

1. Title

Constitutional and Legislative Restrictions on Capital Improvements

2. Rule and Regulation

Sec. 1 Approval by Coordinating Board. [Section 18](#) of Article VII of the Texas Constitution (regarding the Permanent University Fund) requires approval by the Legislature, or an agency designated by the Legislature, prior to the construction of physical improvements financed by bonds authorized under that Section at institutions of the U. T. System other than The University of Texas at Austin.

1.1 Unless otherwise authorized by law, new construction and major repair and rehabilitation projects with an Education and General (E&G) project cost of \$10 million or more must be submitted to the Texas Higher Education Coordinating Board. The format for submission will be as prescribed by the Coordinating Board.

Submission will be prepared by the institution, in consultation with and assisted by System Administration's Office of Facilities Planning and Construction, if necessary, and forwarded to System Administration for review, approval, and handling of submission. It is anticipated that necessary documents will be submitted to the Coordinating Board when the project scope and estimated cost are sufficiently defined to meet the Coordinating Board's requirements for approval. Normally, submission will be made after the institutional president, the Chancellor, or the Board of Regents has approved the Design Development Plans and the related cost estimate.

Sec. 2 Delegation by Board of Regents. The Texas Higher Education Coordinating Board requires a signed Board of Regents Certification form under [Coordinating Board Rule 17.21](#). The authority to execute this certification for the Board of Regents is delegated to the Executive Vice Chancellor for Business Affairs or the Associate Vice Chancellor for Facilities Planning and Construction.

3. Definitions

None

4. Relevant Federal and State Statutes

Texas Constitution Article VII, [Section 18](#) – Bonds or Notes Payable from Income or Available University Funds

5. Relevant System Policies, Procedures, and Forms

None

6. Who Should Know

Administrators

7. System Administration Office(s) Responsible for Rule

Office of Business Affairs

8. Dates Approved or Amended

Editorial amendments made August 31, 2018
August 20, 2015 (effective September 1, 2015)
Editorial amendment to Section 1.1 made December 3, 2012
Editorial amendment to Section 1 made December 1, 2009
August 20, 2009
December 10, 2004

9. Contact Information

Questions or comments regarding this Rule should be directed to:

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