STATE OF TEXAS

LEGISLATIVE APPROPRIATIONS REQUEST

for Fiscal Years 2028 and 2029

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

by

Texas Tech University System Administration

August 7, 2026

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Schedules Not Included

Agency Code: 768	Agency Name: Texas Tech University System Administration	Prepared By: Office of Chief Financial Officer

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SUMMARY

As a leader in public higher education, the Texas Tech University System (TTU System) and its five component universities deliver high-quality educational experiences, provide exceptional health care, foster innovative research, prepare workforce-ready graduates in fields critical to the future of Texas, and strengthen the state's economy through innovation, strategic partnerships, and workforce development.

INSTITUTIONAL OVERVIEW

Created in 1996 and formally established by the Texas Legislature in 1999, the TTU System was founded to support its component institutions and serve the state's workforce, economic development, and talent needs while advancing innovation through education, research, and strategic partnerships.

The TTU System is one of the largest employers in West Texas, with more than 21,000 faculty and staff and a consolidated operating budget exceeding $3.5 billion, including approximately $1.0 billion in annual legislative appropriations.

The TTU System consists of:

- A central administration, the TTU System Administration
- Three general academic institutions
  - o Texas Tech University (TTU)
  - o Angelo State University (ASU)
  - o Midwestern State University (MSU Texas)
- Two health-related institutions
  - o Texas Tech University Health Sciences Center (TTUHSC)
  - o Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso)

Together, these institutions combine a rich heritage, distinct traditions, and a shared commitment to excellence in higher education, health care, research, and outreach.

The TTU System's primary campuses are in Lubbock, San Angelo, El Paso, and Wichita Falls. It also has regional campuses and sites in Abilene, Amarillo, Dallas, El Paso, Forney, Fredericksburg, Junction, Mansfield, Marble Falls (Highland Lakes), Midland, Odessa, and Waco.

Collectively, TTU System component institutions are expected to enroll approximately 66,300 students in Fall 2026 across all campuses and locations, reflecting the System's strong commitment to providing access to higher education across Texas.

The value of higher education extends beyond the development of an educated population and workforce. Universities serve as centers of innovation and economic growth, creating opportunities for individuals, communities, industries and employers while strengthening Texas' long-term economic competitiveness. A 2024 economic impact study found that the TTU System generated a statewide gross economic impact of $20.2 billion and contributed to sustaining over 57,000 jobs across Texas. For every state dollar invested in the TTU System, Texas realizes a $22 return.

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GOVERNANCE & LEADERSHIP

The TTU System is governed by a nine-member Board of Regents (BOR) whose members are appointed by the Governor of Texas to six-year, staggered terms. The BOR also includes a non-voting student regent appointed by the governor to serve a one-year term. The board reviews major issues and approves policies governing the TTU System and its component institutions. Current board membership is outlined in the TTU System organizational chart.

The BOR appoint a chancellor, who serves as the chief executive officer of the TTU System and oversees the System Administration. In this role, the chancellor collaborates with the board, system leadership, and institutional presidents to enhance the system’s profile, advance impactful initiatives, and further missions in higher education, health care, research, and outreach.

Under the governance of the BOR, the TTU System Administration fosters institutional autonomy while ensuring accountability, fiscal stewardship, and operational consistency across the system. To maximize efficiencies and leverage shared expertise, the TTU System Administration coordinates key systemwide functions, including governmental relations, institutional advancement, investments, cash and debt management, treasury, risk management, information systems, facilities planning and construction, legal counsel, audit services, and leadership and culture development.

STUDENT ENROLLMENT & SUCCESS

Every graduate represents another highly skilled Texan entering the workforce. The TTU System remains focused on producing graduates with degrees of value who are prepared to meet the state’s workforce demands in health care, engineering, agriculture, business, education, cybersecurity, and other high-demand industries.

Despite national enrollment declines, the TTU System enrollment has increased by 4.9 percent over the past five years, growing to roughly 64,300 students from 61,300 students. During this period of growth, component institutions have also increased enrollment of National Merit Scholars and other high achieving students through strategic recruitment efforts.

The TTU System provides substantial student scholarships and financial aid opportunities across its institutions. For example, MSU Texas provides the transformative Priddy Scholars Program, supporting students throughout their entire four-year education. At ASU, nearly 89 percent of its students receive some form of financial aid, bolstered by programs such as the Distinguished Scholars Program, which helps students graduate with little to no student debt.

In addition, each institution provides students with opportunities to develop marketable skills through research, service learning, study abroad programs, internships, simulations, collaborative projects, and other experiential learning opportunities that improve technical abilities and develop interpersonal skills.

DEGREES AWARDED

Since 1925, TTU System institutions have been pivotal in educating generations of leaders and have awarded more than 495,000 degrees.

During academic year 2025-26, TTU System institutions are expected to award approximately 16,400 degrees, an increase from 14,700 in 2020-21.

Graduates of TTU System institutions are recognized for their strong work ethic, practical skills, and workforce readiness. The TTU System prepares graduates with degrees of value in the high-demand fields Texas needs most, including health care, engineering, agriculture, business, education, and cybersecurity. TTU is consistently recognized among the nation's leading public and private institutions for producing workforce-ready graduates, while TTUHSC graduates more health professionals annually than any other health-related institution in Texas.

RESEARCH EXCELLENCE

Research expenditures across the TTU System increased to $401 million in fiscal year 2026, up from $246 million in fiscal year 2021, reflecting a sustained commitment to expanding research capacity and impact at each institution.

Research investments support innovation and economic competitiveness in strategic areas for Texas, including agriculture, energy, water resources, wind science, telehealth, cybersecurity, and public health.

Situated in West Texas, TTU System institutions bear both a unique responsibility and advantage. This region contributes significantly to the state, national, and global supply of food, fiber, and fuel. Through strategic partnerships and collaborative initiatives, researchers are helping West Texas communities thrive while contributing solutions to issues of statewide, national, and global significance.

To aid in these endeavors, the TTU System continues to recruit world-class faculty whose research attracts external investment, supports industry collaboration, expands opportunities for students, and advances discoveries that strengthen Texas' economy and global competitiveness.

PATIENT CARE

The TTU System's health-related institutions are dedicated to addressing and treating complex health issues, particularly impacting rural and historically underserved populations.

Through collaborative partnerships with teaching hospitals, health care professionals, and local communities, TTUHSC and TTUHSC El Paso integrate education, research, and clinical practice to provide health care solutions for West Texas, the U.S.-Mexico border region, and beyond. These efforts provide access to innovative care and resources for conditions such as cancer, diabetes, dental health, and more.

In 2021, the TTU System's health-related initiatives spanned across a vast service area encompassing 108 counties and over 3 million people. Today, this coverage area has expanded to include 121 counties and more than 10 million individuals, constituting roughly 30 percent of the state's population. Much of this region remains rural and medically underserved, with many communities lacking adequate access to primary care physicians. By educating physicians, nurses, pharmacists and other health professionals while expanding clinical care, the TTU System addresses critical workforce shortages and improves access to quality health care in rural and historically underserved communities across Texas.

LEGISLATIVE PRIORITIES

Formula Funding – As the state's population grows and the demand for higher education increases, sufficient state funding is necessary to support academic and support services. Continued investment by the state and prioritization of base formula funding is critical as a stable funding source for institutions. The TTU System respectfully requests that the state fund the Instruction and Operations formulas, Infrastructure formulas, Research formulas, and Graduate Medical Education rates and levels, including increases for new enrollment growth, persistent inflation, and mission-specific formulas for the TTU System's component institutions. In particular, the formulas for the health-related institutions have not seen a significant increase in rates for many years even in the face of rising healthcare and educational costs.

Non-Formula Support – Base formulas equitably distribute state appropriations to higher education institutions. However, specific legislative initiatives in higher education require funding beyond these formulas. Institutional Enhancement funding is critical to TTUS component institutions to support the admission and preparation of students on the pathway to graduation and eventually into the workforce. The TTU System and its component institutions are conscientious of all non-formula support items put forward each biennium and request the Legislature to continue funding these strategic and essential areas.

Employee Benefits – Higher Education Group Insurance allocations are essential for offering competitive benefits packages and attracting top talent, which are crucial to productivity and efficiency. Rising health care premiums requires higher education institutions to divert resources from other areas to fund this mandatory expense. The TTU System requests that state contributions to higher education institutions fund increases in enrollment of employees and be funded at the full ERS premium rate.

Capital Construction Assistance Projects (CCAP) – Facilities with the capacity and technology to accommodate and educate the growing number of students at TTU System campuses are essential to achieve state performance expectations. Institutions are continually working on maintenance and upgrades to physical infrastructure, including deferred maintenance, as well as implementing and enhancing the digital infrastructure and cybersecurity at institutions of higher education. TTU System is grateful for the increased investment into the Higher Education Fund last session, which supports many of these goals; however, to keep up with construction costs, complex and costly information technology needs, and a growing student body, the TTU System requests the authorization of bonds for new capital construction and information technology projects as requested by TTU System and the component institutions. Modern research and instructional and technology infrastructure are essential to attracting new investment to Texas, strengthening partnerships with industry, and ensuring that discoveries made in Texas—and the talented students behind them—remain in Texas to build businesses, create jobs and drive economic growth.

Student Financial Aid – Scholarships and grants are a strategic investment by the State that encourages attendance from students who might not otherwise pursue higher education, reduces student debt, and increases graduates with a credential of value who are prepared to enter the workforce. The TTU System requests the Legislature prioritize funding TEXAS (Toward EXcellence, Access, and Success) Grants, FAST (Financial Aid for Swift Transfer) grants, student loan repayment programs, and other forms of financial aid at the Texas Higher Education Coordinating Board. Additionally, TTU System is grateful for the investment in the Rural Veterinary Incentive Program and supports continued funding for this initiative.

Hazlewood Exemptions – Veterans make invaluable contributions to university programs, and each TTU System component institution has programs in place to assist veterans in transitioning to academic life. The Hazlewood Act is a critically important program for veterans and their families as they pursue higher education. For public higher education institutions, including the TTU System, the program's tuition and fees exemption results in forgone revenues with a multimillion-dollar impact annually. The TTU System requests additional state funding for higher education institutions to support these veterans, their spouses, and legacy dependents while minimizing the financial impact on universities.

Research– Research is critical to higher education's overall mission, impact, and quality. Leading in knowledge creation is essential to graduate education and positively impacts undergraduate education. Investment in research also drives innovation, advancing the Texas economy's success and prosperity. The TTU System is grateful for the state's establishment and continued investment in research programs like the Texas University Fund, Cancer Prevention and Research Institute of Texas (CPRIT), Dementia Prevention and Research Institute of Texas (DPRIT), Governor's University Research Initiative (GURI), and the Texas Semiconductor Innovation Fund, which support research activity at higher education institutions, including TTU and the Health Sciences Centers, and requests that the Legislature continue to support programs designed to capitalize on the state's strong research capacity.

Regional University Funding – Comprehensive regional universities are vital to achieving our shared mission in Texas public higher education. The Comprehensive Regional University (CRU) performance funding, established by the 87th Texas Legislature through Senate Bill 1295 was a much-needed resource for these institutions. With two universities – ASU and MSU Texas – classified as such, the TTU System requests that the Legislature increase funding for the CRU formula. Additionally, TTU System requests support for regional institutions through an increase to the Small Institution Supplement, as recommended by the Texas Higher Education Coordinating Board Formula Advisory Committee.

Graduate Medical Education – Retaining medical graduates through residency training programs in Texas is the best way to meet the state's growing health care needs. The TTU System appreciates the state's significant investment in graduate medical education and requests continued and expanded support for these programs to meet the increasing health care workforce needs of Texas.

Texas Child Mental Health Care Consortium – Providing quality patient health care is a significant aspect of the TTU System's service to the region and the state of Texas. The Texas Child Mental Health Care Consortium is an invaluable resource for improving mental health care for children and adolescents in the state. With two health-related institutions – TTUHSC and TTUHSC El Paso – the TTU System supports continued funding to the consortium.

EXCEPTIONAL ITEMS

Compliance and Business Development
Request: FY 2028 $4,000,000; FY 2029 $4,000,000
TTU System will strengthen systemwide compliance and operational effectiveness, expand strategic public-private partnerships, support workforce-focused initiatives, and enhance TTU System's ability to serve students, communities, and Texas' evolving workforce needs while reducing institutional risk.

Enterprise Systems Modernization
CCAP Request: $75 million ($10 million in annual debt service)
TTU System will replace aging enterprise systems with secure, cloud-based platforms that strengthen cybersecurity, improve operational efficiency and business continuity, reduce technology risk, and enable greater investment in student success, research, and strategic growth.

Texas Innovation Commercialization Initiative (TICI):
Exceptional Request: FY 2028 $14,000,000; FY 2029 $14,000,000;
The Texas Innovation Commercialization Initiative (TICI) will help transform research discoveries into new Texas businesses, high-wage jobs, and long-term economic growth. Headquartered at the Texas Tech Enterprise Exchange (TTEX), the initiative will provide research funding, commercialization support, industry partnerships, and entrepreneurial support that help move innovations from the laboratory to the marketplace while strengthening Texas' innovation economy.

Texas Tech Enterprise Exchange (TTEX):
CCAP Request $100 million ($8.7 million in annual debt service)
The Texas Tech University System requests Capital Construction Assistance Project (CCAP) funding to construct the Texas Tech Enterprise Exchange (TTEX), the headquarters of the Texas Innovation Commercialization Initiative (TICI). TTEX will serve as Texas' premier destination for university innovation, technology commercialization, entrepreneurship, and industry collaboration. The facility will bring together researchers, startup companies, investors, corporate partners, federal agencies, and economic development organizations to accelerate the commercialization of university discoveries into new Texas companies, high-wage jobs, and long-term economic growth. Designed as both an innovation hub and statewide showcase, TTEX will include collaborative research space, commercialization offices, demonstration laboratories, entrepreneur and corporate innovation suites, investor presentation facilities, and flexible meeting space that supports strategic partnerships across advanced manufacturing, healthcare, artificial intelligence, energy, agriculture, and national security.

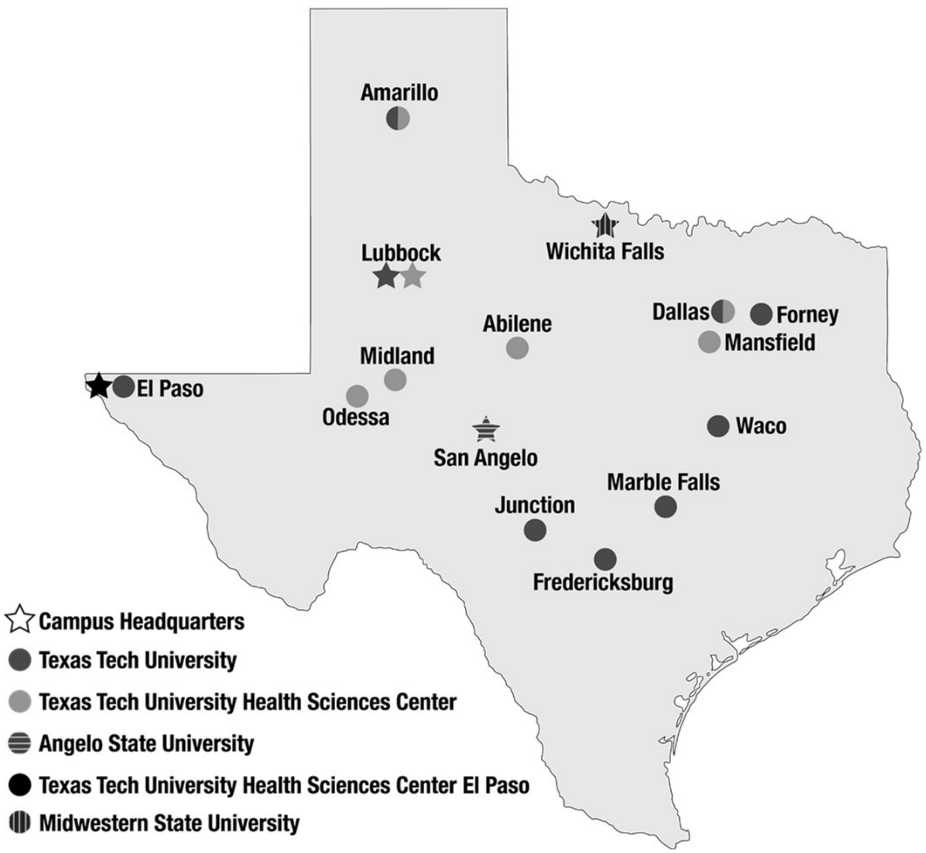
OTHER ITEMS

Background Checks – All staff positions (including temporary employees) are classified as security-sensitive level I positions and require criminal background checks prior to employment, promotion, reclassification, transfer or direct appointment. These background checks are performed in accordance with the Texas Education Code, Section 51.215 and Government Code, Section 411.094.

Rider Revisions and Additional Requests – The rider revisions and additions requested in Schedule 3.B. are submitted on behalf of and with the support of each component of the TTU System. In addition, it appears there is a consensus among the Texas public systems and institutions of higher education in support of the requested revisions. The revisions, each of which includes an explanation, serve the general purposes of clarifying legislative intent, eliminating unnecessary or redundant requirements, or aligning the rider with relevant statutes.

Low-Producing Programs – Pursuant to the recommendations from TTU System university presidents, the TTU System Board of Regents will consider in the upcoming year a plan for the consolidation or continuation of the following programs:
ASU – Food Animal Science and Marketing, BS, Professional Accountancy, BBAMPAC
MSU Texas – English, MA, MS, Global Studies, BA
TTU –Land Use Planning, Management, and Design, PhD, Instructional Technology, EdD, Language/Literacy Education, MEd, Arts Media and Technology, BA, Art History, MA

Texas Tech University System – Locations



Texas Tech University
- Lubbock
- Amarillo
- Dallas-Fort Worth
- El Paso
- Forney
- Fredericksburg (Hill Country)
- Junction
- Highland Lakes (Marble Falls)
- Waco
- San Jose, Costa Rica

Texas Tech University Health Sciences Center
- Lubbock
- Abilene
- Amarillo
- Dallas
- Mansfield
- Midland
- Odessa

Angelo State University
- San Angelo

Texas Tech University Health Sciences Center El Paso
- El Paso

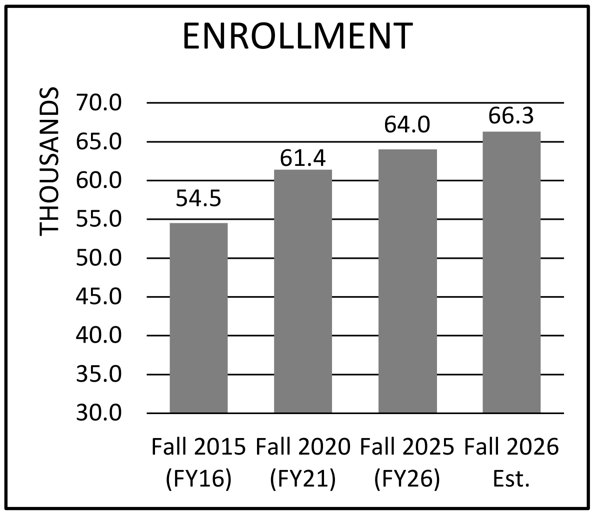
Midwestern State University
- Wichita Falls

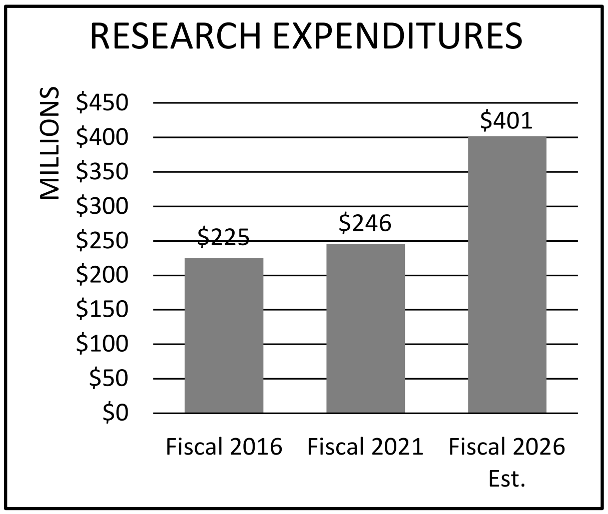
Texas Tech University System

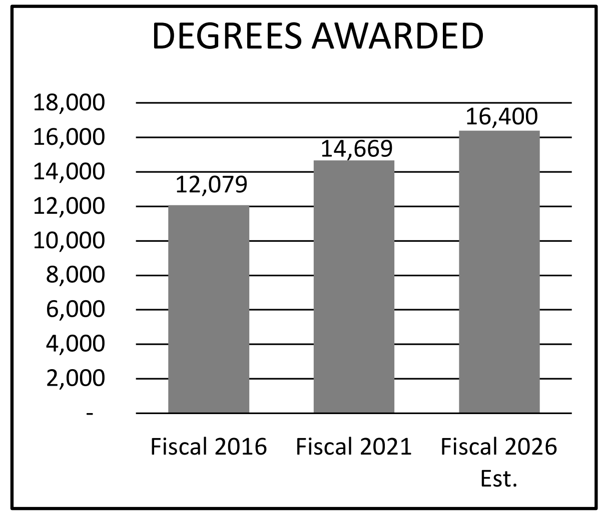
Focused on developing people and advancing tomorrow, the TTU System is positioned as 1 of only 9 institutions nationwide offering comprehensive education programs for:

- Undergraduate
- Medical
- Law
- Nursing
- Pharmacy
- Dental
- Veterinary

We are the only non-land grant institution in the nation to offer this variety of programs.

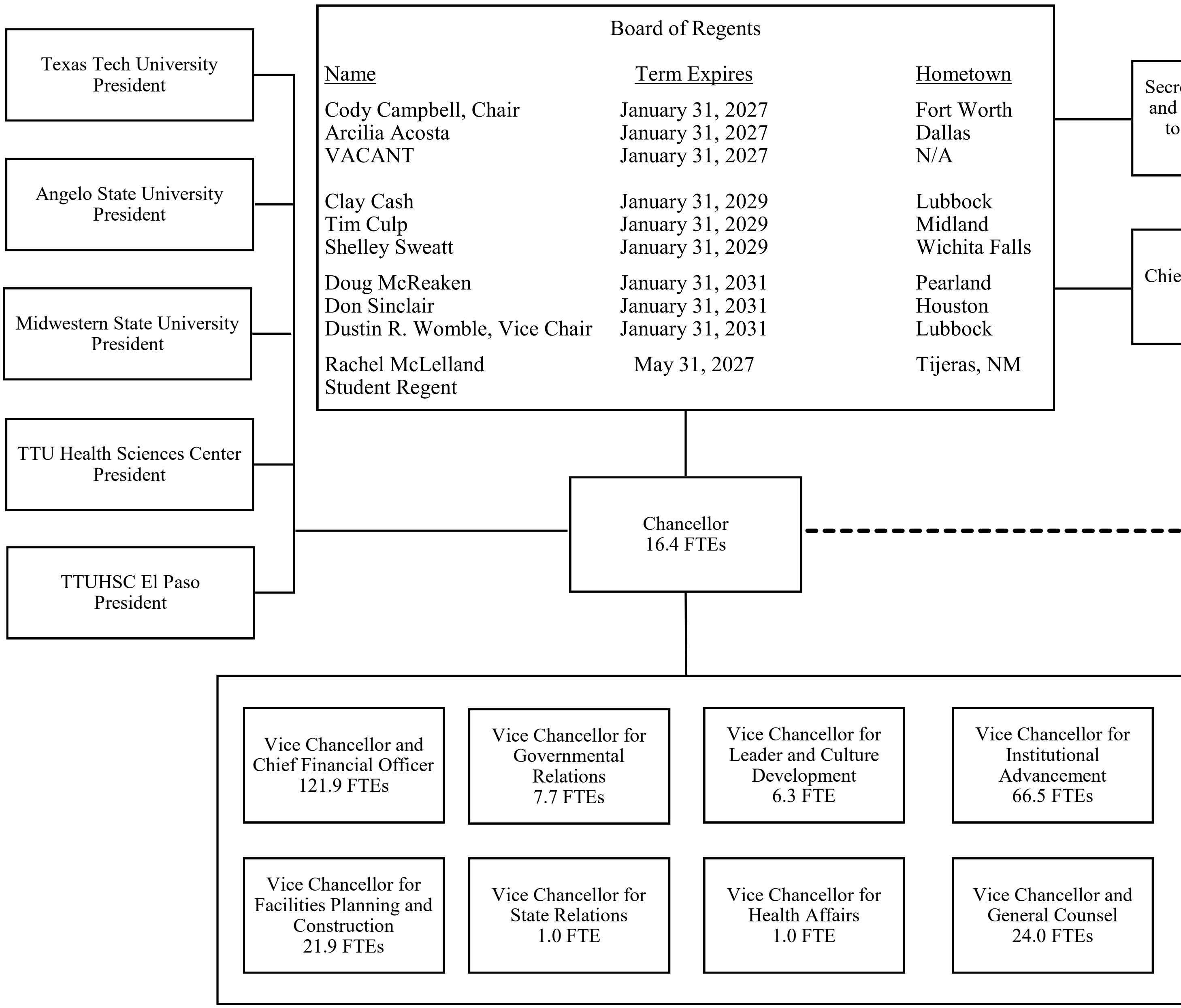






Texas Tech University System Administration
FY 2027 Budget

Total FTEs — 284.7



CERTIFICATE

Agency Name Texas Tech University 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

Brandon Creighton
Printed Name

Chancellor
Title

08-07-2026
Date

Board or Commission Chair

Signature

Cody Campbell
Printed Name

Chair
Title

08-07-2026
Date

Chief Financial Officer

Signature

James Mauldin
Printed Name

Vice Chancellor and Chief Financial Officer
Title

08-07-2026
Date

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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	2,599,200	2,521,224							2,599,200	2,521,224	8,000,000
Total, Goal	**2,599,200**	**2,521,224**							**2,599,200**	**2,521,224**	**8,000,000**
Goal: 3. Provide Non-formula Support											
3.5.1. Exceptional Item Request											65,817,106
Total, Goal											**65,817,106**
Total, Agency	**2,599,200**	**2,521,224**							**2,599,200**	**2,521,224**	**73,817,106**
Total FTEs									**74.3**	**74.3**	**45.0**

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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	1,299,600	1,299,600	1,299,600	1,260,612	1,260,612
TOTAL, GOAL 1	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
3 Provide Non-formula Support					
5 Exceptional Item Request					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 3	**$0**	**$0**	**$0**	**$0**	**$0**
TOTAL, AGENCY STRATEGY REQUEST	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				**$0**	**$0**
GRAND TOTAL, AGENCY REQUEST	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**

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Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	1,299,600	1,299,600	1,299,600	1,260,612	1,260,612
SUBTOTAL	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
TOTAL, METHOD OF FINANCING	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**

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

Agency code: **768** Agency name: **Texas Tech University 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)	$1,299,600	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$1,299,600	$1,299,600	$0	$0
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$1,260,612	$1,260,612
TOTAL, General Revenue Fund	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
TOTAL, ALL GENERAL REVENUE	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
GRAND TOTAL	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**

Agency code: **768** Agency name: **Texas Tech University 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)	74.3	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2026-27 GAA)	0.0	74.3	74.3	0.0	0.0
Regular Appropriations from MOF Table (2028-29 GAA)	0.0	0.0	0.0	74.3	74.3
RIDER APPROPRIATION					
Art IX, Sec 6.10 (a)(1)(B), Limitation on State Employment Levels (2024-25 GAA)	0.5	0.0	0.0	0.0	0.0
Comments: TTUS' FTEs paid from appropriated funds were within the allowable variance in general limitations for institutions of higher education. The FTE is within the lesser of 110% or plus 50 FTE.					
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over(Below) Cap (2026-27 GAA)	0.0	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	**74.8**	**74.3**	**74.3**	**74.3**	**74.3**

NUMBER OF 100% FEDERALLY FUNDED FTEs

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

90th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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OBJECT OF EXPENSE	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1001 SALARIES AND WAGES	$1,299,600	$1,299,600	$1,299,600	$1,260,612	$1,260,612
1002 OTHER PERSONNEL COSTS	$0	$0	$0	$0	$0
2003 CONSUMABLE SUPPLIES	$0	$0	$0	$0	$0
2005 TRAVEL	$0	$0	$0	$0	$0
2008 DEBT SERVICE	$0	$0	$0	$0	$0
2009 OTHER OPERATING EXPENSE	$0	$0	$0	$0	$0
4000 GRANTS	$0	$0	$0	$0	$0
OOE Total (Excluding Riders)	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
OOE Total (Riders)					
Grand Total	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**

Agency code: **768** Agency name: **Texas Tech University 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	Compliance and Business Development	$4,000,000	$4,000,000	33.0	$4,000,000	$4,000,000	33.0	$8,000,000	$8,000,000
2	Enterprise Systems Modernization	$10,190,097	$10,190,097	0.0	$10,190,097	$10,190,097	0.0	$20,380,194	$20,380,194
3	TICI	$14,000,000	$14,000,000	12.0	$14,000,000	$14,000,000	12.0	$28,000,000	$28,000,000
4	Texas Tech Enterprise Exchange	$8,718,456	$8,718,456	0.0	$8,718,456	$8,718,456	0.0	$17,436,912	$17,436,912
Total, Exceptional Items Request		**$36,908,553**	**$36,908,553**	**45.0**	**$36,908,553**	**$36,908,553**	**45.0**	**$73,817,106**	**$73,817,106**

Method of Financing							
General Revenue	$36,908,553	$36,908,553		$36,908,553	$36,908,553		$73,817,106	$73,817,106
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	$36,908,553	**$36,908,553**		**$36,908,553**	**$36,908,553**		**$73,817,106**	**$73,817,106**
Full Time Equivalent Positions			**45.0**			**45.0**		
Number of 100% Federally Funded FTEs								

Agency code: **768** Agency name: **Texas Tech University 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	$1,260,612	$1,260,612	$4,000,000	$4,000,000	$5,260,612	$5,260,612
TOTAL, GOAL 1	**$1,260,612**	**$1,260,612**	**$4,000,000**	**$4,000,000**	**$5,260,612**	**$5,260,612**
3 Provide Non-formula Support						
5 *Exceptional Item Request*						
1 EXCEPTIONAL ITEM REQUEST	0	0	32,908,553	32,908,553	32,908,553	32,908,553
TOTAL, GOAL 3	**$0**	**$0**	**$32,908,553**	**$32,908,553**	**$32,908,553**	**$32,908,553**
TOTAL, AGENCY STRATEGY REQUEST	**$1,260,612**	**$1,260,612**	**$36,908,553**	**$36,908,553**	**$38,169,165**	**$38,169,165**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$1,260,612**	**$1,260,612**	**$36,908,553**	**$36,908,553**	**$38,169,165**	**$38,169,165**

Agency code: **768** Agency name: **Texas Tech University 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	$1,260,612	$1,260,612	$36,908,553	$36,908,553	$38,169,165	$38,169,165
	$1,260,612	**$1,260,612**	**$36,908,553**	**$36,908,553**	**$38,169,165**	**$38,169,165**
TOTAL, METHOD OF FINANCING	**$1,260,612**	**$1,260,612**	**$36,908,553**	**$36,908,553**	**$38,169,165**	**$38,169,165**
FULL TIME EQUIVALENT POSITIONS	**74.3**	**74.3**	**45.0**	**45.0**	**119.3**	**119.3**

768 Texas Tech University 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	$1,299,600	$1,299,600	$1,299,600	$1,260,612	$1,260,612
1002	OTHER PERSONNEL COSTS	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
Method of Financing:						
1	General Revenue Fund	$1,299,600	$1,299,600	$1,299,600	$1,260,612	$1,260,612
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,260,612**	**$1,260,612**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
FULL TIME EQUIVALENT POSITIONS:		**74.8**	**74.3**	**74.3**	**74.3**	**74.3**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Under the governance of the Board of Regents, the Texas Tech University System Administration provides its component institutions with leadership and central services that support the attainment of each component's individual mission. Areas include strategic planning, governmental relations, fundraising, investments, cash and debt management, risk management, facilities planning and construction, legal counsel, and audit services, among other areas.

768 Texas Tech University 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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS Base Spending (Est 2026 + Bud 2027)	 Baseline Request (BL 2028 + BL 2029)	BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE $ Amount	 Explanation(s) of Amount (must specify MOFs and FTEs)
$2,599,200	$2,521,224	$(77,976)	$(77,976)	This represents the 3% reduction requested in the policy letter and 2028-2029 GR limit.
			$(77,976)	**Total of Explanation of Biennial Change**

768 Texas Tech University 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	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
1001	SALARIES AND WAGES	$0	$0	$0	$0	$0
2003	CONSUMABLE SUPPLIES	$0	$0	$0	$0	$0
2005	TRAVEL	$0	$0	$0	$0	$0
2008	DEBT SERVICE	$0	$0	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$0	$0	$0	$0	$0
4000	GRANTS	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$0**	**$0**	**$0**	**$0**	**$0**
Method of Financing:						
1	General Revenue Fund	$0	$0	$0	$0	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$0**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$0**	**$0**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$0**	**$0**	**$0**	**$0**	**$0**
FULL TIME EQUIVALENT POSITIONS:		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

768 Texas Tech University 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	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

STRATEGY DESCRIPTION AND JUSTIFICATION:

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**

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
METHODS OF FINANCE (INCLUDING RIDERS):				**$1,260,612**	**$1,260,612**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$1,299,600**	**$1,299,600**	**$1,299,600**	**$1,260,612**	**$1,260,612**
FULL TIME EQUIVALENT POSITIONS:	**74.8**	**74.3**	**74.3**	**74.3**	**74.3**

3.B. Rider Revisions and Additions Request

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:
768	Texas Tech University System Administration	Office of Vice Chancellor and Chief Financial Officer	August 2026	Base

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
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)* *TTU System requests the editorial correction of Subsection 4 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.

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(no requested changes to the Subsections 8 or the remainder of the rider except routine updates) *TTU System requests the editorial correction of Subsection 7 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)* *TTU 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

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

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		that was entered into or paid for, either in whole or in part by a state agency or institution of higher education. (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

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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 (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

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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. (k) The Legislative Budget Board shall establish the procedures for the notice required by Subsections (i) or (j). *TTU 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:

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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 (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:

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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; (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;

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(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. (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<u>, as defined by Subsection (a),</u> 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. *TTU 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.* *TTU 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.*

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
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: *(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)* *TTU 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: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Compliance and Business Development
Item Priority: 1
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 01-01-11 System Office Operations

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
1001	SALARIES AND WAGES	3,960,396	3,960,396
1002	OTHER PERSONNEL COSTS	39,604	39,604
	TOTAL, OBJECT OF EXPENSE	**$4,000,000**	**$4,000,000**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	4,000,000	4,000,000
	TOTAL, METHOD OF FINANCING	**$4,000,000**	**$4,000,000**
	FULL-TIME EQUIVALENT POSITIONS (FTE):	33.00	33.00

DESCRIPTION / JUSTIFICATION:

The Texas Tech University System (TTUS) requests an annual $4.0 million General Revenue exceptional item to support its System Administration in addressing critical operational and strategic needs across three key areas:

1. System-Wide Compliance: TTUS has rapidly grown to five universities amidst a complex and evolving regulatory environment. As responsibilities continue to expand, additional funding will enable TTUS to build upon and strengthen existing compliance functions by increasing capacity, coordination, and oversight across all component institutions. This investment will support a more unified approach to regulatory compliance, enhance accountability, and reduce institutional risk while ensuring adherence to state and federal requirements.

2. Business Development & Partnerships: As universities increasingly rely on public-private partnerships to advance their strategic priorities, TTUS is building momentum in its business development efforts. Recent achievements, including a landmark AI supercomputing platform infrastructure purchase, demonstrate the potential of coordinated industry engagement. This investment will accelerate the growth of this developing function by expanding the System's ability to proactively pursue and manage high-impact corporate partnerships that create new revenue opportunities, support student success, strengthen research and innovation, and broaden educational access.

3. Leading Higher Education: TTUS is uniquely positioned to shape the future of Texas higher education. By championing course content reform and prioritizing degrees with tangible economic value and workforce readiness, TTUS establishes a rigorous benchmark. This funding provides the resources to sustain this momentum and elevate the standard of public higher education statewide.

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

EXTERNAL/INTERNAL FACTORS:

TTUS has successfully managed its expansion to five universities while maintaining exceptionally low administrative overhead. Over the next biennium, this funding will enable TTUS to:
1. Expand the centralized System Compliance Office to guarantee uniform adherence to state legislative mandates.
2. Grow and formalize a business development team to secure new corporate partnerships, driving scholarship generation and expanding academic horizons.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Ongoing support of System Office Operations

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$4,000,000	$4,000,000	$4,000,000

OUT-YEAR GR ONLY COSTS FOR ITEM:

1 General Revenue Fund	$4,000,000	$4,000,000	$4,000,000
TOTAL OUT-YEAR GR ONLY:	$4,000,000	$4,000,000	$4,000,000

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Enterprise Systems Modernization CCAP
Item Priority: 2
IT Component: Yes
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	10,190,097	10,190,097
	TOTAL, OBJECT OF EXPENSE	**$10,190,097**	**$10,190,097**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	10,190,097	10,190,097
	TOTAL, METHOD OF FINANCING	**$10,190,097**	**$10,190,097**

DESCRIPTION / JUSTIFICATION:

The core administrative software systems managing Human Resources, Finance, and Student Information Systems (SIS) across the Texas Tech University System (TTUS) are 22 years old and rapidly reaching the end of vendor support. TTUS respectfully requests exceptional item funding for Phase 1 of a comprehensive Enterprise Systems Modernization to replace these obsolete legacy platforms.

Following consultation with industry experts, TTUS has developed a strategic roadmap to transition to modern, enterprise-grade cloud platforms. To responsibly manage the estimated $75 million total cost and internal resource constraints, this project will be executed sequentially over 7 years: HR (Years 1-3), Finance (Years 3-5), and SIS (Years 5-7). The debt service is calculated at 6% over 10 years.

Modernizing our ERP systems is essential to establish robust 24/7 cybersecurity, provide automated disaster recovery, and ensure continuity of operations. Upgrading this vital backend infrastructure mitigates critical institutional vulnerabilities and allows campus leadership to redirect resources away from "keeping the lights on" and toward revenue-generating and student-growth initiatives.

EXTERNAL/INTERNAL FACTORS:

Internal: Upgrading 22-year-old enterprise databases is a massive administrative and technical undertaking. Recognizing the complexity of this shift, the Chancellor and Board of Regents are providing strong, visible executive sponsorship—a factor that industry data shows increases ERP implementation success rates from under 24% to over 75%. A phased, sequential deployment strategy will minimize operational disruption to the campuses.

External: The impending loss of vendor support and security upgrades for our current systems exposes TTUS to severe operational and cybersecurity risks. This funding will allow TTUS to issue an RFP to evaluate market costs of this critical modernization.

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

PCLS TRACKING KEY:

n/a

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

Human Resource, Finance, and Student ERP System

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

NEW

STATUS:

While this is a new project request, over the past two decades, TTUS IT has heavily customized Ellucian Banner 9 to support unprecedented institutional growth. Recognizing impending software obsolescence, TTUS proactively consulted with industry leaders to evaluate market costs and determine the most secure path forward. Leadership has successfully developed a strategic 7-year roadmap to sequentially deploy modern cloud software across the institutions.

OUTCOMES:

The outcome of this initiative is to securely modernize the core administrative software of the Texas Tech University System by transitioning from obsolete, 22-year-old legacy systems to modern Enterprise Resource Planning (ERP) platforms. This overhaul will update HR, Finance, and SIS operations. The goal is to establish enterprise-grade 24/7 cybersecurity, ensure accurate data reporting, prevent operational failure, and free campus resources to focus on academic excellence rather than backend legacy IT maintenance.

OUTPUTS:

- Issuance of an RFP and selection of modern enterprise software suite(s).
- Successful data migration and mapping from 22-year-old legacy environments to a modern cloud infrastructure.
- Successful go-live of the HR module (Phase 1) within 2-3 years, with minimal disruption to daily operations.
- Formal decommissioning of the legacy HR IT environments.

TYPE OF PROJECT

Enterprise Resource Planning (ERP)

ALTERNATIVE ANALYSIS

Inaction exposes TTUS to critical cybersecurity and operational risks. Our current software will soon stop receiving product enhancements and security upgrades from the vendor. Failing to fund this modernization threatens the basic operational continuity of HR, Finance, and SIS operations. Without state support, TTUS lacks the capital necessary to overhaul a 22-year-old infrastructure, leaving institutional data highly vulnerable to cyber threats and operational failure.

The implementation will be phased in over 7 years. The debt service is calculated at 6% over 10 years.

ESTIMATED IT COST

2026	2027	2028	2029	2030	2031	2032	Total Over Life of Project
$0	$0	$10,190,097	$10,190,097	$10,190,097	$10,190,097	$10,190,097	$75,000,000

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

SCALABILITY

2026	2027	2028	2029	2030	2031	2032	Total Over Life of Project
$0	$0	$0	$0	$0	$0	$0	$0

FTE

2026	2027	2028	2029	2030	2031	2032
0.0	0.0	0.0	0.0	0.0	0.0	0.0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Continued support of Capital Construction Assistance Projects (CCAP) debt service.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$10,190,097	$10,190,097	$10,190,097

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Texas Innovation Commercialization Initiative
Item Priority: 3
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:

CODE	DESCRIPTION	Excp 2028	Excp 2029
1001	SALARIES AND WAGES	2,000,000	2,000,000
2003	CONSUMABLE SUPPLIES	200,000	200,000
2005	TRAVEL	300,000	300,000
2009	OTHER OPERATING EXPENSE	500,000	500,000
4000	GRANTS	11,000,000	11,000,000
	TOTAL, OBJECT OF EXPENSE	**$14,000,000**	**$14,000,000**

METHOD OF FINANCING:

CODE	DESCRIPTION	Excp 2028	Excp 2029
1	General Revenue Fund	14,000,000	14,000,000
	TOTAL, METHOD OF FINANCING	**$14,000,000**	**$14,000,000**
	FULL-TIME EQUIVALENT POSITIONS (FTE):	12.00	12.00

DESCRIPTION / JUSTIFICATION:

The Texas Innovation Commercialization Initiative (TICI) helps turn promising research discoveries into new Texas businesses, jobs, and economic growth by giving researchers and entrepreneurs the tools and support they need to bring new ideas to market. Headquartered at the Texas Tech Enterprise Exchange (TTEX), the initiative will provide direct research faculty support, proof-of-concept funding, business development assistance, industry partnerships, and entrepreneurial support to help move innovative technologies from university laboratories into real-world products and companies. By connecting researchers, entrepreneurs, investors, industry leaders, and strategic partners, the initiative will strengthen Texas' innovation economy, attract private investment, create high-wage jobs, and help more Texas-born companies start, grow, and stay in Texas. TTEX will be the landmark facility to headquarter innovation; Texas Innovation Commercialization Initiative will be the statewide economic development program supported by TTEX.

EXTERNAL/INTERNAL FACTORS:

Texas is making significant investments in research, innovation, and economic development, while competition among states to attract technology companies, private investment, and high-wage jobs continues to increase. Texas Tech has established a strong foundation through the Innovation Hub, expanding research and innovation across the university system—including growing research at TTUHSC and other unique opportunities. The Texas Innovation Commercialization Initiative represents the next step in that evolution by connecting research, entrepreneurship, industry, and investment to help more discoveries become successful Texas companies and generate long-term economic growth for the state.

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Ongoing support of Non-Formula Support Item.

Continued funding will support the ongoing operation of the Texas Innovation Commercialization Initiative by providing proof -of-concept funding, startup assistance, industry engagement, commercialization services, and entrepreneurial support that help move university discoveries into the marketplace. As the initiative matures, it will leverage increasing amounts of federal funding, private investment, industry partnerships, and licensing revenue to expand its impact while continuing to strengthen Texas' innovation economy and create high-wage jobs.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$14,000,000	$14,000,000	$14,000,000
OUT-YEAR GR ONLY COSTS FOR ITEM:			
1 General Revenue Fund	$14,000,000	$14,000,000	$14,000,000
TOTAL OUT-YEAR GR ONLY:	$14,000,000	$14,000,000	$14,000,000

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Texas Tech Enterprise Exchange (TTEX) CCAP
Item Priority: 4
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	8,718,456	8,718,456
	TOTAL, OBJECT OF EXPENSE	**$8,718,456**	**$8,718,456**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	8,718,456	8,718,456
	TOTAL, METHOD OF FINANCING	**$8,718,456**	**$8,718,456**

DESCRIPTION / JUSTIFICATION:

Texas produces world-class research in healthcare, engineering, agriculture, energy, artificial intelligence, and advanced manufacturing. Yet too many promising discoveries never reach the marketplace or are commercialized outside of Texas, limiting the state's ability to capture the full economic and workforce benefits of its research investments.
The Texas Tech University System requests Capital Construction Assistance Project (CCAP) funding to construct the Texas Tech Enterprise Exchange (TTEX), the headquarters of the Texas Innovation Commercialization Initiative (TICI). More than a traditional research facility, TTEX will serve as a statewide destination where researchers, entrepreneurs, investors, industry, and government partners collaborate to accelerate technology commercialization, startup formation, and economic growth.
This request has been calculated at 6% over a 20-year term.
TTEX will build upon the Texas Tech University System's expanding research enterprise, the Texas Tech Innovation Hub, and other strategic opportunities. By bringing commercialization resources together in one highly visible location, the facility will strengthen collaboration across the Texas Tech University System, attract private investment and federal partnerships, and help ensure that more discoveries made in Texas are developed, commercialized, and grown in Texas. As the headquarters of TICI, TTEX will serve as a long-term economic development asset that strengthens Texas' leadership in innovation, entrepreneurship, and technology commercialization.

EXTERNAL/INTERNAL FACTORS:

External:
Growing national competition for innovation investment
Federal emphasis on technology commercialization
Increasing private-sector demand for university partnerships
Texas leadership in advanced manufacturing, AI, energy, and defense
Internal:
Growth in TTUS research

Agency code: **768** Agency name: **Texas Tech University System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

NVIDIA partnership
Existing Innovation Hub
Launch of TICI
Multi-campus research enterprise
PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

On-going support of Capital Construction Assistance Projects (CCAP) bonds.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$8,718,456	$8,718,456	$8,718,456
OUT-YEAR GR ONLY COSTS FOR ITEM:			
1 General Revenue Fund	$8,718,456	$8,718,456	$8,718,456
TOTAL OUT-YEAR GR ONLY:	$8,718,456	$8,718,456	$8,718,456

Agency code: **768** Agency name: **Texas Tech University System Administration**

Code Description		Excp 2028	Excp 2029
Item Name:	Compliance and Business Development		
Allocation to Strategy:	1-1-11 System Office Operations		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	3,960,396	3,960,396
1002	OTHER PERSONNEL COSTS	39,604	39,604
TOTAL, OBJECT OF EXPENSE		**$4,000,000**	**$4,000,000**
METHOD OF FINANCING:			
1	General Revenue Fund	4,000,000	4,000,000
TOTAL, METHOD OF FINANCING		**$4,000,000**	**$4,000,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		33.0	33.0

Agency code: **768** Agency name: **Texas Tech University System Administration**

Code Description	Excp 2028	Excp 2029
Item Name: Enterprise Systems Modernization CCAP		
Allocation to Strategy: 3-5-1 Exceptional Item Request		
OBJECTS OF EXPENSE:		
2008 DEBT SERVICE	10,190,097	10,190,097
TOTAL, OBJECT OF EXPENSE	**$10,190,097**	**$10,190,097**
METHOD OF FINANCING:		
1 General Revenue Fund	10,190,097	10,190,097
TOTAL, METHOD OF FINANCING	**$10,190,097**	**$10,190,097**
FULL-TIME EQUIVALENT POSITIONS (FTE):	0.0	0.0

Agency code: **768** Agency name: **Texas Tech University System Administration**

Code	Description	Excp 2028	Excp 2029
Item Name:	Texas Innovation Commercialization Initiative		
Allocation to Strategy:	3-5-1 Exceptional Item Request		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	2,000,000	2,000,000
2003	CONSUMABLE SUPPLIES	200,000	200,000
2005	TRAVEL	300,000	300,000
2009	OTHER OPERATING EXPENSE	500,000	500,000
4000	GRANTS	11,000,000	11,000,000
TOTAL, OBJECT OF EXPENSE		**$14,000,000**	**$14,000,000**
METHOD OF FINANCING:			
1	General Revenue Fund	14,000,000	14,000,000
TOTAL, METHOD OF FINANCING		**$14,000,000**	**$14,000,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		12.0	12.0

Agency code: **768** Agency name: **Texas Tech University System Administration**

Code Description	Excp 2028	Excp 2029
Item Name: Texas Tech Enterprise Exchange (TTEX) CCAP		
Allocation to Strategy: 3-5-1 Exceptional Item Request		
OBJECTS OF EXPENSE:		
2008 DEBT SERVICE	8,718,456	8,718,456
TOTAL, OBJECT OF EXPENSE	**$8,718,456**	**$8,718,456**
METHOD OF FINANCING:		
1 General Revenue Fund	8,718,456	8,718,456
TOTAL, METHOD OF FINANCING	**$8,718,456**	**$8,718,456**
FULL-TIME EQUIVALENT POSITIONS (FTE):	0.0	0.0

Agency Code: **768** Agency name: **Texas Tech University 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**	**Excp 2028**	**Excp 2029**
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	3,960,396	3,960,396
1002	OTHER PERSONNEL COSTS	39,604	39,604
	Total, Objects of Expense	**$4,000,000**	**$4,000,000**
METHOD OF FINANCING:			
1	General Revenue Fund	4,000,000	4,000,000
	Total, Method of Finance	**$4,000,000**	**$4,000,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):		33.0	33.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Compliance and Business Development

Agency Code: **768** Agency name: **Texas Tech University 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	2,000,000	2,000,000
2003	CONSUMABLE SUPPLIES	200,000	200,000
2005	TRAVEL	300,000	300,000
2008	DEBT SERVICE	18,908,553	18,908,553
2009	OTHER OPERATING EXPENSE	500,000	500,000
4000	GRANTS	11,000,000	11,000,000
	Total, Objects of Expense	**$32,908,553**	**$32,908,553**
METHOD OF FINANCING:			
1	General Revenue Fund	32,908,553	32,908,553
	Total, Method of Finance	**$32,908,553**	**$32,908,553**
FULL-TIME EQUIVALENT POSITIONS (FTE):		12.0	12.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Enterprise Systems Modernization CCAP

Texas Innovation Commercialization Initiative

Texas Tech Enterprise Exchange (TTEX) CCAP

Agency Code: **768** Agency: **Texas Tech University System Administration**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal (FY 2024)	% Actual (HUB Expenditures FY 2024)	Diff (FY 2024)	Actual $ (FY 2024)	Total Expenditures FY 2024	% Goal (FY 2025)	% Actual (HUB Expenditures FY 2025)	Diff (FY 2025)	Actual $ (FY 2025)	Total Expenditures FY 2025
11.2%	Heavy Construction	1.4 %	0.0%	-1.4%	$0	$0	1.4 %	0.0%	-1.4%	$0	$0
21.1%	Building Construction	3.4 %	0.0%	-3.4%	$0	$0	3.4 %	0.0%	-3.4%	$0	$0
32.9%	Special Trade	5.5 %	0.1%	-5.4%	$232	$164,470	5.6 %	0.0%	-5.6%	$0	$132,064
23.7%	Professional Services	4.3 %	0.0%	-4.3%	$0	$258,207	4.3 %	0.0%	-4.3%	$0	$632,165
26.0%	Other Services	4.3 %	6.2%	1.9%	$637,759	$10,207,904	5.0 %	5.1%	0.0%	$753,709	$14,902,461
21.1%	Commodities	13.4 %	12.8%	-0.5%	$227,745	$1,775,329	35.6 %	35.6%	0.0%	$1,019,549	$2,865,478
	Total Expenditures		**7.0%**		**$865,736**	**$12,405,910**		**9.6%**		**$1,773,258**	**$18,532,168**

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

Texas Tech University System Administration (TTUSA) exceeded the statewide HUB procurement goals for Other Services in both FY2024 and FY2025. TTUSA also significantly exceeded the statewide HUB procurement goal for Commodities in FY2025, achieving 35.58% HUB participation compared to the 12.27% statewide goal. HUB participation in the remaining procurement categories was limited due to the nature and availability of applicable procurements.

Applicability:

TTUSA's primary procurement categories continue to be Other Services and Commodities, which represent the majority of the institution's annual expenditures.

Factors Affecting Attainment:

Many TTUSA procurements consist of internal operational needs, proprietary products, specialized professional services, or construction-related purchases where HUB vendor availability is limited, particularly in West Texas.

Procurement activity in Heavy Construction, Building Construction, and Special Trade Construction varies significantly from year to year based on project timing and delivery methods. TTUS will continue to require prime contractors on contracts of $100,000 or more to make a good faith effort to utilize HUB subcontractors, suppliers, and material providers through the HUB Subcontracting Plan (HSP) process.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

TTUSA continues to participate in the Texas Tech University Mentor-Protégé Program and supports outreach activities that encourage HUB vendor participation in procurement opportunities.

Agency Code: **768** Agency: **Texas Tech University System Administration**

HUB Program Staffing:

TTUSA utilizes the HUB Program staff at Texas Tech University and maintains a full-time employee dedicated to monitoring HUB Subcontracting Plan compliance and good faith efforts for construction contracts.

Current and Future Good-Faith Efforts:

Provides monthly HUB utilization reports to TTUS departments and purchasing personnel.
Participates in local and statewide HUB forums, workshops, and Small Business Development Center outreach events.
Assists businesses seeking HUB certification and provides guidance regarding the certification process.
Requires prime contractors to make a good faith effort to utilize HUB subcontractors on applicable contracts and provides assistance with HUB Subcontracting Plan requirements.
Continues to identify opportunities to increase HUB participation in procurements where qualified HUB vendors are available while maintaining compliance with state procurement requirements.
Note: During FY2026 the VetHUB program went into effect, changing some activities and requirements.

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	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)	1,299,600	1,299,600	2,599,200	100.00%	1,260,612	1,260,612	2,521,224	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	**1,299,600**	**1,299,600**	**2,599,200**	**100%**	**1,260,612**	**1,260,612**	**2,521,224**	**100%**
Appropriated Sources Outside The Bill Pattern								
State Appropriations (HEGI & State Paid Fringes)	1,707,625	1,795,593	3,503,218	100.00%	1,795,593	1,795,593	3,591,186	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	**1,707,625**	**1,795,593**	**3,503,218**	**100%**	**1,795,593**	**1,795,593**	**3,591,186**	**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	19,040,180	21,620,076	40,660,256	51.17%	21,620,076	21,620,076	43,240,152	51.23%
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%
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	18,219,318	20,580,232	38,799,550	48.83%	20,580,232	20,580,232	41,160,464	48.77%
Subtotal, Non-Appropriated Sources	**37,259,498**	**42,200,308**	**79,459,806**	**100%**	**42,200,308**	**42,200,308**	**84,400,616**	**100%**
Total Sources:	**40,266,723**	**45,295,501**	**85,562,224**	**100%**	**45,256,513**	**45,256,513**	**90,513,026**	**100%**

8. Summary of Requests for Facilities-Related Projects
90th Regular Session, Agency Submission

Agency Code: 768	Agency: Texas Tech University System Administration		Prepared by: TTUS Office of the Vice Chancellor and Chief Financial Officer												
Date: 08/07/2026			Amount Requested												
			Project Category												
Project ID #	Capital Expenditure Category	Project Description	New Construction	Health and Safety	Deferred Maintenance	Maintenance	2026-27 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
2	Construction of Buildings and Facilities	Texas Tech Enterprise Exchange (TTEX)	$ 100,000,000				$ 100,000,000		CCAP	Yes	No	N/A	$ 17,436,912	01	General Revenue

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		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		26	26	0	26	90
2a Employee and Children		24	24	0	24	30
3a Employee and Spouse		10	10	0	10	14
4a Employee and Family		20	20	0	20	38
5a Eligible, Opt Out		0	0	0	0	0
6a Eligible, Not Enrolled		0	0	0	0	0
Total for This Section		**80**	**80**	**0**	**80**	**172**
PART TIME ACTIVES						
1b Employee Only		0	0	0	0	0
2b Employee and Children		0	0	0	0	1
3b Employee and Spouse		0	0	0	0	0
4b Employee and Family		0	0	0	0	1
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**	**2**
Total Active Enrollment		**80**	**80**	**0**	**80**	**174**

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	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	26	26	0	26	90
2e Employee and Children	24	24	0	24	30
3e Employee and Spouse	10	10	0	10	14
4e Employee and Family	20	20	0	20	38
5e Eligble, Opt Out	0	0	0	0	0
6e Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	**80**	**80**	**0**	**80**	**172**

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	26	26	0	26	90
2f Employee and Children	24	24	0	24	31
3f Employee and Spouse	10	10	0	10	14
4f Employee and Family	20	20	0	20	39
5f Eligble, Opt Out	0	0	0	0	0
6f Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	**80**	**80**	**0**	**80**	**174**

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

Agency 768 Texas Tech University 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	$412,303	100.0000	$522,718	100.0000	$546,617	100.0000	$557,550	100.0000	$568,701
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	**$412,303**	100.0000	**$522,718**	100.0000	**$546,617**	100.0000	**$557,550**	100.0000	**$568,701**

Higher Education Schedule 5: Calculation of Retirement Proportionality and ORP Differential
90th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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Description	Act 2025	Act 2026	Bud 2027	Est 2028	Est 2029
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	5,325,695	5,450,607	5,699,819	5,813,816	5,930,092
Employer Contribution to TRS Retirement Programs	439,370	449,675	470,235	479,640	489,233
Gross Educational and General Payroll - Subject To ORP Retirement	410,368	252,078	263,603	268,875	274,253
Employer Contribution to ORP Retirement Programs	27,289	16,763	17,530	17,880	18,238
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	1.9000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	248,425	197,961	207,012	211,152	215,375
Total Differential	4,720	3,761	3,933	4,012	4,092

Agency code: **768** Agency name: **Texas Tech Univ 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	74.8	74.3	74.3	74.3	74.3
Subtotal, Directly Appropriated Funds	**74.8**	**74.3**	**74.3**	**74.3**	**74.3**
Non Appropriated Funds Employees	177.1	195.4	210.4	210.4	210.4
Subtotal, Other Funds & Non-Appropriated	**177.1**	**195.4**	**210.4**	**210.4**	**210.4**
GRAND TOTAL	**251.9**	**269.7**	**284.7**	**284.7**	**284.7**

Agency 768 Texas Tech University System Administration

Project Priority:	Project Code:	Capital Construction Assistance Projects Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	$ 75,000,000	$ 75,000,000	$ 1

Name of Proposed Facility:
Enterprise Systems Modernization

Project Type:
Information Technology

Location of Facility:
N/A

Type of Facility:
N/A

Project Start Date:
09/01/2027

Project Completion Date:
08/31/2034

Gross Square Feet:
0

Net Assignable Square Feet in Project
0

Project Description

The core administrative software systems managing Human Resources, Finance, and Student Information Systems (SIS) across the Texas Tech University System (TTUS) are 22 years old (Ellucian Banner 9) and rapidly reaching the end of vendor support. TTUS respectfully requests exceptional item funding for Phase 1 of a comprehensive Enterprise Systems Modernization to replace these obsolete legacy platforms.

Following consultation with industry experts (Gartner, Deloitte, Accenture), TTUS has developed a strategic roadmap to transition to modern, enterprise-grade cloud platforms. To responsibly manage the estimated $75 million total cost and internal resource constraints, this project will be executed sequentially over 7 years: HR (Years 1-3), Finance (Years 3-5), and SIS (Years 5-7). The debt service is calculated at 6% over 10 years.

Modernizing our ERP systems is essential to establish robust 24/7 cybersecurity, provide automated disaster recovery, and ensure continuity of operations.

Agency 768 Texas Tech University System Administration

Project Priority:	Project Code:	Capital Construction Assistance Projects Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
2	2	$ 100,000,000	$ 100,000,000	$ 1,000

Name of Proposed Facility:
Texas Tech Enterprise Exchange (TTEX)

Project Type:
New Construction

Location of Facility:
Lubbock, TX

Type of Facility:
E&G, Laboratory

Project Start Date:
01/01/2028

Project Completion Date:
01/30/2030

Gross Square Feet:
100,000

Net Assignable Square Feet in Project
70,000

Project Description

TTUS requests CCAP funding to construct the Texas Tech Enterprise Exchange (TTEX), headquarters of the Texas Innovation Commercialization Initiative (TICI). TTEX will serve as a premier hub for university innovation, technology commercialization, entrepreneurship, and industry collaboration. The facility will unite researchers, startups, investors, corporate partners, federal agencies, and economic development organizations to accelerate commercialization of university discoveries into Texas companies, high-wage jobs, and economic growth. Designed as both an innovation hub and statewide showcase, TTEX will feature collaborative research space, commercialization offices, demonstration labs, entrepreneur and corporate innovation suites, investor presentation facilities, and flexible meeting space supporting partnerships in advanced manufacturing, healthcare, artificial intelligence, energy, agriculture, and national security. This request has been calculated at 6% over a 20-year term.

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)

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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
1971	$35,000,000	Feb 1 1972	$5,000,000			
		Jun 1 1972	$12,500,000			
		Apr 1 1974	$16,000,000			
		Feb 1 1984	$1,500,000			
		Subtotal	$35,000,000	$0		
1993	$41,000,000	Jan 5 1994	$16,000,000			
		Feb 15 1995	$25,000,000			
		Subtotal	$41,000,000	$0		
1997	$92,360,000	Sep 1 1998	$9,860,000			
		Sep 19 1998	$20,000,000			
		May 4 1999	$38,200,000			
		Jan 1 2002	$24,300,000			
		Subtotal	$92,360,000	$0		
2001	$116,412,075	Jun 15 2002	$8,965,000			
		Sep 1 2003	$90,529,525			
		Oct 17 2012	$16,917,550			
		Subtotal	$116,412,075	$0		
2003	$45,000,000	Feb 1 2006	$45,000,000			
		Subtotal	$45,000,000	$0		
2006	$100,210,000	Jul 30 2007	$10,400,000			
		Mar 3 2009	$89,810,000			
		Subtotal	$100,210,000	$0		
2015	$305,515,000	Sep 15 2016	$58,400,000			
		Feb 22 2017	$247,115,000			
		Subtotal	$305,515,000	$0		
2022	$299,434,902	Jul 20 2023	$299,434,902			
		Subtotal	$299,434,902	$0		

Texas Innovation Commercialization Initiative (TICI)

(1) Year Non-Formula Support Item First Funded:	2028
Year Non-Formula Support Item Established:	2028
Original Appropriation:	$14,000,000

(2) Mission:

The Texas Innovation Commercialization Initiative (TICI) helps turn promising research discoveries into new Texas businesses, jobs, and economic growth by giving researchers and entrepreneurs the tools and support they need to bring new ideas to market. Headquartered at the Texas Tech Enterprise Exchange (TTEX), the initiative will provide direct faculty research support, proof-of-concept funding, business development assistance, industry partnerships, and entrepreneurial support to help move innovative technologies from university laboratories into real-world products and companies. Building on the Texas Tech Innovation Hub, growing research across Texas Tech University, TTUHSC, TTUHSCEP, and other strategic opportunities, TICI will strengthen Texas' innovation economy, attract private investment, create high-wage jobs, and help more Texas-born companies start, grow, and stay in Texas.

(3) (a) Major Accomplishments to Date:

Texas Tech University System (TTUS) has established a strong foundation for innovation and commercialization through the Texas Tech Innovation Hub, expanded research and technology development across the university system at component institutions and health science centers, strengthened technology transfer capabilities, and cultivated partnerships with industry, entrepreneurs, and investors. Recent strategic collaborations, such as the partnership with NVIDIA, demonstrate TTUS's growing ability to attract leading technology companies and advance innovation in areas such as artificial intelligence and high-performance computing. These investments and partnerships provide the foundation upon which the Texas Innovation Commercialization Initiative will build.

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

• Launch the Texas Innovation Commercialization Initiative and establish TTEX as its headquarters.
• Provide proof-of-concept funding and commercialization support for promising university discoveries.
• Help researchers and entrepreneurs launch new startup companies based on innovations discovered at institutions across the Texas Tech University System.
• Expand partnerships with private industry, investors, federal agencies, and economic development organizations.
• Develop new research, technology demonstration, and industry collaboration opportunities by strengthening partnerships in areas such as national security, advanced manufacturing, energy, healthcare, and emerging technologies.
• Increase technology licensing, startup formation, private investment, and commercialization activity across the Texas Tech University System.
• Position TTEX as a statewide destination for innovation, entrepreneurship, and industry collaboration.
• Leverage state investment to attract significant additional federal, private-sector, philanthropic, and venture capital funding, multiplying the economic impact of research and innovation done at the institutions of the Texas Tech University System.

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

None

(5) Formula Funding:
N/A

(6) Category:

Research Support

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

State funding will be used to leverage additional public and private investment. As the initiative grows, funding will also come from federal grants, industry-sponsored research, corporate partnerships, philanthropy, technology licensing revenue, facility lease revenue, sponsorships, and private investment supporting commercialization and startup development

(9) Impact of Not Funding:

Without this investment, many promising university discoveries will take longer to reach the marketplace—or may never be commercialized at all. Opportunities to create Texas companies, attract private investment, and generate high-wage jobs could be lost to other states with more mature innovation ecosystems. Funding this initiative will help ensure that more discoveries made across the Texas Tech University System are developed, commercialized, and grown in Texas.

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

Permanent
Innovation and commercialization require sustained investment to build partnerships, support entrepreneurs, attract private capital, and create long-term economic growth. Continued funding will allow the initiative to expand its impact while leveraging increasing amounts of federal funding, industry investment, philanthropy, licensing revenue, and private capital over time.

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

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

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Performance will be evaluated annually using measurable outcomes that demonstrate the initiative's impact on commercialization, startup formation, private investment, industry partnerships, technology licensing, job creation, and economic development. Program performance will be reviewed against established benchmarks and peer university commercialization programs to ensure accountability and continuous improvement. Types of outcomes measured include:
Number of invention disclosures supported
Number of proof-of-concept projects funded
Number of startup companies formed
Number of technologies licensed
Private investment attracted
External funding leveraged
Industry partnerships established
Jobs created through supported companies
Number of entrepreneurs and companies served