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# CAPITAL PROJECTS FOR THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

December 2019



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Prepared by  
The University of Texas System Administration  
Office of Budget and Planning

Report to the Legislative Budget Board and Governor  
Pursuant to Rider No. 4 to The University of Texas System Administration  
House Bill 1, 86th Legislature, Regular Session



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**RIDER NO. 4 TO THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION**

The text of Rider No. 4 to The University of Texas System Administration in House Bill 1, 86<sup>th</sup> Legislature, Regular Session, is as follows:

**“Reporting Requirements for Capital Projects for The University of Texas System Administration.**

By December 1 of each year, The University of Texas System shall submit a report to the Legislative Budget Board for the prior fiscal year that includes information on all capital construction projects paid for with funds appropriated by this Act, having a cost in excess of \$1,000,000 and having the purpose of directly supporting the administration and operation of The University of Texas System Administration or the Board of Regents of The University of Texas System. The report must include at a minimum for each capital project: (1) the purpose of the project; (2) the total cost of the project; (3) the source of funding for the project; (4) the savings achieved by the project; and (5) any other information requested by the Legislative Budget Board.”

## THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

**CAPITAL EXPENDITURE POLICY**

The University of Texas System [Capital Expenditure Policy](#) (UTS 168), U. T. System Board of Regents' (Regents) [Rule 80402: Office of Capital Projects Management of Major Construction and Repair and Rehabilitation Projects](#), Regents' [Rule 80403: Minor Construction and Repair and Rehabilitation Projects](#); and Regents' [Rule 80404: Institutional Management of Major Construction and Repair and Rehabilitation Projects](#) provide institutions guidance in the capital expenditure process, from project approval to project closure. They also provide The University of Texas System Administration (U. T. System Administration) a uniform method for documenting the full capital expenditure lifecycle in order for the capital expenditure activity to be effectively communicated to the Regents. In addition, Regents' [Rule 80303: Use of the Available University Fund](#) provides guidance on individual projects funded with the Available University Fund or Permanent University Fund bond proceeds.

Regents' [Rule 80301: Capital Improvement Program](#) requires that U. T. System Administration maintain a [Capital Improvement Program](#) (CIP) on an ongoing basis. Although the CIP is a dynamic document subject to change throughout the year, a report detailing the current status of the CIP is expected to be formally presented to the Regents at least one time per year.

The CIP consists of a six-year projection of major new construction and repair and rehabilitation projects to be implemented and funded from institutions and Systemwide revenue sources. Major new construction and repair and rehabilitation projects are defined as those with a total project cost of \$10,000,000 or more. Projects that are architecturally or historically significant are also identified as major projects regardless of cost. The CIP is a current reflection of the institutions' continuous process of strategic planning and master planning for institutional programs.

**CAPITAL PROJECT REPORTING**

U. T. System Administration had no capital construction project activity funded with appropriated funds in excess of \$1,000,000 in fiscal year 2019 which had the purpose of directly supporting the administration and operation of U. T. System Administration or the Board of Regents of The University of Texas System.