**	**$8,850,175**	**$8,850,175**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$8,850,175**	**$8,850,175**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$8,850,175**	**$8,541,032**	**$8,850,175**	**$8,850,175**	**$8,850,175**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$17,391,207	$17,700,350	$309,143	$309,143	Change in CCAP debt service allocation
			$309,143	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 1 Teacher Preparation Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
3001	CLIENT SERVICES	$1,000,000	$988,761	$1,000,000	$970,000	$970,000
TOTAL, OBJECT OF EXPENSE		**$1,000,000**	**$988,761**	**$1,000,000**	**$970,000**	**$970,000**
Method of Financing:						
1	General Revenue Fund	$1,000,000	$988,761	$1,000,000	$970,000	$970,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,000,000**	**$988,761**	**$1,000,000**	**$970,000**	**$970,000**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$970,000**	**$970,000**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,000,000**	**$988,761**	**$1,000,000**	**$970,000**	**$970,000**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 1 Teacher Preparation Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

The Teacher Preparation Program addresses the critical teacher shortage in Houston Independent School District (HISD) and other Gulf Coast Region districts. The University of Houston System is strategically positioned to partner with HISD and other regional school districts to recruit, instruct, and support students pursuing teaching careers, and to place graduates in teaching positions across these districts. Building on UH System's proven success with this model, the program will establish fellowships that combine tuition assistance, targeted academic support during the senior year, and mentoring to prepare well-trained teachers committed to improving their communities through education. The program will serve approximately 250 to 400 students, with priority placement in HISD or other participating districts upon graduation and continued coaching and mentoring during the first years of teaching, which are often the most critical for new educators. With additional state investment, UH System will continue to step forward to help address the critical teacher shortage in the state's largest school district.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The State of Texas, the districts that comprise the Gulf Coast Region, and especially Houston Independent School District are experiencing an increasingly critical shortage of full-time teachers from the elementary to the high school level. Governor Abbott highlighted this crisis in his March 2022 letter to Texas Education Agency Commissioner Morath, instructing him to create a task force to address staffing shortages across the state and emphasizing that teachers play a critical role in the development and long-term success of students. The University of Houston System has developed successful partnerships with multiple Houston region school districts, including Houston Independent School District, Alief Independent School District, and Cypress Fairbanks Independent School District, to expand the number of supported residencies available to students in their final year of a bachelor's degree leading to teaching certification. Without special item funding, UH System, HISD, and other partnering districts would not have the support required to implement this critically needed program. The funding also significantly reduces tuition costs for students and their post-graduation debt, which is critical to encouraging new teachers to remain in the classroom rather than seek other employment. UH System plans to collaborate with at least three additional districts to broaden impact and more than double the reach of these fellowships.

783 University of Houston System Administration

GOAL:	3	Provide Non-formula Support		
OBJECTIVE:	1	INSTRUCTIONAL SUPPORT	Service Categories:	
STRATEGY:	1	Teacher Preparation Program	Service: 19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$1,988,761	$1,940,000	$(48,761)	$(48,761)	3% reduction
			$(48,761)	**Total of Explanation of Biennial Change**

783 University of Houston System Administration

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 2 Katy Expansion

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
1001	SALARIES AND WAGES	$0	$10,000,000	$10,000,000	$9,700,000	$9,700,000
TOTAL, OBJECT OF EXPENSE		**$0**	**$10,000,000**	**$10,000,000**	**$9,700,000**	**$9,700,000**
Method of Financing:						
1	General Revenue Fund	$0	$10,000,000	$10,000,000	$9,700,000	$9,700,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$0**	**$10,000,000**	**$10,000,000**	**$9,700,000**	**$9,700,000**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$9,700,000**	**$9,700,000**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$0**	**$10,000,000**	**$10,000,000**	**$9,700,000**	**$9,700,000**
FULL TIME EQUIVALENT POSITIONS:		**0.0**	**30.0**	**30.0**	**30.0**	**30.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

783 University of Houston System Administration

GOAL: 3 Provide Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 2 Katy Expansion

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

The University of Houston at Katy, an instructional site of the University of Houston, supports the mission of UH and provides Katy-area students with relevant academic paths that match essential industry needs. Investment supports the expansion of new programs, the migration of existing programs, and the addition of needed faculty and staff to develop new leaders and professionals for the rapidly growing West Houston region. Over the next two years, UH Katy will continue to expand its academic offerings by launching selected Integrated Studies bachelor's pathways, Bauer College of Business bachelor's programs, and Biology and Computer Science bachelor's and master's programs through the College of Natural Sciences and Mathematics. The Cullen College of Engineering will expand its presence with undergraduate and graduate programs in Engineering Data Science, Electrical Engineering, Chemical Engineering, and Energy Transition, and the Gessner College of Nursing will expand its BSN program to meet a rapidly growing pre-nursing pipeline. UH Katy will also partner with the Gulf Coast Workforce Board (Workforce Solutions) to align education and workforce development, leverage the resources and expertise of both organizations, expand economic mobility for students, and directly address employers' evolving talent needs. Collectively, these initiatives will position UH Katy as the region's premier public university for workforce-aligned education and economic development.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

According to a recent report from the Texas Workforce Investment Council, approximately 80% of the fastest growing occupations are in STEM fields. Plans to add and bolster STEM programs at UH Katy, alongside expanded offerings in Business, Education, Nursing, and Integrated Studies, align with regional and state workforce goals. Spring 2026 SCH at UH Katy grew roughly 80% over Spring 2025 and exceeded Fall 2025 levels and Fall 2026 SCH is projected to grow another 10%, driven by expanded offerings in NSM, Business, Education, and Engineering. In AY 2026-2027, Katy will add an MS in Computer Science (AI track), new multidisciplinary engineering programs at the bachelor's and master's levels, and a BS in Teaching and Learning cohort, along with broader course offerings in undergraduate Business, Biology (Microbiology and Anatomy & Physiology lecture and lab), Calculus, and Computer Science. Transfer pipelines continue to grow through new and expanded 2+2 agreements with regional community colleges. UH Katy also hosted two Industry Summits in Spring 2026 with more than 20 regional business leaders, resulting in multiple affiliation agreements advancing internships, experiential learning, guest lectures, and corporate tuition reimbursement pathways. By preparing skilled professionals across high-demand disciplines, UH Katy connects with local and state workforce needs, ensuring the impact of future Texas professionals stays in Texas.

783 University of Houston System Administration

GOAL:	3	Provide Non-formula Support		
OBJECTIVE:	1	INSTRUCTIONAL SUPPORT	Service Categories:	
STRATEGY:	2	Katy Expansion	Service: 19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$20,000,000	$19,400,000	$(600,000)	$(600,000)	Majority of funds will be transferred to UH-730
			$(600,000)	**Total of Explanation of Biennial Change**

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$59,836,778**	**$60,865,690**	**$62,101,467**	**$61,726,243**	**$61,726,242**
METHODS OF FINANCE (INCLUDING RIDERS):				**$61,726,243**	**$61,726,242**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$59,836,778**	**$60,865,690**	**$62,101,467**	**$61,726,243**	**$61,726,242**
FULL TIME EQUIVALENT POSITIONS:	**12.9**	**42.9**	**42.9**	**42.9**	**42.9**

3.B. Rider Revisions and Additions Request

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:
783	The University of Houston System	Demetrio Hernandez	August 2026	Base

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
5	III-169	**Katy Expansion.** Out of funds appropriated above in Strategy C.1.2, Katy Expansion, $10,000,000 from the General Revenue Fund in fiscal year 20282026 and $10,000,000 from the General Revenue Fund in fiscal year 20292027 shall be used for supporting the migration and expansion of existing programs at the University of Houston at Katy instructional site. Any unobligated and unexpended balances as of August 31, 2027 are appropriated for the same purpose for the fiscal year beginning September 1, 2027. Any unexpended balances as of August 31, 20282026, are appropriated for the same purpose for the fiscal year beginning September 1, 20282026. UH System requests unexpended balance authority between biennia to ensure that the funds appropriated for the University of Houston at Katy are available to complete the planned expansion of existing programs.
Special Provisions Relating Only to State Agencies of Higher Education, Section 4	III-291	**Sec. 4. Transfer Provisions.** 1. Intercomponent Transfers. With the approval of the respective governing board, appropriation transfers may be made among medically-related components and their associated system administration, among academic component institutions and their associated system administration, and among component technical colleges controlled by the board, and within each institution, transfers may be made between informational items of appropriation for the general academic institutions, health centers, health science centers, medical education programs, and technical colleges regardless of whether the informational items are monies from the General Revenue Fund or local funds in character. With the approval of the system administration, transfers may be made from the Texas A&M system to the Texas A&M System Agencies or among the Texas A&M System Agencies. Transfers may not be made from medically-related components to academic components or from academic components to medically-related components <u>unless those components share institutional governance and accreditation</u> except that transfers may be made from schools of medicine, nursing, pharmacy, and allied health in academic components to medically-related components and from medically-related components into the health-related programs listed above in academic components. Transfers may not be made into the informational items setting the salary rate for the president, chancellor, or for any other line-item salary shown. Nothing in this section shall authorize the transfer of appropriations from Texas A&M University System Agencies to Texas A&M University.

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(no other changes to the remainder of the rider) *UH System requests this rider change relating to transferability between certain institutions within the System.*
Special Provisions Relating Only to State Agencies of Higher Education, Rider 26	III-299 to III-300	**Sec. 26. General Academic Funding.** Appropriations made in this Act for formula funding for general academic institutions will consist of four formulas and supplemental items. *(no changes requested for provisions 1 through 3 except routine updates)* **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. *(no requested changes to Subsection 5 or the remainder of the rider except routine updates)* *UH System requests the change to reflect tuition revenue bonds being renamed capital construction assistance projects (CCAP) bonds.*
Special Provisions Relating Only to State Agencies of Higher Education, Rider 27	III-300 to III-308	**Sec. 27. Health Related Institutions Funding.** Appropriations made in this Act for formula funding for health related institutions shall consist of four formulas plus supplemental non-formula items. *(no requested changes to Subsections 1-6 except routine updates)* **7. Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, ~~tuition revenue~~ <u>capital construction assistance projects</u> bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items and hospital and clinic operations. *(no requested changes to the Subsections 8 or the remainder of the rider except routine updates)*

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		UH System requests the change to reflect tuition revenue bonds being renamed capital construction assistance projects (CCAP) bonds.
Article IX, Section 6.08(g)	IX-31 to IX-32	**Sec. 6.08. Benefits Paid Proportional by Method of Finance.** *(Paragraphs (a) through (f) omitted due to space considerations)* (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. 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. *(Paragraphs (h) through (l) omitted due to space considerations)* *UH System requests that a deadline for review of the Benefits Proportionality reports (APS 11 Reports) be established. In recent times reviews are often in excess of 18 months, making it difficult to administer the provisions of the Higher Education Group Insurance (HEGI) reallocation rider (Rider 6.a) on a timely basis. Appropriations lapse two years after the end of a fiscal year and this leaves little time to ensure an appropriate reallocation has occurred.*
Article IX, Section 7.04	IX-39 to IX-40	**Sec. 7.04. Contract Notification: Amounts Greater than $~~5~~100,000.** (a) In this section "contract" includes a grant, or agreement for the purchase or sale of a good or service, revenue generating contract, interagency or interlocal grant or agreement, purchase order, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such that was entered into or paid for, either in whole or in part by a state agency or institution of higher education.

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(b) In this section "contract" does not include: (1) a contract with a value of less than or equal to $~~5~~100,000 unless it meets the notice requirements of Government Code, Section 322.020(a)(1) and (2), or (2) a contract paid for exclusively using federal grant monies for which all parties to the contract and the terms of the contract have been determined by the federal government. (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 the value specified in (b)(1)~~$50,000~~ to a value greater than the value specified in (b)(1)~~$50,000~~. (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. (e) A state agency or institution of higher education receiving an appropriation under this Act shall report a contract pursuant to this section without regard to source of monies or method of finance associated with the expenditure, including a contract for which only non-appropriated funds will be expended. (f) The Legislative Budget Board may conduct reviews of contracts required to be submitted under this section and valued at $1,000,000 or more. (g) 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 if the procurement or contract reported under this section is found to violate: (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

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(h) The recommendations of the Director of the Legislative Budget Board may include: (1) enhanced monitoring by Legislative Budget Board staff; (2) auditing by the State Auditor's Office; (3) required agency consultation with the Quality Assurance Team and/or Contract Advisory Team; or (4) contract cancellation. (i) For contracts with an initial award value greater than $1 million, a state agency or institution of higher education shall provide notice of a contract for services for which the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent or more, in accordance with procedures established by the Legislative Budget Board, to: (1) the Governor; (2) the Lieutenant Governor; and (3) the Speaker of the House of Representatives. (j) A state agency or institution of higher education must provide the notice required under Subsection (i) not later than the 30th day after the date of the disclosure or discovery that the expected total value of the contract after amendment or renewal exceeds the total value of the initial contract award by 10 percent. The notice must include: (1) the amount of the cost increase; (2) the reason for the cost increase; and (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.

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(k) The Legislative Budget Board shall establish the procedures for the notice required by Subsections (i) or (j). *UH System requests the revision of this reporting requirement in part to align the contract threshold with changes to 34 TAC §20.82 proposed by the Texas Comptroller of Public Accounts (TxCPA) related to delegated purchases. The proposed changes to 34 TAC §20.82 increase the delegation authority from $50,000 to $100,000. In proposing the increase in the delegation threshold, the TxCPA stated the reason was "to account for changes in the cost of goods." The proposed change to this rider mirrors the TxCPA threshold of $100,000 unless Government Code Section 322.020 otherwise requires that contract to be reported. The request to increase the minimum contract to be reported as a result of this rider is also to account for changes to the cost of goods over recent years.*
Article IX, Section 7.11	IX-41 to IX-43	**Sec. 7.11. Notification of Certain Purchases or Contract Awards, Amendments, and Extensions.** (a) In this section "contract" includes a grant, agreement, for the purchase or sale of goods or services, revenue generating contract, interagency or interlocal grant or agreement, purchase order or other written expression of terms of agreement, or an amendment, modification, renewal, or extension of such that was entered into or paid for, either in whole or in part by a state agency or institution of higher education. <u>In this section, a "contract" does not include the listed items which do not meet the notice requirements of Government Code, Section 322.020(a)(1) and (2).</u> (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 monies to make a payment on a contract<u>, as defined by Subsection (a),</u> if the expected amount of the contract exceeds or may reasonably be expected to exceed either of the following thresholds: (1) $10 million; or (2) $1 million in the case of a contract awarded: (A) as a result of an emergency or following an emergency procedure allowed by statute; or

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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. (c) An agency or institution of higher education may not expend monies to make a payment on a contract under Subsection (b) until the notice required in this section is provided to the Legislative Budget Board. The notice shall be provided to the Legislative Budget Board: (1) within 15 calendar days of contract award; or (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. (d) The notice required by Subsection (c) must include: (1) (A) information regarding the nature, term, amount and the vendor(s) awarded the contract; (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); (C) each request for proposal, invitation to bid, or comparable solicitation related to the contract; and (D) Subsections (d)(1)(B) and (C) shall not apply: (i) to an enrollment contract described by Texas Administrative Code, Section 391.183 as that section existed November 1, 2013; (ii) to a contract of the Texas Department of Transportation that relates to highway construction or engineering, or is subject to Transportation Code, Section 201.112;

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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: (i) State of Texas Procurement and Contract Management Guide; and (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 (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; (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: (A) verification of vendor performance and deliverables; (B) payment for goods and services only within the scope of the contract or procurement order; (C) calculation and collection of any liquidated damages associated with vendor performance; and (D) when, why, or how to apply corrective action plans for continuing poor vendor performance; (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 (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.

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

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(e) Except for a contract paid for exclusively using federal grant monies for which all parties to the contract and the terms of the contract have been determined by the federal government, a state agency or institution of higher education receiving an appropriation under this Act shall provide notice of a contract, as defined by Subsection (a), pursuant to this section without regard to the source of monies or method of finance associated with the expenditures, including a contract for which only non-appropriated monies will be expended. (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. (g) It is the intent of the legislature that a written notice certified as required by this section should be considered a "governmental record" as defined under Chapter 37, Penal Code. *UH System requests the revision of this reporting requirement to limit it to contracts required to be reported by the provisions of Government Code 322.020.* *UH System also proposes the deletion of references to "institution" in provision (d)(4) related to the Vendor Performance Tracking System. Pursuant to SB 799, 87th Leg RS, Section 7, which amended Government Code, Section 2155.089(c)(3)(C), contracts entered into by university systems and institutions of higher education are statutorily excluded from VPTS requirements.*
Article IX, Section 17.09 (Paragraph (b)(10) only)	IX-82 to IX-84	**Sec. 17.09. Contract Management and Oversight.** *(Paragraph (a) omitted due to space considerations)* (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:

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

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(intervening provisions (1) to (9) omitted due to space considerations) (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> *(subsequent paragraphs omitted due to space considerations)* *UH 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).*

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

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Restoration of 3 Percent Reduction
Item Priority: 1
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
1001	SALARIES AND WAGES	343,592	343,593
2009	OTHER OPERATING EXPENSE	133	133
3001	CLIENT SERVICES	30,000	30,000
	TOTAL, OBJECT OF EXPENSE	**$373,725**	**$373,726**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	373,725	373,726
	TOTAL, METHOD OF FINANCING	**$373,725**	**$373,726**

DESCRIPTION / JUSTIFICATION:

The University of Houston System respectfully requests that the Legislature restores the funding that was reduced from the system's base budget. The reduction would negatively impact the UH System's Teacher Preparation Program and the UH at Katy Academic Expansion.

Specifically, a reduction to the Teacher Preparation Program would reduce the number of teaching residencies and tuition assistance packages that could be offered in partnership with Houston ISD, Alief ISD, Cypress-Fairbanks ISD, and other regional school districts, limiting the pipeline of new teachers entering classrooms during a critical statewide teacher shortage. It would also increase after-graduation debt for future teachers, working against the retention goal of keeping new teachers in the classroom during their first years of service.

Additionally, a reduction to the Academic Expansion would slow the pace at which UH can expand new and existing academic programs at the UH at Katy instructional site, delaying the launch or scaling of high-demand offerings in STEM, Business, Education, Nursing, and Integrated Studies that are aligned with West Houston's rapidly growing workforce needs. It would also constrain UH's ability to deepen industry partnerships, 2+2 transfer pathways with regional community colleges, and the Talent Accelerator initiative that positions UH Katy as a regional workforce development hub.

EXTERNAL/INTERNAL FACTORS:

Texas, and the Houston area specifically, continues to experience significant teacher shortages, particularly in high-need STEM courses. As a result, preparing qualified teachers remains a statewide workforce priority and presents a compelling justification for restoring funding to the UH System's Teacher Preparation Program. Additionally, the Katy region continues to experience dramatic economic and population growth, which creates increased demand for accessible higher education opportunities.

PCLS TRACKING KEY:

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

CODE	DESCRIPTION	Excp 2028	Excp 2029

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

To maintain special item funding.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$373,725	$373,726	$373,725

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

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Katy Academic (classroom) Bldg
Item Priority: 2
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
2008	DEBT SERVICE	17,654,861	17,654,861
	TOTAL, OBJECT OF EXPENSE	**$17,654,861**	**$17,654,861**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	17,654,861	17,654,861
	TOTAL, METHOD OF FINANCING	**$17,654,861**	**$17,654,861**

DESCRIPTION / JUSTIFICATION:

The University of Houston System respectfully requests authorization for a Capital Construction Assistance Project (CCAP) to construct a new 150,000 square foot academic building on the University of Houston Katy campus. This facility is a critical component of the System's strategic expansion of academic programs designed to meet the region's rapidly growing workforce needs.

The University of Houston Katy campus currently provides students in West Houston and Katy access to more than 20 undergraduate degree programs and over 12 graduate programs in high demand and emerging fields, including business, engineering, and nursing. The proposed building will include a mix of undergraduate and graduate classrooms, instructional laboratories, specialized teaching spaces, testing centers, faculty and staff space needs and student support spaces essential to delivering high quality academic services.

EXTERNAL/INTERNAL FACTORS:

This project will expand capacity, strengthen regional workforce pipelines, and ensure that students in one of the fastest growing areas of Texas have access to high quality higher education aligned with industry needs.

PCLS TRACKING KEY:

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

CODE	DESCRIPTION	Excp 2028	Excp 2029

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

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

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$17,654,861	$17,654,861	$17,654,861

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

Code	Description	Excp 2028	Excp 2029
Item Name:	Restoration of 3 Percent Reduction		
Allocation to Strategy:	3-5-1 Exceptional Item Request		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	343,592	343,593
2009	OTHER OPERATING EXPENSE	133	133
3001	CLIENT SERVICES	30,000	30,000
TOTAL, OBJECT OF EXPENSE		**$373,725**	**$373,726**
METHOD OF FINANCING:			
1	General Revenue Fund	373,725	373,726
TOTAL, METHOD OF FINANCING		**$373,725**	**$373,726**

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

Code Description	Excp 2028	Excp 2029
Item Name: Katy Academic (classroom) Bldg		
Allocation to Strategy: 3-5-1 Exceptional Item Request		
OBJECTS OF EXPENSE:		
2008 DEBT SERVICE	17,654,861	17,654,861
TOTAL, OBJECT OF EXPENSE	**$17,654,861**	**$17,654,861**
METHOD OF FINANCING:		
1 General Revenue Fund	17,654,861	17,654,861
TOTAL, METHOD OF FINANCING	**$17,654,861**	**$17,654,861**

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

GOAL: 3 Provide Non-formula Support
OBJECTIVE: 5 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

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

CODE	DESCRIPTION	Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	343,592	343,593
2008	DEBT SERVICE	17,654,861	17,654,861
2009	OTHER OPERATING EXPENSE	133	133
3001	CLIENT SERVICES	30,000	30,000
	Total, Objects of Expense	**$18,028,586**	**$18,028,587**
METHOD OF FINANCING:			
1	General Revenue Fund	18,028,586	18,028,587
	Total, Method of Finance	**$18,028,586**	**$18,028,587**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of 3 Percent Reduction

Katy Academic (classroom) Bldg

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2024 % Actual	Diff	Actual $	Total Expenditures FY 2024	% Goal	HUB Expenditures FY 2025 % Actual	Diff	Actual $	Total Expenditures FY 2025
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	$0	$0	11.2 %	0.0%	-11.2%	$0	$0
21.1%	Building Construction	21.1 %	0.0%	-21.1%	$0	$361,838	21.1 %	37.0%	15.9%	$9,350	$25,250
32.9%	Special Trade	32.9 %	0.0%	-32.9%	$0	$48,385	32.9 %	0.0%	-32.9%	$0	$14,621
23.7%	Professional Services	23.7 %	0.0%	-23.7%	$0	$0	23.7 %	0.0%	-23.7%	$0	$0
26.0%	Other Services	26.0 %	2.5%	-23.5%	$30,207	$1,185,119	26.0 %	2.9%	-23.1%	$42,387	$1,457,113
21.1%	Commodities	21.1 %	15.4%	-5.7%	$104,400	$676,750	21.1 %	13.6%	-7.5%	$83,810	$617,698
	Total Expenditures		**5.9%**		**$134,607**	**$2,272,092**		**6.4%**		**$135,547**	**$2,114,682**

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

In FY24 and FY25, Building Construction, Special Trade, Professional Services and Other Services are awarded following a competitive procurement process resulting in the largest award expenditures with non-HUBs. In FY25, total expenditures decreased and HUB expenditures increased slightly. UH will seek HUB sellers of commodities/supplies that may be incorporated into the future Jaggaer e-Procurement catalog system to channel spend to contracted HUB vendors.

Applicability:

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

Factors Affecting Attainment:

The Building Construction, Special Trade, Professional and Other Services category expenditures resulted in the selection of non-HUBs being the primary recipients through a competitive procurement process. The Purchasing department is working with HUB to continue to implement strategies to increase HUB participation within all expenditure categories. The Jaggaer e-Procurement system should allow channeling commodity spend to contracted HUB vendors.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

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

HUB Program Staffing:

During FY24 and FY25, UH HUB Operations Department had (3) three FTEs

Current and Future Good-Faith Efforts:

UH Colleges & Departments are provided monthly reports of HUB expenditures and are challenged to meet HUB goals assigned at the beginning of each fiscal year. HUB Operations began hosting meetings with all Colleges and Divisions twice per year to review expenditures and share examples of HUBs providing goods and services within applicable expenditure categories. HUB Operations held a targeted HUB Vendor Fair where exhibitors providing goods and services of expressed interest to Colleges/Departments had an opportunity to meet with UH staff with purchasing authority. HUB Operations staff participates in pre-bid meetings and partner with prime contractors to share information about subcontracting opportunities and services offered by HUB Dept. Just-in-time audio-visual HUB Subcontracting Plan training materials were created and were posted online for public viewing.

783 University of Houston System Administration

	FY 2026 Revenue	FY 2027 Revenue	Biennium Total	Percentage of Total	FY 2028 Revenue	FY 2029 Revenue	Biennium Total	Percentage of Total
Appropriated Sources Inside The Bill Pattern								
State Appropriations (excluding HEGI & State Paid Fringes)	69,848,018	69,848,018	139,696,036	100.00%	69,848,018	69,848,018	139,696,036	100.00%
Tuition and Fees (net of Discounts and Allowances)	0	0	0	0.00%	0	0	0	0.00%
Endowment and Interest Income	0	0	0	0.00%	0	0	0	0.00%
Sales and Services of Educational Activities (net)	0	0	0	0.00%	0	0	0	0.00%
Sales and Services of Hospitals (net)	0	0	0	0.00%	0	0	0	0.00%
Other Income	0	0	0	0.00%	0	0	0	0.00%
Subtotal, Appropriated Sources Inside The Bill Pattern	**69,848,018**	**69,848,018**	**139,696,036**	**100%**	**69,848,018**	**69,848,018**	**139,696,036**	**100%**
Appropriated Sources Outside The Bill Pattern								
State Appropriations (HEGI & State Paid Fringes)	610,403	638,115	1,248,518	100.00%	638,115	638,115	1,276,230	100.00%
Higher Education Fund	0	0	0	0.00%	0	0	0	0.00%
Available University Fund	0	0	0	0.00%	0	0	0	0.00%
State Grants and Contracts	0	0	0	0.00%	0	0	0	0.00%
Subtotal, Appropriated Sources Outside The Bill Pattern	**610,403**	**638,115**	**1,248,518**	**100%**	**638,115**	**638,115**	**1,276,230**	**100%**
Non-Appropriated Sources								
Tuition and Fees (net of Discounts and Allowances)	0	0	0	0.00%	0	0	0	0.00%
Federal Grants and Contracts	0	0	0	0.00%	0	0	0	0.00%
State Grants and Contracts	0	0	0	0.00%	0	0	0	0.00%
Local Government Grants and Contracts	0	0	0	0.00%	0	0	0	0.00%
Private Gifts and Grants	0	0	0	0.00%	0	0	0	0.00%
Endowment and Interest Income	3,018,205	3,051,931	6,070,136	20.60%	3,051,931	3,051,931	6,103,862	20.61%
Sales and Services of Educational Activities (net)	11,649,034	11,752,533	23,401,567	79.40%	11,752,533	11,752,533	23,505,066	79.39%
Sales and Services of Hospitals (net)	0	0	0	0.00%	0	0	0	0.00%
Professional Fees (net)	0	0	0	0.00%	0	0	0	0.00%
Auxiliary Enterprises (net)	0	0	0	0.00%	0	0	0	0.00%
Other Income	0	0	0	0.00%	0	0	0	0.00%
Subtotal, Non-Appropriated Sources	**14,667,239**	**14,804,464**	**29,471,703**	**100%**	**14,804,464**	**14,804,464**	**29,608,928**	**100%**
Total Sources:	**85,125,660**	**85,290,597**	**170,416,257**	**100%**	**85,290,597**	**85,290,597**	**170,581,194**	**100%**

8. Summary of Requests for Facilities-Related Projects

90th Regular Session, Agency Submission, Version 1

Agency Code:	Agency: 783		Prepared by: Barbara Duarte												
Date: 08-31-26			Amount Requested												
			Project Category												
Project ID #	Capital Expenditure Category	Project Description	New Construction	Health and Safety	Deferred Maintenance	Maintenance	2028-29 Total Amount Requested	MOF Code #	MOF Requested	Can this project be partially funded?	Requested in Prior Session?	Value of Existing Capital Projects	2028-29 Estimated Debt Service (If Applicable)	Debt Service MOF Code #	Debt Service MOF Requested
1	7341	Katy Classroom Bldg	$ 202,500,000				$ 202,500,000		CCAP Bond	No			$ 35,309,722	GR 002	General Revenue Fund

783 University of Houston System Administration

		E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages						
GR %	100.00%					
GR-D/Other %	0.00%					
Total Percentage	100.00%					
FULL TIME ACTIVES						
1a Employee Only		7	7	0	7	21
2a Employee and Children		4	4	0	4	9
3a Employee and Spouse		1	1	0	1	6
4a Employee and Family		1	1	0	1	2
5a Eligible, Opt Out		0	0	0	0	0
6a Eligible, Not Enrolled		0	0	0	0	2
Total for This Section		**13**	**13**	**0**	**13**	**40**
PART TIME ACTIVES						
1b Employee Only		0	0	0	0	0
2b Employee and Children		0	0	0	0	0
3b Employee and Spouse		0	0	0	0	0
4b Employee and Family		0	0	0	0	0
5b Eligble, Opt Out		0	0	0	0	0
6b Eligible, Not Enrolled		0	0	0	0	0
Total for This Section		**0**	**0**	**0**	**0**	**0**
Total Active Enrollment		**13**	**13**	**0**	**13**	**40**

783 University of Houston System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	0	0	0	0	0
2c Employee and Children	0	0	0	0	0
3c Employee and Spouse	0	0	0	0	0
4c Employee and Family	0	0	0	0	0
5c Eligble, Opt Out	0	0	0	0	0
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	**0**	**0**	**0**	**0**	**0**
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligble, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	**0**	**0**	**0**	**0**	**0**
Total Retirees Enrollment	**0**	**0**	**0**	**0**	**0**
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	7	7	0	7	21
2e Employee and Children	4	4	0	4	9
3e Employee and Spouse	1	1	0	1	6
4e Employee and Family	1	1	0	1	2
5e Eligble, Opt Out	0	0	0	0	0
6e Eligible, Not Enrolled	0	0	0	0	2
Total for This Section	**13**	**13**	**0**	**13**	**40**

783 University of Houston System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	7	7	0	7	21
2f Employee and Children	4	4	0	4	9
3f Employee and Spouse	1	1	0	1	6
4f Employee and Family	1	1	0	1	2
5f Eligble, Opt Out	0	0	0	0	0
6f Eligible, Not Enrolled	0	0	0	0	2
Total for This Section	**13**	**13**	**0**	**13**	**40**

Higher Education Schedule 4: Computation of OASI
90th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency 783 University of Houston System Administration

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2025 % to Total	2025 Allocation of OASI	2026 % to Total	2026 Allocation of OASI	2027 % to Total	2027 Allocation of OASI	2028 % to Total	2028 Allocation of OASI	2029 % to Total	2029 Allocation of OASI
General Revenue (% to Total)	100.0000	$103,534	100.0000	$129,605	100.0000	$162,240	100.0000	$194,700	100.0000	$234,000
Other Educational and General Funds (% to Total)	0.0000	$0	0.0000	$0	0.0000	$0	0.0000	$0	0.0000	$0
Health-Related Institutions Patient Income (% to Total)	0.0000	$0	0.0000	$0	0.0000	$0	0.0000	$0	0.0000	$0
Grand Total, OASI (100%)	100.0000	**$103,534**	100.0000	**$129,605**	100.0000	**$162,240**	100.0000	**$194,700**	100.0000	**$234,000**

783 University of Houston System Administration

Description	Act 2025	Act 2026	Bud 2027	Est 2028	Est 2029
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	1,139,176	1,500,909	1,977,442	2,605,285	3,432,461
Employer Contribution to TRS Retirement Programs	93,982	123,825	163,139	214,936	283,178
Gross Educational and General Payroll - Subject To ORP Retirement	321,273	324,015	326,773	329,545	332,348
Employer Contribution to ORP Retirement Programs	21,204	21,385	21,567	21,750	21,935
Proportionality Percentage					
General Revenue	100.0000 %	100.0000 %	100.0000 %	100.0000 %	100.0000 %
Other Educational and General Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	0	0	0	0	0
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Gross Payroll Subject to Differential - Optional Retirement Program	0	0	0	0	0
Total Differential	0	0	0	0	0

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

	Actual 2025	Actual 2026	Budgeted 2027	Estimated 2028	Estimated 2029
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Non-Faculty Employees	11.4	13.0	42.9	42.9	42.9
Subtotal, Directly Appropriated Funds	**11.4**	**13.0**	**42.9**	**42.9**	**42.9**
Non Appropriated Funds Employees	43.0	39.4	43.6	43.6	43.6
Subtotal, Other Funds & Non-Appropriated	**43.0**	**39.4**	**43.6**	**43.6**	**43.6**
GRAND TOTAL	**54.4**	**52.4**	**86.5**	**86.5**	**86.5**

Agency 783 University of Houston System Administration

Project Priority:	Project Code:	Capital Construction Assistance Projects Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	$ 202,500,000	$ 202,500,000	$ 1,350

Name of Proposed Facility:
Katy Academic (classroom) Bldg

Project Type:
New Construction

Location of Facility:
University of Houston Katy Campus

Type of Facility:
Academic

Project Start Date:
09/01/2027

Project Completion Date:
12/31/2002

Gross Square Feet:
150,000

Net Assignable Square Feet in Project
105,000

Project Description

The University of Houston System respectfully requests authorization for a Capital Construction Assistance Project (CCAP) to construct a new 150,000 square foot academic building on the University of Houston Katy campus. This facility is a critical component of the System's strategic expansion of academic programs designed to meet the region's rapidly growing workforce needs.

The University of Houston Katy campus currently provides students in West Houston and Katy access to more than 20 undergraduate degree programs and over 12 graduate programs in high demand and emerging fields, including business, engineering, and nursing. The proposed building will include a mix of undergraduate and graduate classrooms, instructional laboratories, specialized teaching spaces, testing centers, faculty and staff space needs and student support spaces essential to delivering high quality academic services.

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

90th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

783 University of Houston System Administration

Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2026	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2016	$46,832,000	Feb 16 2017	$46,832,000			
		Subtotal	$46,832,000	$0		
2022	$59,897,111	Jun 29 2022	$59,897,111			
		Subtotal	$59,897,111	$0		

Schedule 8C: Tuition Revenue Bonds Request by Project
90th Regular Session, Agency Submission, Version 1

Agency Code: 797 | Agency Name: **University of Houston System**

Component	Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2028	Requested Amount 2029
University of Houston					
UH	Consolidated Revenue Refunding Bonds, Series 2016B (TRB - Health & Biomed Bldg 2)	2016	2/15/2036	4,370,207	4,367,519
UH	Consolidated Revenue Refunding Bonds, Series 2022A (COT Bldg 2 Sugarland-TRB)	2022	2/15/2042	3,586,125	3,581,250
UH	Consolidated Revenue Refunding Bonds, Series 2022A (COT Bldg 2 Sugarland-TRB CP)	2022	2/15/2042	43,100	46,975
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Idea Lab (Now Innovation HUB) -TRB)	2022	2/15/2042	3,586,125	3,581,250
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Idea Lab (Now Innovation HUB) -TRB CP)	2022	2/15/2042	43,100	46,975
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Hobby School Bldg. TRB)	2022	2/15/2042	2,727,325	2,723,950
UH	Consolidated Revenue Refunding Bonds, Series 2022A (Hobby School Bldg. TRB CP)	2022	2/15/2042	42,900	46,775
UH	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Science Lab)	2026	2/15/2028	3,500,375	-
UH	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Sugar Land Academic Bldg CP)	2026	2/15/2037	234,125	231,750
UH	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Sugar Land Academic Bldg)	2026	2/15/2037	3,188,500	3,187,000
		Subtotal - UH		21,321,882	17,813,444
University of Houston - Clear Lake					
UHCL	Consolidated Revenue Refunding Bonds, Series 2016B (TRB - STEM Building)	2016	2/15/2036	3,745,192	3,742,911
UHCL	Consolidated Revenue Refunding Bonds, Series 2022A (TRB -Reno, Bayou, Delta, SSC)	2022	2/15/2042	3,109,250	3,111,250
UHCL	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A 2009 Arbor)	2026	2/15/2028	640,625	-
UHCL	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Health Sci Blgd)	2026	2/15/2037	1,482,750	1,485,500
UHCL	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Health Sci Blgd CP)	2026	2/15/2037	73,875	76,500
		Subtotal - UHCL		9,051,692	8,416,161
University of Houston - Downtown					
UHD	Consolidated Revenue Refunding Bonds, Series 2022A (Police Dept. & CJA-TRB)	2022	2/15/2042	3,114,375	3,111,250
UHD	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Sci & Tech Bldg - TRB)	2026	2/15/2037	3,795,875	3,795,125
		Subtotal - UHD		**6,910,250**	**6,906,375**
University of Houston - System Administration					
UHSA	Consolidated Revenue Refunding Bonds, Series 2016A (TRB - Refund 2008 Sugarland)	2016	2/15/2028	1,280,100	-
UHSA	Consolidated Revenue Refunding Bonds, Series 2020A (TRB - Refund 2008 Sugarland)	2020	2/15/2041	92,250	-
UHSA	Consolidated Revenue Refunding Bonds, Series 2022A (Medical Research Bldg. - TRB)	2022	2/15/2042	4,149,500	4,150,375
UHSA	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Sugarland TRB - refund 2008)	2026	2/15/2028	71,750	-
UHSA	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Katy Building CP)	2026	2/15/2037	50,500	53,875
UHSA	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Katy Building)	2026	2/15/2037	1,920,500	1,924,375
UHSA	Consolidated Revenue Refunding Bonds, Series 2026A (Refund 2017A Katy Land)	2026	2/15/2037	983,000	981,750
		Subtotal - UHSA		**8,547,600**	**7,110,375**
			Total	**45,831,424**	**40,246,355**

Component	Requested Amount 2028	Requested Amount 2029
UH	21,321,882	17,813,444
UHCL	9,051,692	8,416,161
UHD	6,910,250	6,906,375
UHSA	8,547,600	7,110,375
Total by Component	**45,831,424**	**40,246,355**

Teacher Preparation Program

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

(2) Mission:

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

(3) (a) Major Accomplishments to Date:

The University of Houston System has developed successful partnerships with multiple Houston region school districts (including, for example Houston Independent School District, Alief Independent School District, Cypress Fairbanks Independent School District) to expand the number of supported residencies available to students in their final year of a bachelor's degree leading to a teaching certification.

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

The University of Houston System will expand implementation of this initiative with regional school districts to establish a fellowship which will ultimately provide area schools with teachers and staff who are well trained and committed to improving their communities through education. The program is designed to provide approximately 250 to 400 students with tuition assistance and academic support concentrating on the senior years of their collegiate careers as well as provide them with the necessary tools to succeed. The University of Houston System would also seek to collaborate with at least 3 additional districts in the region to implement similar fellowships. In doing so, the opportunity to broaden impact is more than doubled.
Beyond the fellowship experience itself, students are prioritized to be offered a teaching position in HISD or other participating district upon graduation from the program. Districts are also anticipated to provide continued coaching and mentoring in the first years of teaching. The first two years of teaching in particular are often the most critical for new teachers.

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

None

(5) Formula Funding:
None

(6) Category:

Public Service

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

None

(9) Impact of Not Funding:

The State of Texas, and the districts that comprise the Gulf Coast Region, and especially Houston Independent School District, are experiencing an increasingly critical shortage of full-time teachers from the elementary to the high school level. Governor Abbott highlighted this crisis in his March 2022 letter to Texas Education Agency Commissioner Morath instructing him to create a task force to address these staffing shortages across the state, stating, “Teachers play a critical role in the development and long-term success of our students.”
Without this funding, the UH System, HISD and other partnering districts would not have the required support to implement this critically needed program to address the teacher shortage in the largest school district in the state. Additionally, these funds significantly reduce tuition cost to students and therefore their after graduation debt. Reducing debt for our future teachers is critical in encouraging teachers to remain classroom teachers, rather than seeking other employment.

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

Permanent

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

No

(12) Benchmarks:

None

(13) Performance Reviews:

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

University of Houston at Katy Academic Expansion

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

(2) Mission:

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

(3) (a) Major Accomplishments to Date:

The UH Katy campus continued to see strong academic growth and deeper engagement with regional industry partners in AY 2025-2026, with strategic efforts focused on expanding academic offerings, strengthening transfer pathways, and positioning UH Katy as a regional workforce development hub through the Talent Accelerator initiative. Spring 2026 SCH grew roughly 80% over Spring 2025 and exceeded Fall 2025 levels, and Fall 2026 SCH is projected to grow another 10%, driven by expanded offerings in NSM, Business, Education, and Engineering. In AY 2026-2027, Katy will add an MS in Computer Science (AI track), new multidisciplinary engineering programs at the bachelor's and master's levels, and a BS in Teaching and Learning cohort, along with broader course offerings in undergraduate Business, Biology (Microbiology and Anatomy & Physiology lecture and lab), Calculus, and Computer Science, complementing existing programs in Engineering, Nursing, and Education. Transfer pipelines continue to grow through new and expanded 2+2 agreements with regional community colleges. UH Katy also hosted two Industry Summits in Spring 2026 with more than 20 regional business leaders, with follow-up work advancing internships, experiential learning, guest lectures, and corporate tuition reimbursement pathways, and multiple affiliation agreements already signed. UH Marketing and Communications will develop a comprehensive plan in Summer 2026 to boost regional awareness and support enrollment.

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

Over the next two years, UH Katy will expand its academic offerings to meet the workforce needs of the rapidly growing West Houston region, launching selected Integrated Studies bachelor's degree pathways, Bauer College of Business bachelor's programs, and Biology and Computer Science bachelor's and master's programs through the College of Natural Sciences and Mathematics. The Cullen College of Engineering will expand its presence with undergraduate and graduate programs in Engineering Data Science, Electrical Engineering, Chemical Engineering, and Energy Transition, and the Gessner College of Nursing will expand its BSN program to meet a rapidly growing pre-nursing pipeline at UH. UH Katy will also partner with the Gulf Coast Workforce Board (Workforce Solutions) to align education and workforce development efforts, leverage the resources and expertise of both organizations, expand economic mobility for students, and directly address employers' evolving talent needs. Collectively, these initiatives will strengthen workforce development through expanded industry partnerships, experiential learning, and transfer pathways, while increasing enrollment, degree production, and access to high-demand programs, positioning UH Katy as the region's premier public university for workforce-aligned education and economic development.

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

None

(5) Formula Funding:
None

(6) Category:

Instructional Support

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

None

(9) Impact of Not Funding:

According to a recent report from the Texas Workforce Investment Council, approximately 80 percent of the fastest growing occupations are in STEM fields. With this in mind, plans to add and bolster STEM programs at UH at Katy, alongside expanded offerings in Business, Education, Nursing, and Integrated Studies, align with regional and state workforce goals. By preparing skilled professionals across high-demand disciplines to meet growing industry opportunities, UH at Katy connects with local and state workforce needs, ensuring the impact of future Texas professionals stays in Texas.

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

Discontinued after 5-7 years

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

No

(12) Benchmarks:

None

(13) Performance Reviews:

None