THE TEXAS A&M UNIVERSITY SYSTEM

FY 2026 *DRAFT*

PROGRAMMATIC

BUDGET & CAPITAL PLAN REVIEWS

JULY 28–29, 2025

Updated 7/14/2025

THE TEXAS A&M UNIVERSITY SYSTEM
BOARD OF REGENTS

JOINT MEETING OF THE COMMITTEE ON FINANCE AND
THE COMMITTEE ON BUILDINGS AND PHYSICAL PLANT

FY 2026 PROGRAMMATIC BUDGET REVIEWS

MONDAY, JULY 28 AND TUESDAY, JULY 29, 2025
THOMAS G. HILDEBRAND EQUINE COMPLEX, TEXAS A&M UNIVERSITY, COLLEGE STATION, TEXAS

DAY 1 AGENDA – JULY 28, 2025 | PROPOSED OPERATING BUDGET

8:00 a.m.	**A&M System Overview** • Chancellor Glenn Hegar – Opening Remarks • Mr. Joseph Duron – Budget Overview
8:30 a.m.	**East Texas A&M University**
8:50 a.m.	**West Texas A&M University**
9:10 a.m.	**Texas A&M University – Corpus Christi**
9:30 a.m.	**Tarleton State University**
9:50 a.m.	**Texas A&M University – San Antonio**
10:10 a.m.	**Break (10 minutes)**
10:20 a.m.	**Texas A&M University – Kingsville**
10:40 a.m.	**Texas A&M International University**
11:00 a.m.	**Texas A&M University – Texarkana**
11:20 a.m.	**Texas A&M University – Central Texas**
11:40 a.m.	**Texas A&M University – Victoria**
12:00 p.m.	**Lunch (1 hour)**
1:00 p.m.	**Prairie View A&M University**
1:20 p.m.	**Texas A&M University** **Texas A&M University at Galveston** **Texas A&M Health Science Center**
2:20 p.m.	**Texas Division of Emergency Management**
2:40 p.m.	**Break (10 minutes)**
2:50 p.m.	**Agriculture Agencies** **Texas A&M AgriLife Research** **Texas A&M AgriLife Extension Service** **Texas A&M Forest Service** **Texas A&M Veterinary Medical Diagnostic Laboratory**
4:10 p.m.	**Engineering Agencies** **Texas A&M Transportation Institute** **Texas A&M Engineering Experiment Station** **Texas A&M Engineering Extension Service**
~5:10 p.m.	**Recess**

**Presentations are scheduled consecutively but may be reordered or start earlier or later depending on discussion lengths.*

THE TEXAS A&M UNIVERSITY SYSTEM
BOARD OF REGENTS

JOINT MEETING OF THE COMMITTEE ON FINANCE AND
THE COMMITTEE ON BUILDINGS AND PHYSICAL PLANT

FY 2026 PROGRAMMATIC BUDGET REVIEWS

MONDAY, JULY 28 AND TUESDAY, JULY 29, 2025
THOMAS G. HILDEBRAND EQUINE COMPLEX, TEXAS A&M UNIVERSITY, COLLEGE STATION, TEXAS

DAY 2 AGENDA – JULY 29, 2025 | CAPITAL PLAN & DEFERRED MAINTENANCE

8:00 a.m.	**A&M System Overview** • Ms. Maria Robinson – A&M System Capital Plan Overview, and System Office & RELLIS Campus Capital Plan • Mr. Joseph Duron – Deferred Maintenance Overview
8:30 a.m.	**East Texas A&M University**
8:45 a.m.	**West Texas A&M University**
9:00 a.m.	**Texas A&M University – Corpus Christi**
9:15 a.m.	**Tarleton State University**
9:30 a.m.	**Texas A&M University – San Antonio**
9:45 a.m.	**Texas A&M University – Kingsville**
10:00 a.m.	**Texas A&M International University**
10:15 a.m.	**Break (10 minutes)**
10:25 a.m.	**Texas A&M University – Texarkana**
10:40 a.m.	**Texas A&M University – Central Texas**
10:55 a.m.	**Texas A&M University – Victoria**
11:10 a.m.	**Prairie View A&M University**
11:25 a.m.	**Texas A&M University** **Texas A&M University at Galveston** **Texas A&M Health Science Center**
12:25 p.m.	**Lunch (45 minutes)**
1:10 p.m.	**Texas Division of Emergency Management**
1:25 p.m.	**Agriculture Agencies** **Texas A&M AgriLife Research** **Texas A&M AgriLife Extension Service** **Texas A&M Forest Service** **Texas A&M Veterinary Medical Diagnostic Laboratory**
2:05 p.m.	**Engineering Agencies** **Texas A&M Transportation Institute** **Texas A&M Engineering Experiment Station** **Texas A&M Engineering Extension Service**
~2:35 p.m.	**Adjourn**

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THE TEXAS A&M UNIVERSITY SYSTEM

FY 2026
Programmatic Budget Reviews
TAMUS Overview

July 28th & 29th , 2025

THE TEXAS A&M UNIVERSITY SYSTEM

Items to be Covered

1. Agenda Items
2. TAMUS FY 2026 Proposed Budget
3. System Office FY 2026 Proposed Budget
    - Including Shared Services
4. Reminders

THE TEXAS A&M UNIVERSITY SYSTEM

Agenda Items

Finance Committee

1. FY 2026 Operating Budget
2. FY 2026 Service Departments
3. Affordability Commitment

Buildings & Physical Plant Committee

3. FY 2026 – 2030 Capital Plan
4. Construction Approval
   - TAMU – Aplin Center
   - TAMUG – Dock improvements & New Ship

THE TEXAS A&M UNIVERSITY SYSTEM

FY 2026
Proposed Budget

THE TEXAS A&M UNIVERSITY SYSTEM

FY 2026 Proposed Revenue Budget

	FY 2025	FY 2026		Budget Variance	
	Budget	Budget	% of Budget	Dollar	%
REVENUES (in Thousands)					
State Appropriations	$ 1,654,748	$ 2,656,121	31%	$ 1,001,373	61%
Federal Appropriations	889,915	596,712	7%	(293,203)	-33%
Higher Education Fund	49,881	73,408	1%	23,527	47%
Available University Fund	541,655	763,245	9%	221,590	41%
Tuition and Fees	1,851,217	1,950,851	23%	99,634	5%
Contracts and Grants	1,140,271	1,221,723	14%	81,452	7%
Student Financial Assistance	382,973	410,954	5%	27,981	7%
Gifts	211,423	213,198	2%	1,775	1%
Sales and Services	787,154	879,227	10%	92,073	12%
Investment Income	184,493	233,858	3%	49,364	27%
Other Income	63,090	69,898	1%	6,808	11%
Discounts (accounting elimination entry)	(451,466)	(502,925)	-6%	(51,459)	11%
TOTAL REVENUES	**$ 7,305,354**	**$ 8,566,270**	**100%**	**$ 1,260,916**	**17%**

THE TEXAS A&M UNIVERSITY SYSTEM

FY 2026 Proposed Expense Budget

	FY 2025	FY 2026		Budget Variance	
	Budget	Budget	% of Budget	Dollar	%
EXPENSES (in Thousands)					
Salaries - Faculty	$ 1,056,486	$ 1,105,486	14%	$ 49,000	5%
Salaries - Non-Faculty	1,441,680	1,549,482	19%	107,803	7%
Wages	176,476	168,477	2%	(7,999)	-5%
Benefits	735,820	813,066	10%	77,246	10%
Personnel Costs	**$ 3,410,462**	**$ 3,636,511**	**45%**	**$ 226,049**	**7%**
Utilities	142,369	150,580	2%	8,210	6%
Scholarships	722,352	805,975	10%	83,623	12%
Equipment	141,825	492,432	6%	350,608	247%
Operations and Maintenance	2,718,980	2,864,626	35%	145,645	5%
Debt Service	660,331	659,190	8%	(1,142)	0%
Discounts (accounting elimination entry)	(451,466)	(502,925)	-6%	(51,459)	11%
TOTAL EXPENSES	**$ 7,344,853**	**$ 8,106,389**	**100%**	**$ 761,536**	**10%**

THE TEXAS A&M UNIVERSITY SYSTEM

System Offices
Proposed
FY 2026 Operating Budget

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System Offices
FY 2026 Operating Budget

Department	FTE Count	Expense Budget
Academic Affairs	13.80	$ 3,559,745
Aircraft Operations	7.00	4,691,785
Benefit Administration	15.00	1,908,912
Board of Regents	7.50	2,449,371
Budgets & Accounting	22.49	4,870,767
Business Affairs (including Real Estate & Land Mgmt Office)	14.00	3,355,732
Chancellor Office Operations	7.50	3,339,428
Chief Information Officer & Information Technology	36.80	6,787,413
Chief Research Officer	5.80	2,153,547
Environmental Safety & Security	5.00	810,264
Ethics & Compliance	9.00	1,568,124
Executive Vice Chancellor	2.00	897,500
Facilities Planning & Construction	52.00	15,988,884
Fort Worth Campus	8.00	2,164,268
General Counsel	37.85	6,992,695
Governmental Relations (State & Federal)	14.95	5,339,015
Health & Innovation	1.50	627,957
HUB & Procurement Services	5.00	843,795

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System Offices
FY 2026 Operating Budget

Department	FTE Count	Expense Budget
Human Resources	6.00	1,102,545
Internal Audit	31.00	5,304,185
Marketing & Communications	14.16	2,725,200
Risk Management Office	11.75	1,809,834
Texas A&M Semiconductor Institute	6.25	8,800,000
Treasury Services	11.48	3,067,696
Vice Chancellor & Chief Financial Officer	1.00	672,500
Vice Chancellor & Chief Strategy Officer	1.00	570,500
Moore/Connally Building Operations	1.50	618,626
Other - Employee Retention		1,803,000
Other - System Office Assessments		2,199,925
Other - Infrastructure Costs		1,027,559
Other - Retiree Health Insurance		2,500,000
Other - Misc.		964,236
TOTALS	**349.33**	**$101,515,008**

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System Offices
FY 2026 Operating Budget

By Expense Category	Amt.	% of Total
Personnel Costs (Salaries & Benefits)	$70,794,776	69.7%
Other Operating:		
TSI (Fees/Services/Equipment)	7,032,875	6.9%
FP&C Project Mgmt. Services	6,570,075	6.5%
Retiree Health Insurance	2,500,000	2.5%
System Office Assessments	2,199,925	2.2%
Aircraft Operations (fuel, M&R, etc.)	2,735,000	2.7%
Infrastructure costs (utilities, M&R, etc.)	1,382,559	1.4%
Austin/DC Lease Space	957,600	0.9%
All Other	7,342,198	7.2%
Total	**$101,515,008**	**100%**

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System Offices
FY 2026 Operating Budget

Method of Finance	Amt.	% of Total
General Revenue - Operating	$8,800,000	8.7%
Available University Fund	44,090,501	43.4%
Member Assessments	35,215,095	34.7%
Special Mineral Fund	9,705,900	9.5%
Investment Earnings	3,510,512	3.5%
A&M Development Foundation	193,000	0.2%
Total	**$101,515,008**	**100%**

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System Offices
FY 2026 System-wide Programs

Program		Expense Budget
Need Based Scholarship Support	$	731,526
Targeted College Visit Program (New)		1,000,000
Victoria Transition Support (New)		12,500,000
Bush Combat Development Center (New $59.8M appro.)		42,195,000
Easterwood Airport Runway Improvements (New)		25,000,000
Member Assessment Supplement		14,000,000
Regent Grants		5,000,000
Regent Scholarships		10,000,000
Health & Dental Program		571,086,579
Property Insurance Program		42,059,306
Worker's Compensation Insurance Program		2,200,000
Estimated Contract & Grant Activity		5,056,491
Debt Service		648,695,756
TOTAL		**$ 1,379,524,658**

THE TEXAS A&M UNIVERSITY SYSTEM

System Offices
Proposed
FY 2026 Shared Services
Operating Budget

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System
FY 2026 Shared Service Operations

Department/Service	FTE Count	Expense Budget
Academic Affairs (Contracts & Grants)	4.50	$1,117,000
Bush Combat Development Complex	21.43	6,409,939
Contracts & Grants	50.16	13,140,000
		19,549,939
Nuclear Security Office (NLAB & Pantex)	6.73	4,585,360
Contracts & Grants	31.01	5,470,000
		10,055,360
Center for Applied Communication & Networks (ITEC)	1.00	423,770
Contracts & Grants	7.00	460,000
		883,770
RELLIS Academic Alliance	17.05	2,922,110
RELLIS Administration	26.03	5,123,784
Assessed Network as a Service		1,648,730
Contracts & Grants		7,000
		6,779,514

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System
FY 2026 Shared Service Operations

Department/Service	FTE Count	Expense Budget
Research Security Office	19.53	3,500,000
Research & Innovation Security & Comprehensive Institute (RISC)	1.48	391,240
Contracts & Grants	0.63	200,000
		591,240
Security Operations Center	22.00	4,500,000
Research Services (Admin, Compliance, Development)	10.51	1,809,260
Contracts & Grants	0.73	96,700
		1,905,960
Technology Innovation (Operations)	37.45	6,205,360
Mbr Royalty payment to inventor (37.5%) & CDF (5%)/Patent/Legal Exp.		11,528,610
Contracts & Grants		35,300
		17,769,270
Information Technology	49.77	7,287,700
IT Assess Software		8,497,211
		15,784,911
RELLIS Campus Infrastructure Costs		11,505,125
Retiree Health Insurance		110,000
TOTAL	**307.01**	**$96,974,199**

THE TEXAS A&M UNIVERSITY SYSTEM

A&M System
FY 2026 Shared Service Operations

Method of Finance		Amt.	% of Total
Service Assessments	$	28,093,786	29.0%
Contracts & Grants		20,526,000	21.2%
Royalties		13,733,970	14.2%
Service Fees		10,858,848	11.2%
Indirect Cost Recoveries (IDC)		4,027,220	4.2%
Tuition and Fees (RELLIS AA)		1,627,600	1.7%
SO Supplement - Operational Shortfalls		7,547,790	7.8%
SO Supplement - Strategic/Planned		6,670,855	6.9%
SO Supplements - Infrastructure		3,888,130	4.0%
Total	**$**	**96,974,199**	**100%**

THE TEXAS A&M UNIVERSITY SYSTEM

Upcoming Reminders

August 2025

FY 2026 Budget Approval
FY 2026 Capital Plan
FY 2025 Budget (thru July)

November 2025

Possible T&F Recommendations for Fall 2026
(non-academic mandatory fees)

February 2026 Board Meeting:

FY 2026 Budget Update
Investment Update

April/May 2026 *(Date TBD)*

FY 2027 Programmatic Budget Reviews
FY 2027 Budget Approval
FY 2027 Capital Plan

QUESTIONS

Capital Plan Summary

July 29, 2025

Capital Plan Summary

	Proposed FY26-30	Prior Year FY25-29
Previously Approved Projects	$4,647,806,756	$3,833,579,375
Proposed Projects	$1,925,522,830	$1,278,848,376
Total Capital Plan	$6,573,329,586	$5,112,427,751
Funding Sources for Proposed Projects:		
RFS	$ 794,749,590	$ 449,481,470
PUF	$ 432,426,000	$ 212,162,000
Other	$ 698,347,240	$ 617,204,906
Total Proposed Projects	$1,925,522,830	$1,278,848,376

FY 2026 Proposed Projects

System Member	Project Name	Total Planning Amount
Texas A&M University	Academic Building Exterior Restoration (Addition)	$20,200,000
Texas A&M University	Biology Teaching and Research Building	$220,000,000
Texas A&M University	Discovery Drive Parking Garage	$103,860,000
Texas A&M University	Fowler, Hughes & Schuhmacher Halls Plumbing Riser Replacement	$10,700,000
Texas A&M University	Penberthy Turf Replacement	$5,300,000
Texas A&M University	Center for Learning Arts and Innovation	$235,000,000
Texas A&M University at Galveston	Infrastructure, Dock Improvements and Ship FF&E – Ph II (Addition)*	$5,000,000
Texas A&M University at Galveston	Sea Turtle Rehabilitation Hospital & Educational Outreach Center (Addition)	$4,000,000
Texas A&M Health Science Center	Medical Sciences Library – Level 1 Renovations	$11,600,000
Tarleton State University	Innovation Lab	$48,000,000
Tarleton State University	Parking Garage – Golf Entertainment Suite Build-Out	$1,000,000
Tarleton State University	Parking Lot Improvements 2025	$3,000,000

* Improvements are contingent on receipt of federal funding.

FY 2026 Proposed Projects

System Member	Project Name	Total Planning Amount
West Texas A&M University	Multipurpose Tornado Safe Building and Shelter*	$13,993,875
Texas A&M University – Texarkana	Storm Shelter/Safe Room*	$16,397,752
East Texas A&M University	Renovate One-Stop – University Police Dept. Building	$9,500,000
Texas A&M University – San Antonio	IT Infrastructure Refresh Equipment (Addition)	$6,000,000
Texas A&M University – Victoria	Building Renovations and Campus Infrastructure**	$9,245,203
Texas A&M AgriLife Research	Rio Grande Valley Research Center at McAllen	$53,500,000
System Offices	Financial Management System (Additional Enhancements)	$15,000,000
System Offices	Law & Education Building (Addition)	$24,000,000
RELLIS	Campus Sewer Improvements	$12,126,000
RELLIS	Control Tower Rehabilitation	$1,300,000
RELLIS	RELLIS Hangars (#8-9) and Restrooms	$1,900,000
	Total FY2026 Proposed Projects	**$830,622,830**

* The Safe Room project will not move forward until FEMA requirements are met, POR is complete and funding is finalized.

** University of Houston System has issued bonds for these projects under their Combined Revenue Financing Program. This is multiple projects funded by prior UHV CCAP authorization.

FY 2026 System Offices Capital Plan

Approved:	Total Planning Amount ($M)	Funding Source: PUF Debt Proceeds	Funding Source: RFS Debt Proceeds	Funding Source: Other	Current Status	Gross Square Footage (K)
STEM Education Center at RELLIS	$43.4		$43.4		Construction	53
Avenue D South Extension & Utility Upgrades	$13.5	$13.0		$0.5	Design	-
Financial Management System	$40.0	$37.5		$2.5	In Progress	-
Law & Education Building	$203.5	$203.5			Construction	240
Texas A&M Semiconductor Institute/Infrastructure/ Equipment	$189.0	$32.6		$156.4	Design	82,046
Bush Combat Development Center – ALIAS Texas Hangar*	$9.2			$9.2	POR	26,000
Easterwood Airport Runway Improvements*	$25.0			$25.0	POR	-

* Project will not move forward until POR is complete and funding is finalized.

FY 2026 System Offices Capital Plan

Proposed:	Total Planning Amount ($M)	Funding Source: PUF Debt Proceeds	Funding Source: RFS Debt Proceeds	Funding Source: Other	Current Status	Gross Square Footage (K)
Campus Sewer Improvements	$12.1	$12.1			POR	-
Control Tower Rehabilitation	$1.3	$1.3			Design	-
RELLIS Hangars (#8-9) and Restroom	$1.9	$1.9			Design	7
Financial Management System (Additional Enhancements)	$15.0	$15.0			In Progress	-
Law & Education Building (Addition)	$24.0	$24.0			Construction	240

EAST TEXAS A&M UNIVERSITY

BUDGET NARRATIVE

Introduction:

East Texas A&M University is the third-largest university in the A&M System, with a certified enrollment of 12,741 students in Fall 2024. We are committed to transforming lives with a focus on career preparation, providing our graduates with the skills they need to thrive in their careers. Our FY 2026 budget adopts a level enrollment assumption, with priorities on student preparedness, quality instruction, research opportunities, continued customer service, and ongoing campus improvements. Additionally, we have expanded our Dallas site, proposing new graduate-level competency-based education programs; faculty and staff performance-based retention plans; and faculty market adjustments. The FY 2026 Employee Retention Plan is a performance-based merit pool of 3%, contingent upon fall enrollment, with each division reallocating funding for merit and faculty market adjustments. Our proposed FY 2026 revenue budget is $221 million; a $5.1 million increase (2%) compared to FY 2025. The 89th Legislative Session provided us with increases in our Higher Education Fund, Comprehensive Research Fund, and Higher Education Group Insurance coverage over the biennium.

Revenues:

Total revenues budget is an increase of $5.1 million (2%) compared to FY 2025:

- **State Appropriations** reflect an increase of $1.68 million (2%) due to the increase in Higher Education Group Insurance and other anticipated state-paid benefits, as well as the Comprehensive Research Fund – offset by the decrease in formula funding. Our C-CAP Revenue Bonds have decreased due to the retirement of debt for our Science Building. (C-CAP Revenue Bonds continue to fund debt service supporting the Agricultural Multipurpose Education & Training Center, Music Building, and Nursing & Health Sciences Building.)
- **Higher Education Fund** shows an increase of $1.35 million (12%) due to new amounts in House Bill 42.
- **Tuition and Fees** show a decrease of $2M (2%). This is attributed to the growth in our Competency-Based Education (CBE) programs. These CBE students are charged a short course fee instead of tuition and fees which translates to Sales and Services. Tuition and fee rates will not increase in FY 2026.
- **Contracts and Grants** are conservatively budgeted to remain unchanged from the FY 2025 budget.
- **Student Financial Assistance** is reduced by $153,000 (1%) compared to the FY 2025 budget to anticipate the decision on Pell and unsubsidized loans.
- **Gifts** remain flat compared to FY 2025.

BUDGET NARRATIVE CONTINUED

- **Sales and Services** are budgeted to increase by $3.5 million (15%), driven by growing demand for on-campus housing and the growth of our Competency-Based education programs.
- **Investment Income** is conservatively increased by $165,000 due to ongoing market uncertainty.
- **Other Operating Income** is decreasing slightly by $79,000 (5%) and is also conservatively budgeted due to the variation of athletic game guarantees.
- **Discounts and Exemptions** are conservatively budgeted showing a decrease of $735,000 (3%), related to Student Financial Assistance.

Expenses:

The total operating budget reflects an increase of $5.2 million (2%) for the FY 2026 budget compared to the FY 2025 budget. The increase includes personnel costs, utilities, equipment, and operations and maintenance.

- **Personnel Costs** $115 million budget reflects an increase of $3.7 million (3%):
  - Faculty and Staff Salaries: Increase of $1.6 million (2%)
    - Performance-based salary increase of 3% for faculty and staff (3% included in the budget): $2.1 million
      - Contingent on Fall 2025 enrollment
      - Includes reallocation of funds
    - Faculty promotions: $150,000
    - Faculty market adjustments: $500,000
    - Staff promotions: $50,000
    - Staff market adjustments: $100,000
  - Benefits: Increase of $2.1 million (8%) to cover anticipated increase in group insurance premiums and increase in the Higher Education Group Insurance allocation.
- **Utilities:** The budget is increasing by $71,000 (1%) due to an increase in energy rates.
- **Scholarships:** The scholarship budget of $46.7 million reflects a slight decrease of $12,000. Discounts are adjusted to reflect the change in the student population mix.

BUDGET NARRATIVE CONTINUED

- **Equipment:** The budget is increased by $202,000 (4%) due to rising technology costs.
- **Operations & Maintenance:** The budget is $50.8 million, an increase of $2 million (4%) from FY 2025, primarily due to marketing, facility maintenance and athletics.
- **Debt Service**
  - **RFS Debt Service Transfers**: $20.7 million, a decrease of $1.5 million (7%) due to the net impact of retiring debt service on the Science Building and Recreation Center, and the increase in the Event Center Budget.

The operating budget also includes the following initiatives which impact the variances of the categories above:

- **Institutional Goals**
  - *Ensure Student Preparedness*
    - FY 2026 scholarship budget: $20 million (net of discounts)
    - Student Success Initiatives: $2.3 million
      - Money Matters Center: $377,000
      - Centralized Academic Advising: $2 million
    - Faculty Retention Plan: 3%, $2.1 million (Includes faculty promotions and market adjustments)
  - *Elevate Research*
    - Research Support Initiative: $500,000
  - *Create a Welcoming Community*
    - Campus improvements and facilities maintenance: $3.5 million
  - *Modernize University Operations and Business Practices*
    - Improve Customer Service: $226,000 to add 2 Cashiers and 2 IT Help Desk employees to assist students
    - Staff Retention Plan: 3%, $1.3 million (Includes staff promotions and market adjustments)

BUDGET NARRATIVE CONTINUED

Transfers:

- Other Transfers are attributed primarily to $3 million of HEF funds set aside for deferred maintenance and $400,000 for anticipated property purchases.

Reserves:

- FY 2024 Reserves ended at $62 million or 4.1 months
- FY 2025 Projection Reserve is $62 million
- FY 2026 Projection Reserves are expected to remain flat

Capital Plan:

- Approved Projects:
  - Agricultural Multipurpose Education & Testing Center, $48.5 million
  - New Event Center/Arena, $76.5 million
  - Morris Recreation Center Expansion, $17.5 million
  - Student Dining Facility, $7.4 million
- Proposed Projects:
  - Renovate and Re-Purpose Binnion Hall (2025), $24.8 million
  - Renovate One-Stop / University Police Department building (2026), $9.5 million (FP&C will manage)

EAST TEXAS A&M UNIVERSITY

Programmatic Budget Review FY 2026

Mark Rudin, President

July 28th, 2025

EAST TEXAS A&M UNIVERSITY

We Transform Lives

EAST TEXAS A&M UNIVERSITY

Selected Points of Distinction

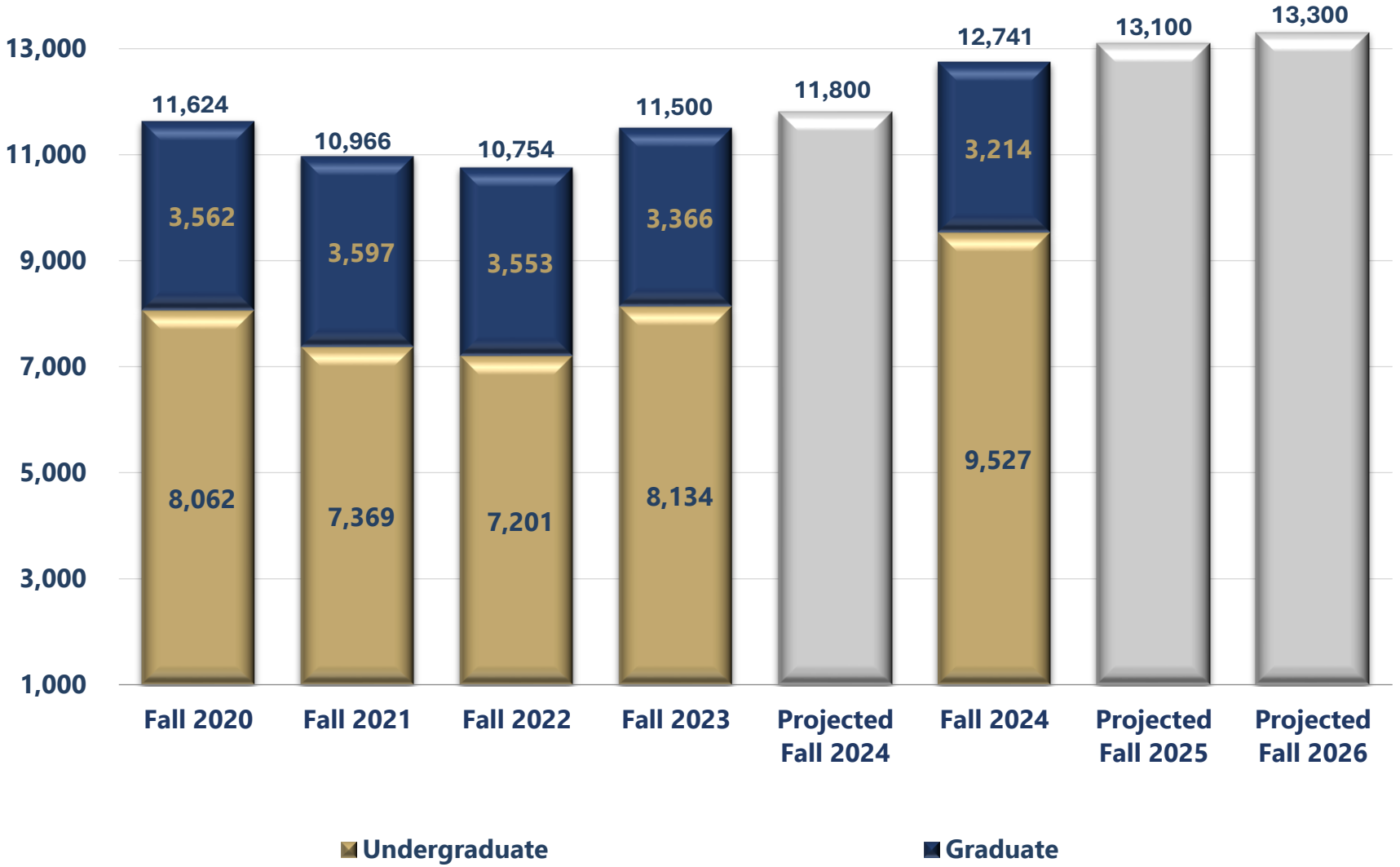
- Successfully navigated a name change of our university from Texas A&M University-Commerce to East Texas A&M University
- Re-envisioned student success to a centralized model, consisting of academic advisors, life coaches, career navigators, and money coaches, located all in one place
- Increased the university's enrollment by 18% from Fall 2022-Fall 2024 through a series of student recruitment and retention initiatives
- Received High Research Activity (R2) designation from the Carnegie Classification of Institutions of Higher Education
- Ranked in the top 100 in the nation for social mobility by U.S. News and World Report
- ETAMU has satisfied all requirements for full NCAA Division I membership status for all men's and women's sports

EAST TEXAS A&M UNIVERSITY

Academic Metrics

EAST TEXAS A&M UNIVERSITY

5-Year Enrollment Trend



Source: Texas Higher Education Coordinating Board – Accountability System

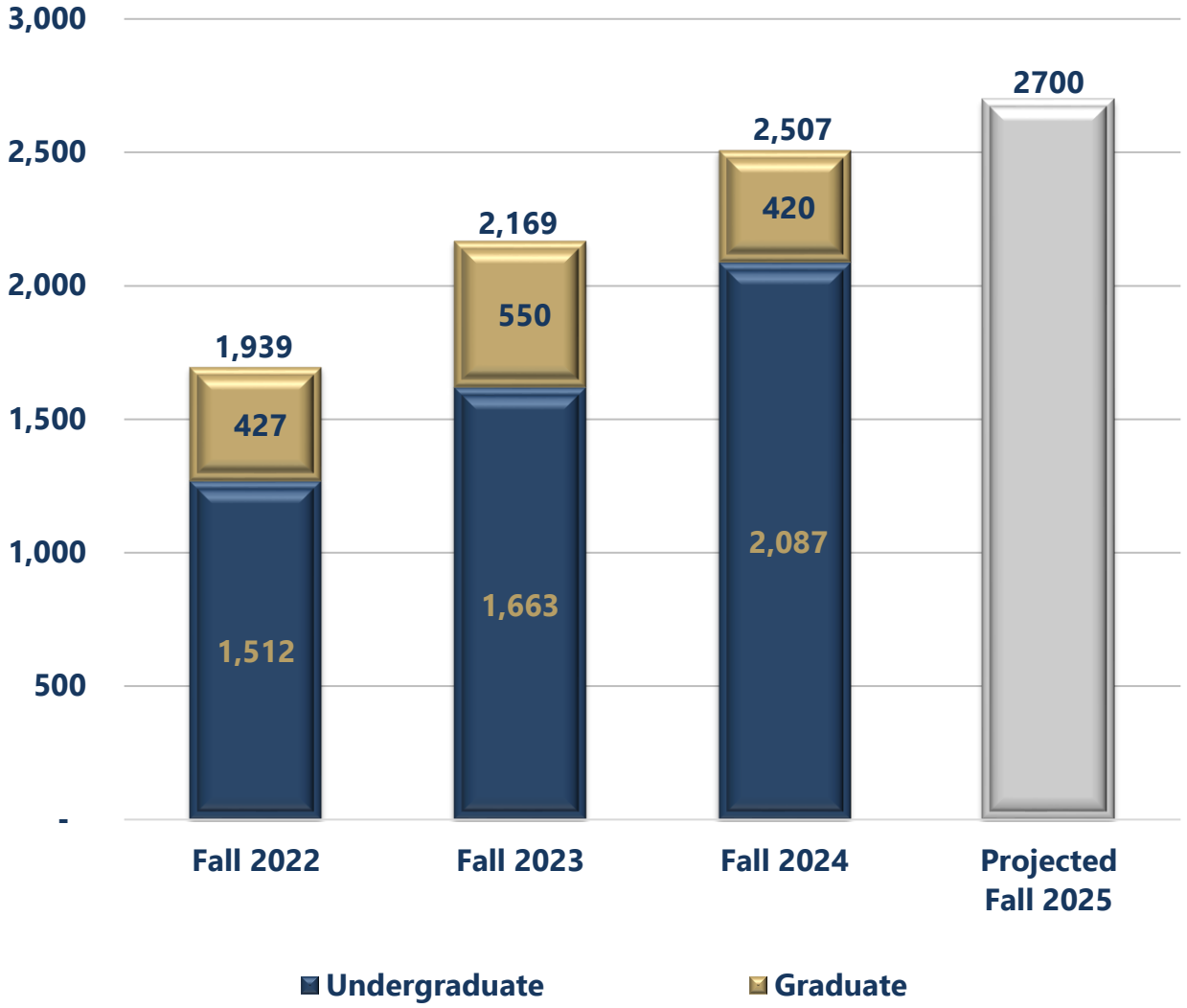
EAST TEXAS A&M UNIVERSITY

Enrollment at Dallas Metroplex Sites



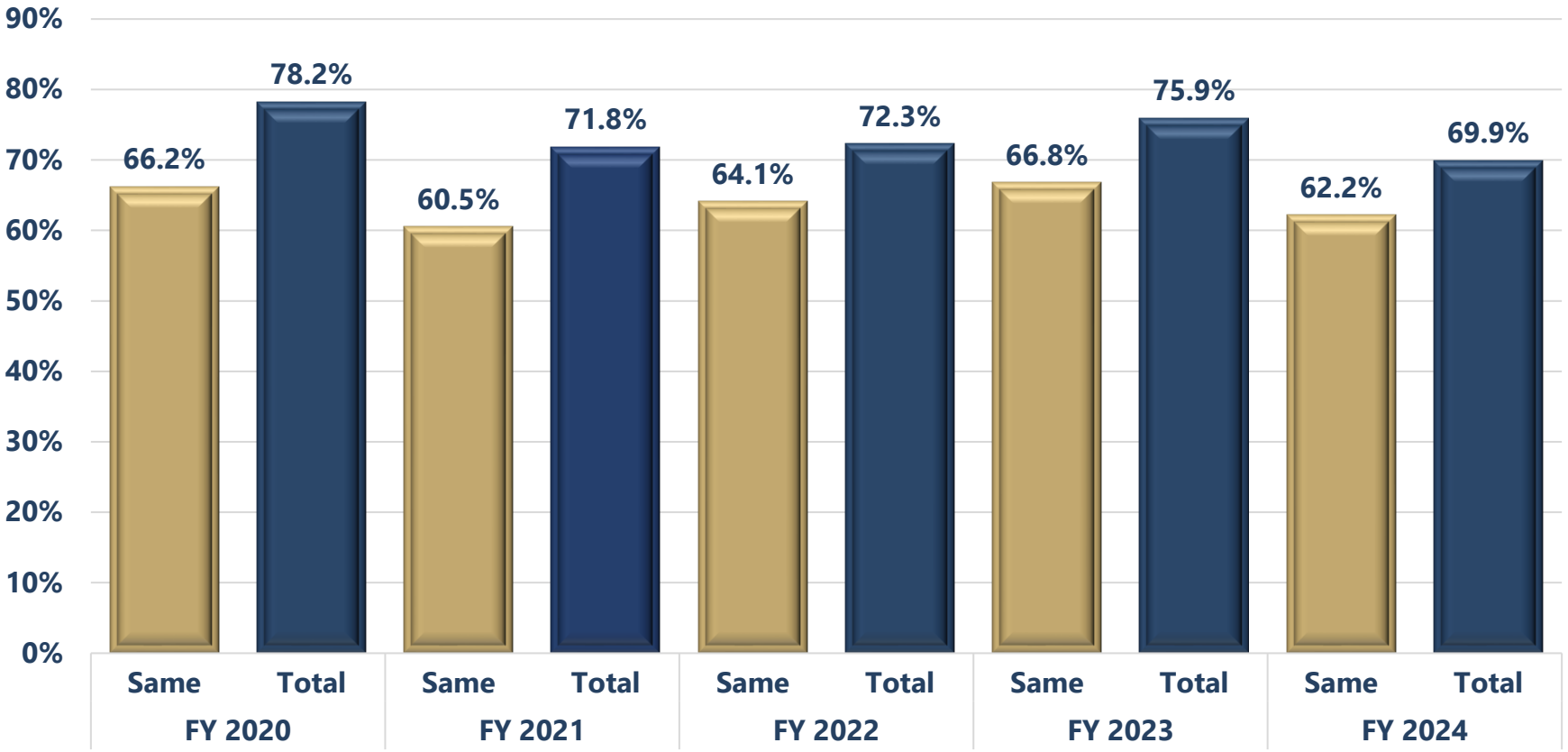
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Dallas Site Enrollment



EAST TEXAS A&M UNIVERSITY

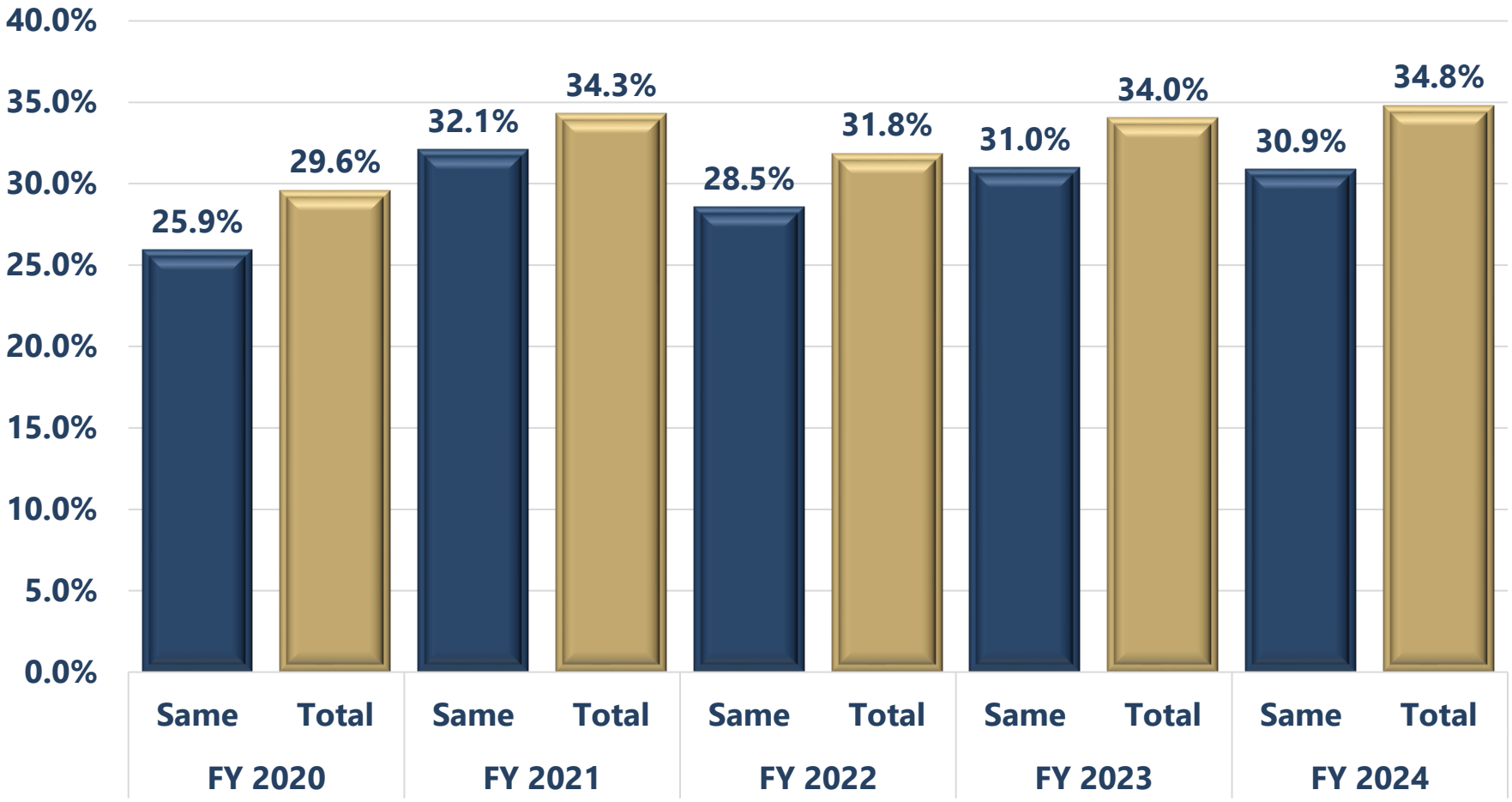
1-Year Persistence Rates



Source: THECB Accountability System, Interactive, Persistence Rates and Institutional Research

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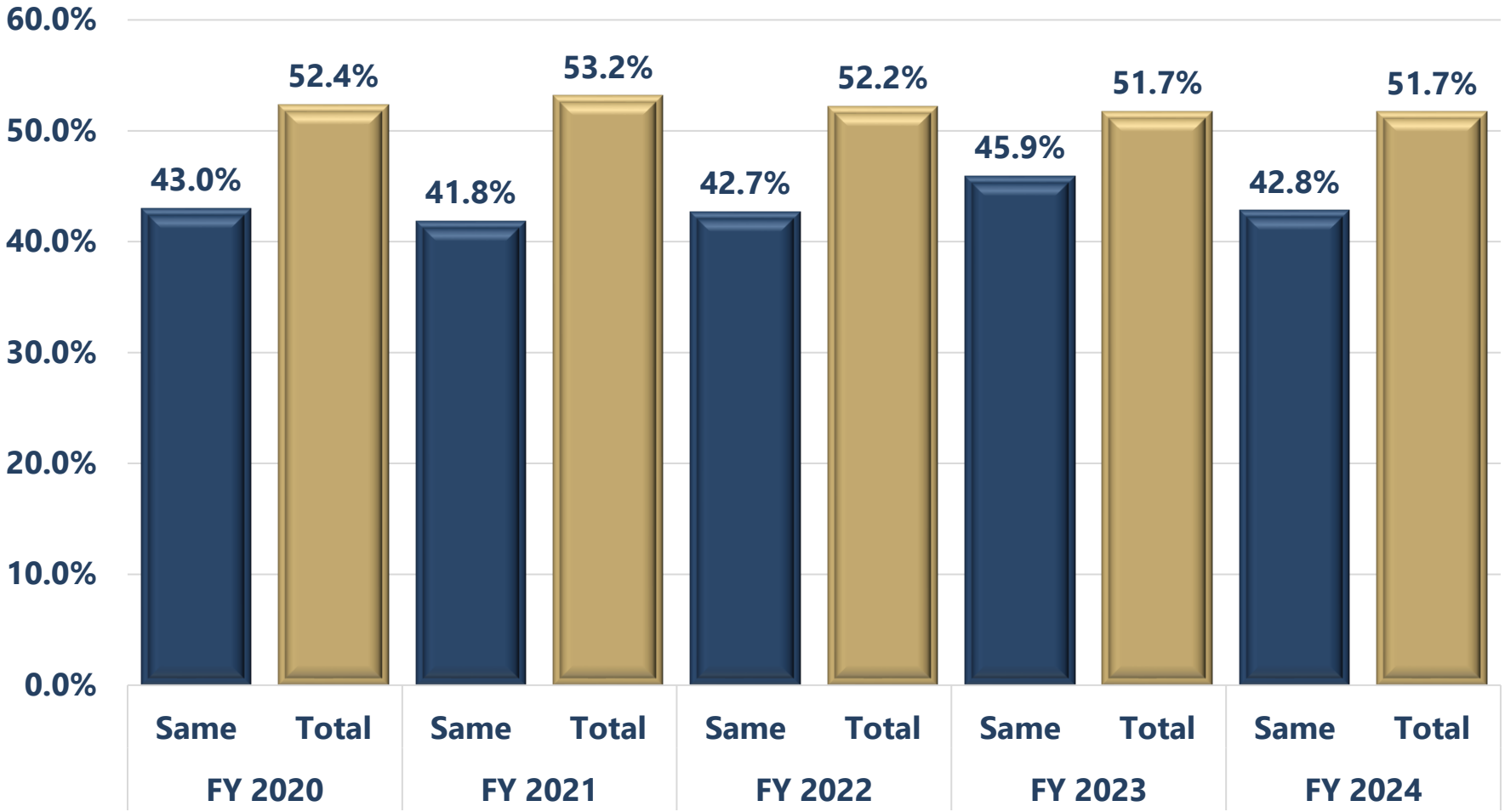
4-Year Graduation Rates



Source: THECB Accountability System, Interactive, Graduation Rates

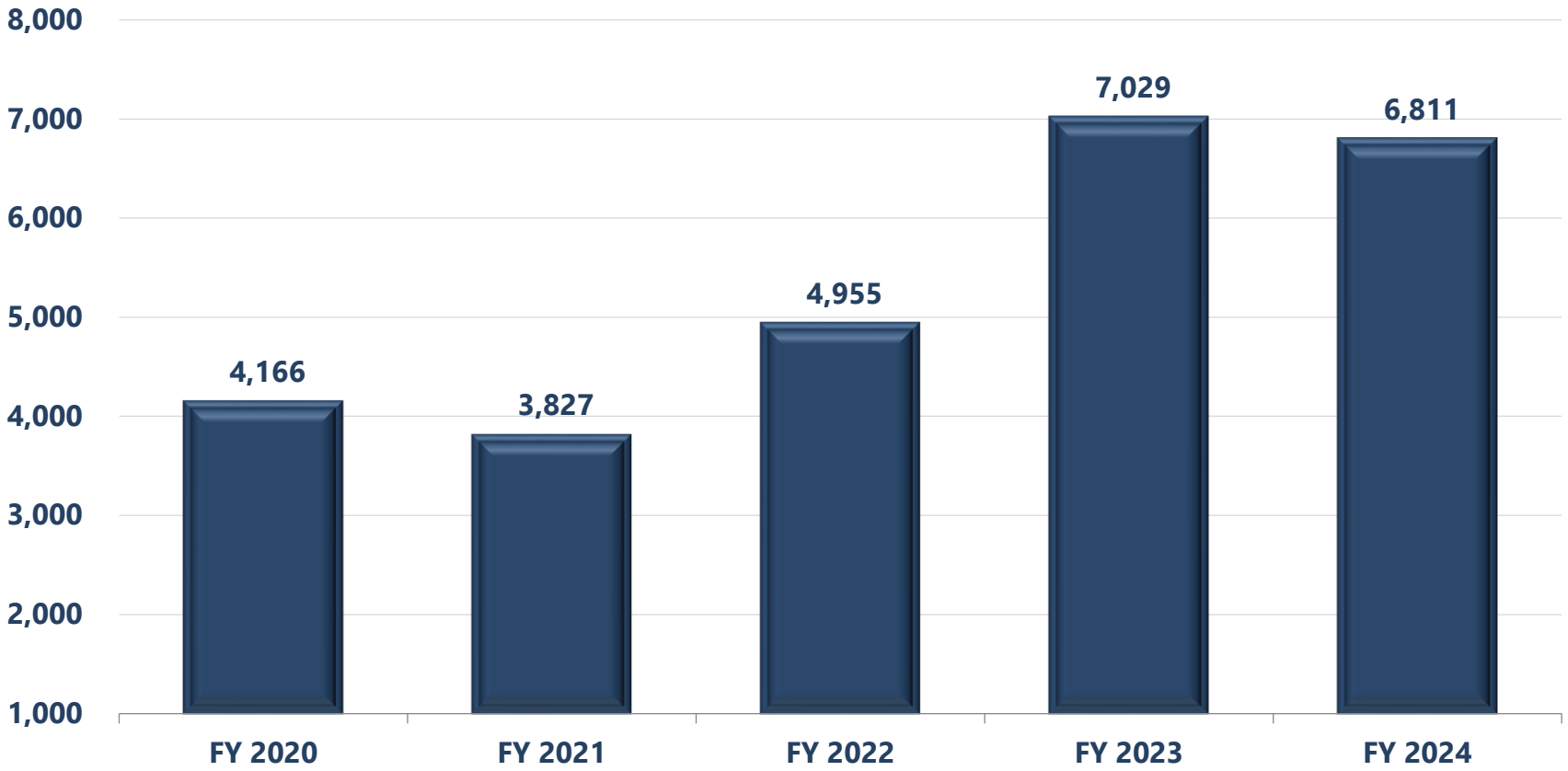
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6-Year Graduation Rates



Source: THECB Accountability System, Interactive, Graduation Rates

Research Expenditures Reported to NSF*



* In thousands

Source: Higher Education Research Development Survey

EAST TEXAS A&M UNIVERSITY

Financials

Legislative Impact*

	FY 2025	FY 2026	Variance
State Appropriations			
I&O Formula	$ 42,703	$ 42,516	$ (187)
CRU	1,414	1,348	(66)
CCAP	9,190	9,027	(163)
HEGI	7,311	8,321	1,009
Hazlewood	1,102	1,051	(51)
Subtotal:	**$61,720**	**$62,263**	**$ 543**
Estimated State Paid Benefits	**$ 5,658**	**$ 6,797**	**$ 1,139**
State Appropriations Total:	**$67,378**	**$69,061**	**$ 1,682**
HEF	**$11,459**	**$12,812**	**$ 1,353**
Grand Total:	**$78,838**	**$81,873**	**$ 3,035**

* In thousands

Proposed Use of FY 2026 HEF Increase of $1.35 million

- Classroom & Technology Upgrades
- Centralized Student Services
- Deferred Maintenance
- Agriculture Research Infrastructure
- Faculty Start-up Costs

FY 2027 Proposed Student Fee Increases

- **Athletic Fee** increase of $18 / SCH (Caps @ 13 SCH) - requires student referendum
  - Increase from $32 to $50 / SCH

- **Student Recreation Center Fee** increase of $15 / semester - does not require student referendum
  - Increase from $150 to $165 / semester

Revenues Budget*

	FY 2025 Budget	FY 2026 Proposed Budget	FY 2026 Budget Variance	
			$	%
State Appropriations	$ 67,378	$ 69,061	$ 1,683	2.5%
Higher Education Fund	11,459	12,812	1,353	11.8%
Tuition and Fees	102,228	100,177	(2,051)	-2.0%
Contracts and Grants	4,385	4,385	-	0.0%
Student Financial Assistance	27,035	26,882	(153)	-0.6%
Gifts	2,000	2,000	-	0.0%
Sales and Services	25,168	28,683	3,515	14.0%
Investment Income	2,677	2,842	165	6.2%
Other Income	1,454	1,375	(79)	-5.4%
Discounts	(27,325)	(26,590)	735	-2.7%
Total Revenues:	**$ 216,460**	**$ 221,627**	**$ 5,167**	**2.4%**

* In thousands

Source: Executive Budget Summary, 06/27/2025

EAST TEXAS A&M UNIVERSITY

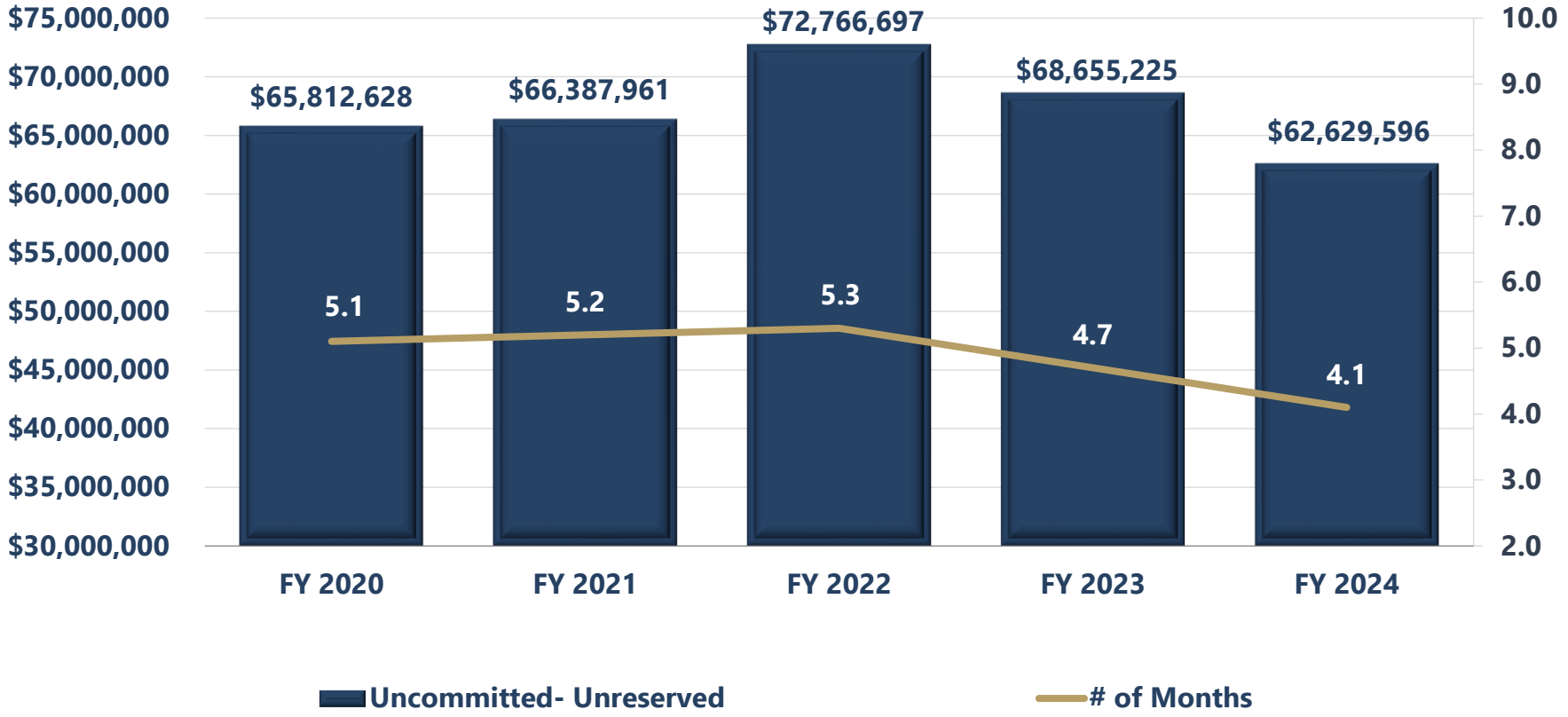
Expense Budget*

	FY 2025 Budget	FY 2026 Proposed Budget	FY 2026 Budget Variance	
Total Revenues:	**$ 216,460**	**$ 221,627**	**$**	**%**
Expenses				
Salaries - Faculty	$ 42,302	$ 43,282	$ 980	2.3%
Salaries - Non-Faculty	35,220	35,856	635	1.8%
Wages	6,653	6,644	(10)	-0.2%
Benefits	27,679	29,827	2,148	7.8%
Personnel Costs	**$ 111,854**	**$ 115,609**	**$ 3,755**	**3.4%**
Utilities	$ 5,847	$ 5,918	$ 71	1.2%
Scholarships	46,800	46,789	(12)	0.0%
Discounts	(27,325)	(26,590)	735	-2.7%
Equipment	4,684	4,886	202	4.3%
Operations and Maintenance	48,783	50,877	2,094	4.3%
Debt Service	22,292	20,739	(1,553)	-7.0%
Total Expenditures:	**$ 212,935**	**$ 218,227**	**$ 5,292**	**2.5%**
Other Transfers:	(3,525)	(3,400)		
Change in Net Position (Rev-Exp+Transfers):	**$ -**	**$ -**		

* In thousands

Source: Executive Budget Summary, 06/27/2025

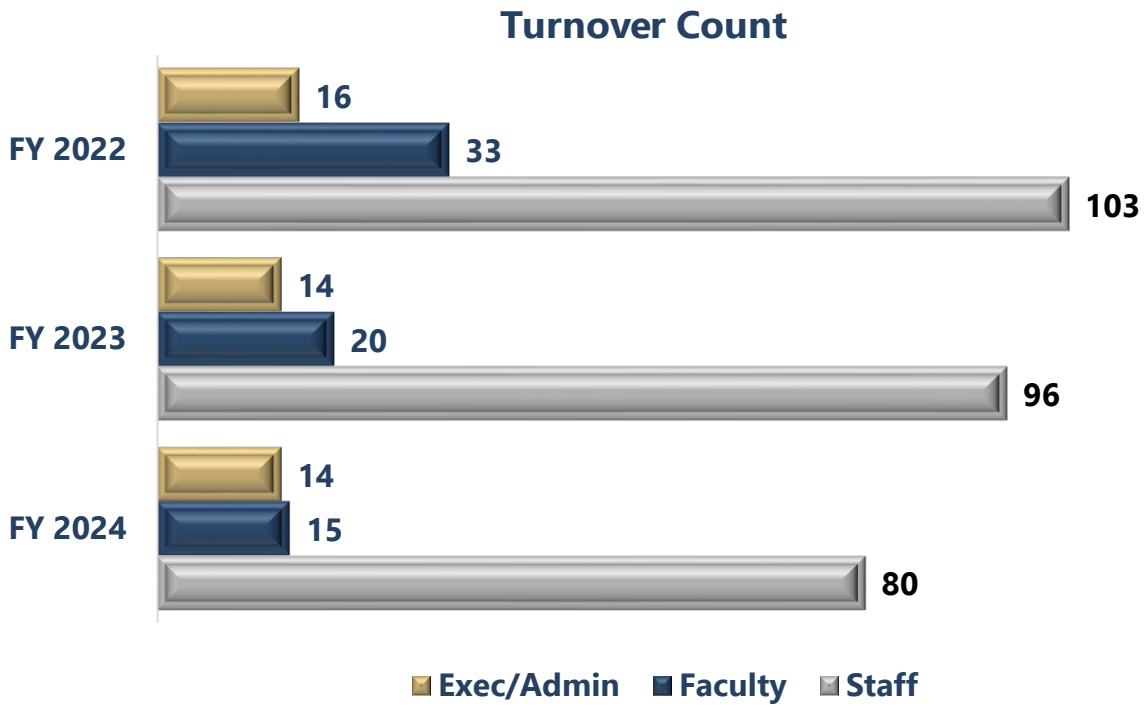
Operating Reserves



Source: Schedule III-1, III-FUND and IV-FUND (E&G, Designated, Auxiliary Only)

Employee Turnover Rates

Fiscal Year	Exec/Admin		Faculty		Staff		Total	
	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	16	19.0%	33	8.9%	103	23.3%	152	17.0%
FY 2023	14	16.5%	20	5.5%	96	21.5%	130	14.6%
FY 2024	14	13.4%	15	4.2%	80	15.9%	109	11.3%



Source: Workday Report Writer Query

Employee Retention Plan

	Faculty	Staff	Total
3% Performance-Based Pool*	$ 1,140,000	$ 990,000	$ 2,130,000
Promotions	150,000	50,000	200,000
Market Adjustments	500,000	100,000	600,000
Benefits	331,200	210,900	542,100
Total:	**$ 2,121,200**	**$ 1,350,900**	**$ 3,472,100**

* Included in Budget and contingent upon Fall 2025 enrollment

EAST TEXAS A&M UNIVERSITY

Auxiliary Operations

Athletics*

	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenues					
Sales and Services	$ 499	$ 915	$ 900	$ (15)	-1.6%
Fees	5,497	6,200	5,917	(283)	-4.6%
Other Income	880	577	573	(4)	-0.7%
Total Revenues:	**$ 6,876**	**$ 7,692**	**$ 7,390**	**$ (302)**	**-3.9%**
Expenses					
Personnel Costs:	$ 4,545	$ 5,038	$ 5,270	$ 233	4.6%
Utilities	113	120	120	-	0.0%
O&M and Equipment	3,567	1,750	2,084	334	19.1%
Scholarships	4,552	4,580	4,580	-	0.0%
Debt Service (includes RFS Transfer)	728	730	667	(63)	-8.6%
Total Expenses:	**$ 13,506**	**$ 12,218**	**$ 12,721**	**$ 503**	**4.1%**
Transfers					
Subsidy**	$ 6,629	$ 4,526	$ 5,331		
Total Transfers:	**$ 6,629**	**$ 4,526**	**$ 5,331**		
Net Income/(Loss)	**$ -**	**$ -**	**$ -**		

* In thousands
** Subsidy is auxiliary funds, interest earnings, and designated tuition

Resident Life*

	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenues					
Sales and Services	$ 14,118	$ 13,697	$ 14,699	$ 1,003	7.3%
Other	393	-	-	-	0%
Total Revenues:	**$ 14,511**	**$ 13,697**	**$ 14,699**	**$ 1,003**	**7.3%**
Expenses					
Personnel Costs:	$ 2,195	$ 2,473	$ 2,736	$ 263	10.7%
Utilities	891	987	987	-	0%
O&M and Equipment	4,630	5,192	5,805	613	11.8%
Debt Service (includes RFS Transfer)	5,317	5,045	5,171	126	2.5%
Total Expenses:	**$ 13,032**	**$ 13,697**	**$ 14,699**	**$ 1,003**	**7.3%**
Net Income/(Loss)	**$ 1,479**	**$ -**	**$ -**		

* In thousands

Food Service*

	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenues					
Sales and Services	$ 10,364	$ 8,971	$ 8,971	$ -	0%
Total Revenues:	**$ 10,364**	**$ 8,971**	**$ 8,971**	**$ -**	**0%**
Expenses					
Utilities	$ 464	$ 55	$ 55	$ -	0%
O&M and Equipment	9,181	8,451	8,450	(1)	0%
Scholarships	-	35	35	-	0%
Debt Service (includes RFS Transfer)	432	430	431	1	0%
Total Expenses:	**$ 10,077**	**$ 8,971**	**$ 8,971**	**$ -**	**0%**
Transfers					
Convenience Store Project	(100)	-	-		
Total Transfers:	**$ (100)**	**$ -**	**$ -**		
Net Income/(Loss)	**$ 187**	**$ -**	**$ -**		

* In thousands


EAST TEXAS A&M UNIVERSITY

EAST TEXAS A&M UNIVERSITY

Programmatic Budget Review FY 2026

Mark Rudin, President

July 29th, 2025

EAST TEXAS A&M UNIVERSITY

Capital Plan Update

EAST TEXAS A&M UNIVERSITY
FY 2026 - FY 2030 CAPITAL PLAN
SUMMARY INFORMATION

Project #	Projected FY Start Date for Proposed Projects	Project Name	Total Planning Amount	Funding Sources: RFS Debt Proceeds		Funding Sources: Other		Cumulative Expenditures Prior Years to 5/31/2025
APPROVED PROJECTS								
21-3384		Agricultural Multipurpose Education & Training Center	48,494,868	44,922,833	t	3,572,035	g,w	21,489,457
21-3390		New Event Center/Arena	76,519,000	58,000,000	g,s,w,v	18,519,000	g,s,o,v	5,186,295
21-3401		Morris Recreation Center Expansion	17,500,000	13,500,000	r	4,000,000	r	2,903,089
21-3438		Renovate and Re-Purpose Binnion Hall	24,800,000	20,500,000	h	4,300,000	h,x,o	-
		Student Dining Facility	7,400,000			7,400,000	o	1,958,940
		Total Construction/Acquisitions in Progress	174,713,868	136,922,833		37,791,035		31,537,781
PROPOSED PROJECTS								
	2026	Renovate One-Stop - University Police Dept. Building	9,500,000			9,500,000	o,w	
		Total Proposed Construction/Acquisitions	9,500,000	-		9,500,000		-
TOTAL CAPITAL PLAN			184,213,868	136,922,833		47,291,035		31,537,781

Unfunded Capital Needs:

2026	Ted and Donna Lyon Center for Gamebird Research - Phase II	14,000,000
2026	Agricultural Multipurpose Education & Training Center Phase II	65,000,000
2028	Central Utility Plant	45,000,000
2029	Memorial Stadium Renovation	27,000,000
2029	New Residence Hall	40,000,000
2030	Rayburn Student Center Renovation/Expansion	17,000,000

Capital Plan

Approved Projects	Total Planning Amount	Funding Source		Current Status*	Gross Square Footage
		RFS Debt Proceeds	Other		
Agricultural Complex	$48.5M	$44.9M	$3.6M	Construction	142,450
New Event Center/Arena	$76.5M	$58.0M	$18.5M	Construction	64,000
Morris Recreation Center Expansion	$17.5M	$13.5M	$4.0M	Construction	65,000
Student Dining Facility	$7.4M		$7.4M	Construction	30,000
Renovate & Re-Purpose Binnion Hall	$24.8M	$20.5M	$4.3M	DD	73,005
Total Approved Projects:	**$174.7M**	**$136.9M**	**$37.8M**		**301,450**

Proposed Projects	Projected FY Start Date	Total Planning Amount	Funding Source		Current Status*	Gross Square Footage
			RFS Debt Proceeds	Other		
Renovate One-Stop - UPD Bldg.	2026	$9.5M		$9.5M	POR	27,909
Total Proposed Projects:		**$9.5M**		**$9.5M**		**27,909**

*POR - Program of Requirements
SD - Schematic Design
DD - Design Document
CD - Construction Document

Unfunded Projects

- 2026 Ted and Donna Lyon Center for Gamebird Research – Phase II $14M
- 2026 Agricultural Multipurpose Education & Training Center Phase II $65M
- 2028 Central Utility Plant $45M
- 2029 Memorial Stadium Renovation $27M
- 2029 New Residence Hall $40M
- 2030 Rayburn Student Center Renovation/Expansion $17M

EAST TEXAS A&M UNIVERSITY

Agricultural Multipurpose Center



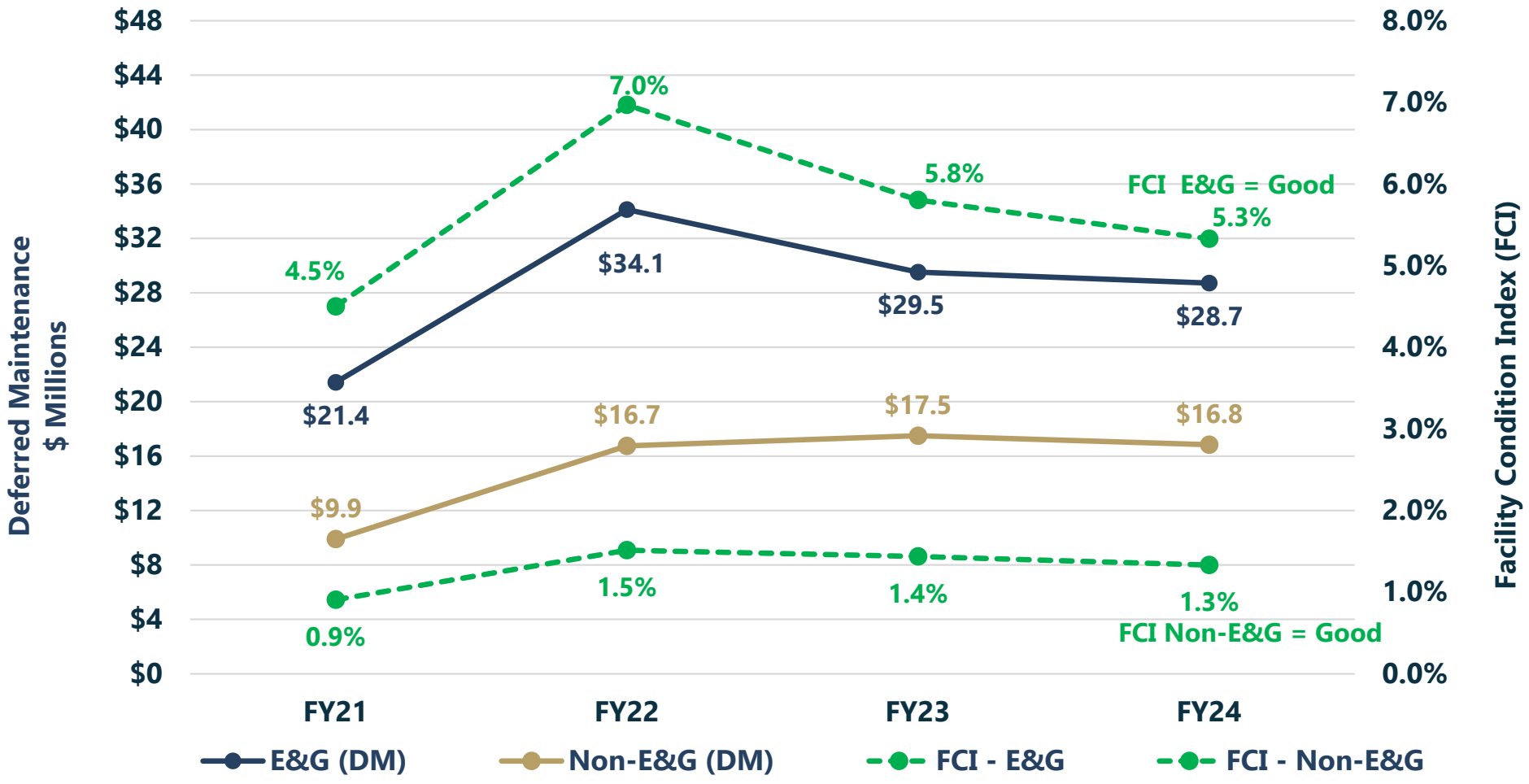
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Gamebird Research Center



EAST TEXAS A&M UNIVERSITY

Facility Index



$$FCI = \frac{\text{Renewal Needs \& Deferred Maintenance (DM)}}{\text{Current Replacement Value (CRV)}} \times 100$$

Good	Fair	Poor		Critical
5%	10%	> 10%	→	> 30%

Outstanding Deferred Maintenance

Category	FY 2024 Amount
Utilities	$ 3,039,596
Exterior & Interior Structure	17,860,892
Roofs	5,165,194
HVAC	11,831,844
Electrical	3,498,645
Plumbing	4,162,079
Total:	**$45,558,250**

Source: Gordian

Key Statistics

Total GSF: 3M | E&G: 2M | Aux: 1M

Construction Age: 39 | E&G: 48 | Aux: 28

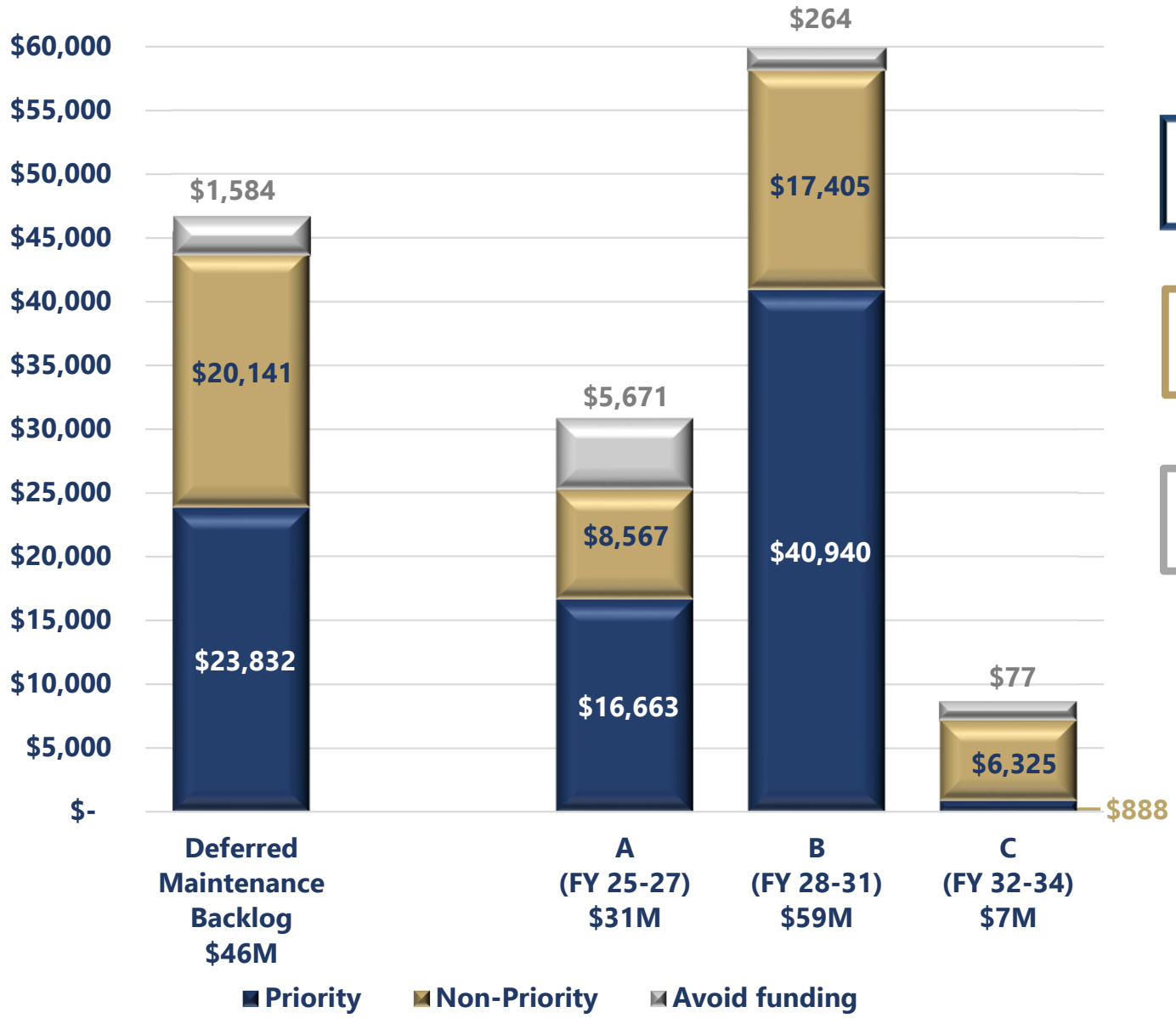
Current Deferred Maintenance Needs ($ Millions):
Total Campus: $46 | E&G: $29| Aux: $17

10-Year Deferred & Preventative Maintenance Needs ($Millions):
Total Campus: $142 | E&G: $73 | Aux: $69

Source: THECB Facilities Inventory, Gordian

10-Year Outlook*

Identified New Preventative Maintenance Needs by Timeline



Priority - primarily life safety, electrical, HVAC, roofing and plumbing

Non-Priority - exterior shell, interior shell, doors, windows, flooring etc.

Avoid Funding - Binnion Hall renovation will reduce $7.5M in DM

* In thousands

Source: Gordian

EAST TEXAS A&M UNIVERSITY

Buildings for Demolition

Building	GSF	Year Built	Deferred Maintenance Cost	Estimated Cost to Demo	Occupied /Vacant	Timeline for Demo
Smith Hall*	81,192	1965	$ 6,400,000	$ 3,500,000	Vacant	Now
Berry Hall*	61,567	1964	13,400,000	1,720,000	Vacant	Now
Watson Cafeteria (Old Children's Museum)	20,393	1964	3,100,000	400,000	Vacant	Now
Sikes Hall (Old Children's Learning Center)	11,142	1964	2,000,000	380,000	Vacant	Now
Total:			**$24,900,000**	**$6,000,000**		

*Currently moth-balled, not included in Deferred Maintenance

Proposed Use of FY 2026 HEF Increase of $1.35 million

- Classroom & Technology Upgrades
- Centralized Student Services
- Deferred Maintenance
- Agriculture Research Infrastructure
- Faculty Start-up Costs

EAST TEXAS A&M UNIVERSITY

Event Center and Arena



MEMBER OF THE TEXAS A&M UNIVERSITY SYSTEM

WEST TEXAS A&M UNIVERSITY

WEST TEXAS A&M UNIVERSITY

BUDGET NARRATIVE

Introduction:

West Texas A&M University (WTAMU) enrollments and semester credit hours trended up slightly for the Fall 2024 semester as compared to Fall 2023.

New priorities include the development of the Behavioral Health Workforce Initiative collaboration with two University colleges with Nursing Sciences, Education, Psychology and Social Work joining forces to establish this new program. The budget includes the full biennial allotment of $4 million.

Merit adjustments are a high priority beginning Fall 2025 and are included in the FY 2026 budget as a 3% employee retention plan pool.

Revenues:

- Total Revenues are projected to increase $11.8 million (6%) for FY 2026 compared to the FY 2025 budget. Main reasons for the increase include the following:
  - State Appropriations reflect an increase of $6.1 million (11%) compared to FY 2025. This includes the state appropriation contribution for benefits.
  - Tuition and Fees – WTAMU is budgeting enrollment to increase slightly $587,000 (1%) in FY 2026. Graduate enrollment is expected to increase with the new funding for the Behavioral Health Program.
  - HEF appropriation increased $3.8 million (49%) for FY 2026 as compared to FY 2025 budget due to increased State Appropriations.
  - Contracts and Grants increased by $1.0 million (13%) due to targeted federal and state grant production. Student Financial Assistance is budgeted to have an increase of $2.0 million (9%) due to set asides.
  - Discounts and allowances are increasing by $3.2 million (14%) in FY 2026 from growth in scholarships, grants, and waivers and for changes in the accounting of them
  - Sales and Services are growing by $755,000 (3%) due to housing and meal-plan rate increases to cover cumulative costs.

BUDGET NARRATIVE CONTINUED

Expenses:

- Total Expenses are projected to increase by $11.7 million (6%) compared to the FY 2025 budget and are comprised of the following items:
  - Personnel Costs are expected to increase by $5.6 million (6%) due to new personnel for the Behavioral Health Workforce Initiative, a planned employee retention plan pool of 3%, and rising costs of health insurance premiums.
  - Scholarships are budgeted to increase by $2.4 million (8%) and discounts are budgeted to increase by $3.2 million (14%) due to improved scholarships, grants, and waivers cost and accounting changes.
  - Operations and Maintenance expenses are estimated to increase by $2.1 million (4%) compared to FY 2025 budget due in part to the new SSC contract which was not budgeted last year.
  - RFS Debt Service decreased by $139,000 (-1%) due to several Debt Service requirements having met their final pay-off dates.

Reserves:

- FY 2024 Current Reserve balance is $54.9 million and 4.6 months.
- FY 2025 Projected Reserve balance is $54.5 million and 4.6 months.
- FY 2026 Projected Reserve balance is $55 million and 4.7 months.

Capital Plan:

- Approved projects include:
  - Renovation of Education Building and Health and Fire Safety Upgrades - Construction has begun and project completion is scheduled for Fall 2025.
  - Public Safety Building – Construction is underway, and project completion is scheduled for Fall/Winter 2025
- Proposed projects include:
  - Multipurpose Tornado Safe Building and Shelter – working through Phase I with FEMA and TDEM and awaiting approval.

West Texas A&M University

FY 2026 Programmatic Budget Review

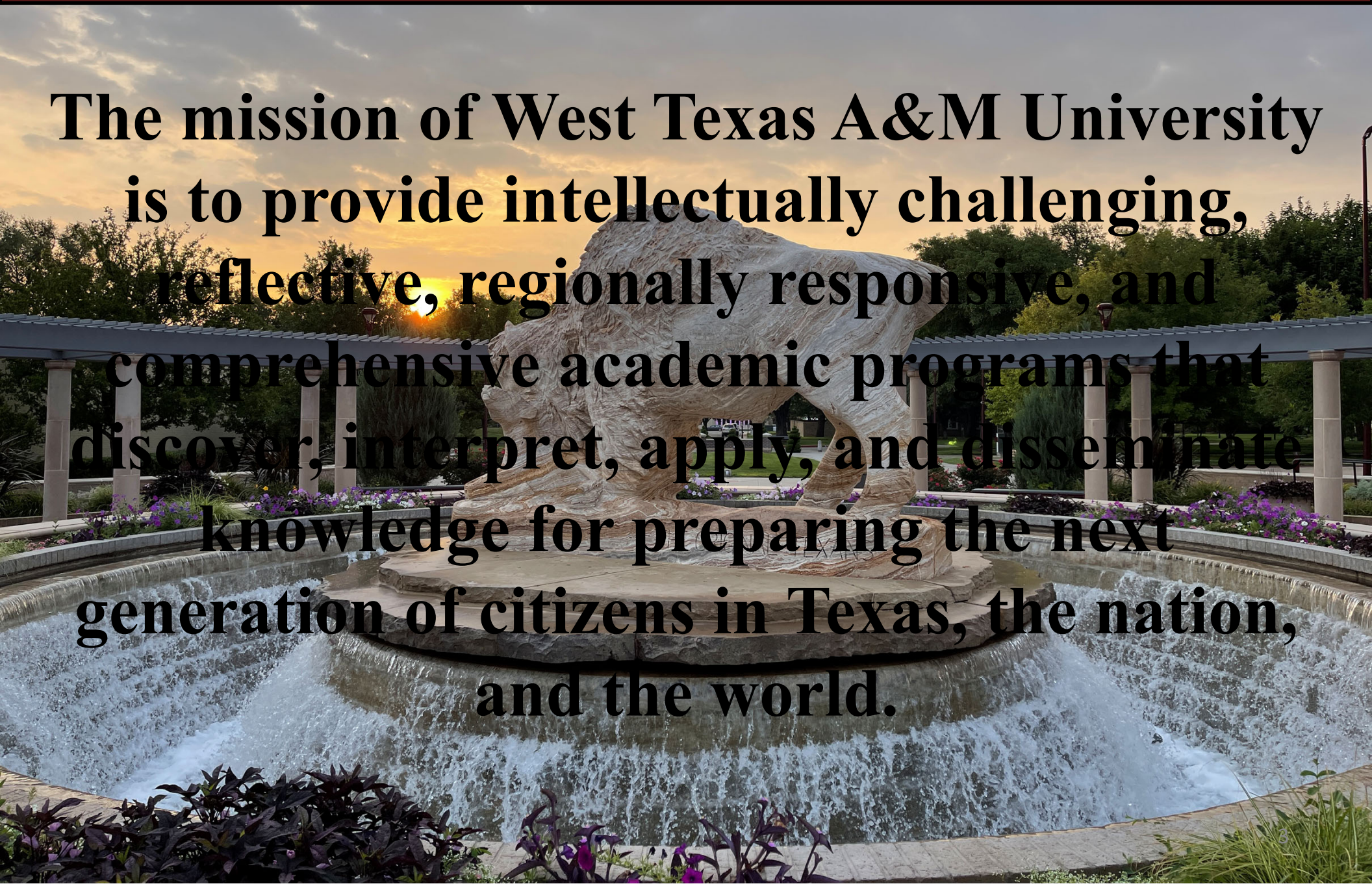




Section I
Academics

West Texas A&M University

Mission Statement



The mission of West Texas A&M University is to provide intellectually challenging, reflective, regionally responsive, and comprehensive academic programs that discover, interpret, apply, and disseminate knowledge for preparing the next generation of citizens in Texas, the nation, and the world.

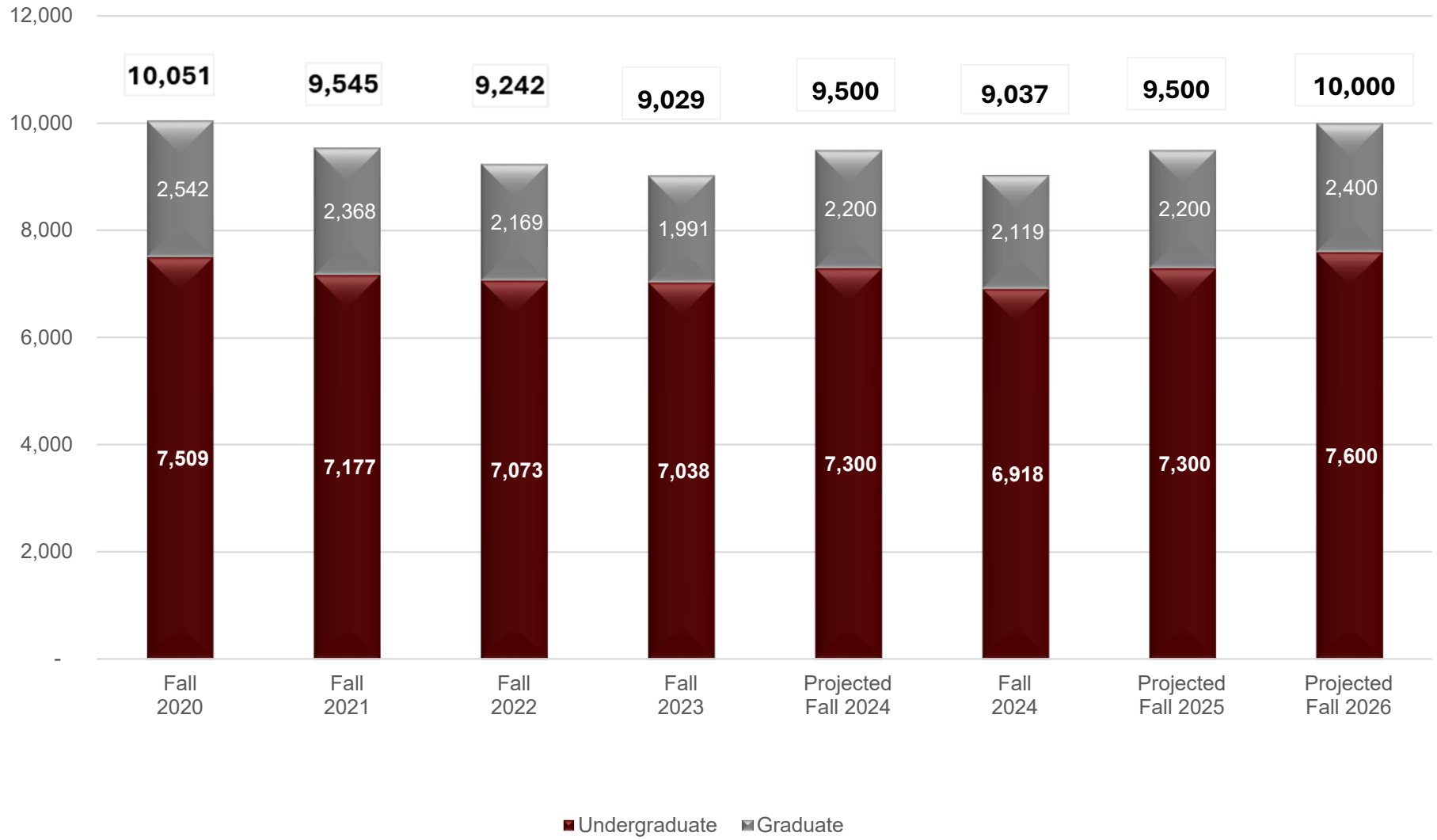
West Texas A&M University

Enrollment and Retention



West Texas A&M University

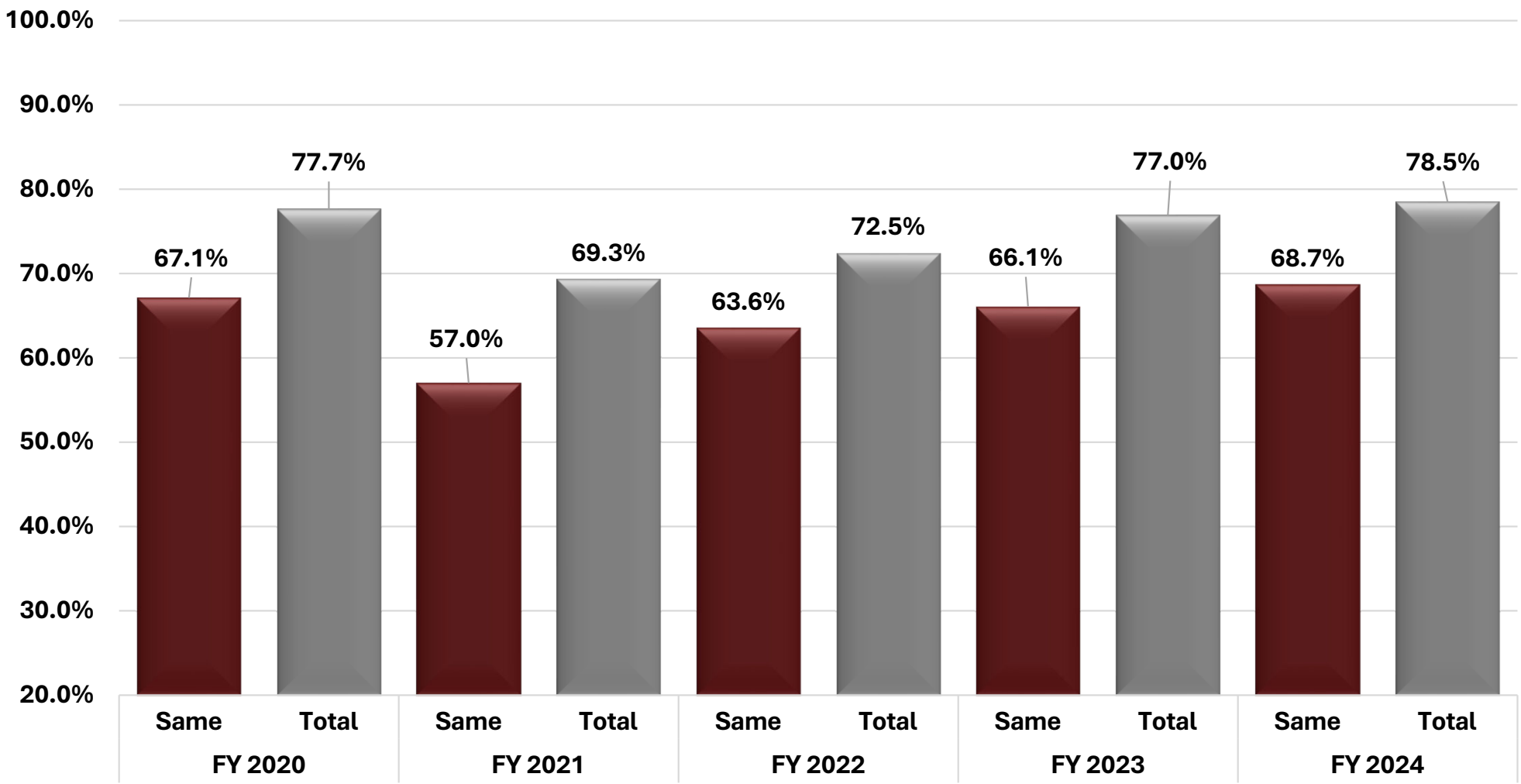
Five - Year Enrollment Trend



Source: Texas Higher Education Coordinating Board - Accountability System

West Texas A&M University

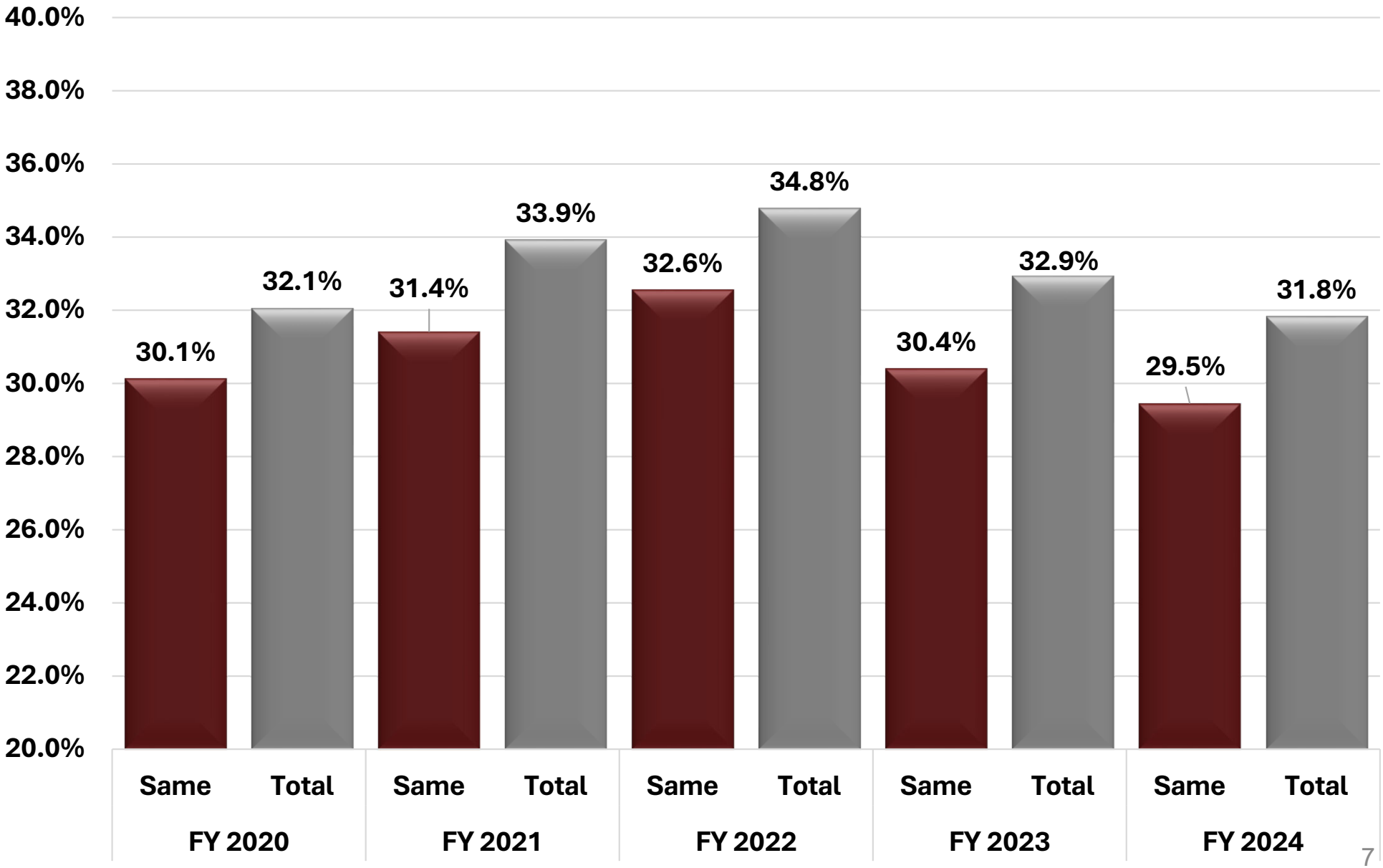
First Year Persistence Rate



Source: THECB Accountability System, Interactive, Persistence Rates

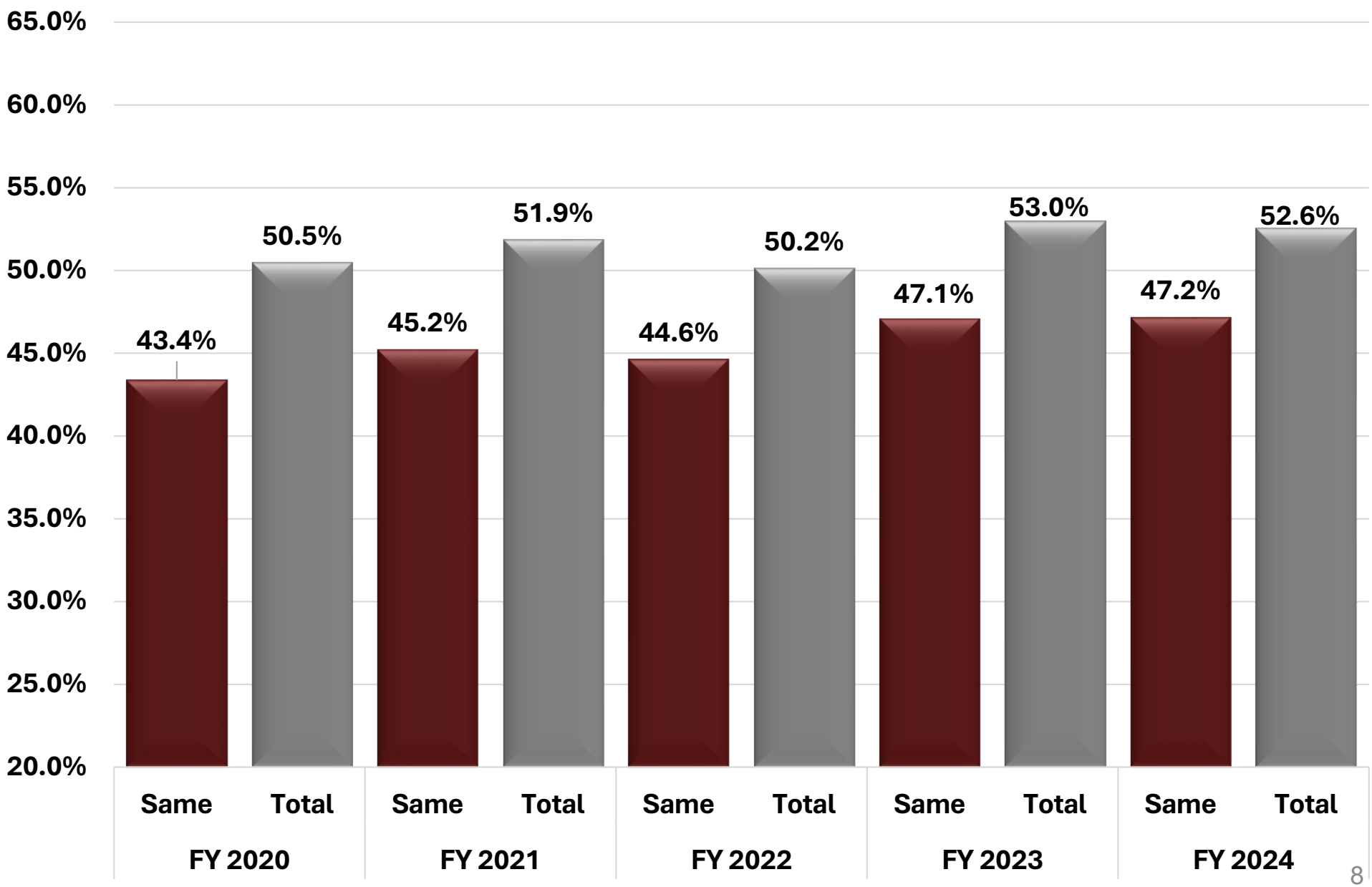
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4 – Year Graduation Rate



West Texas A&M University

6 – Year Graduation Rate



West Texas A&M University

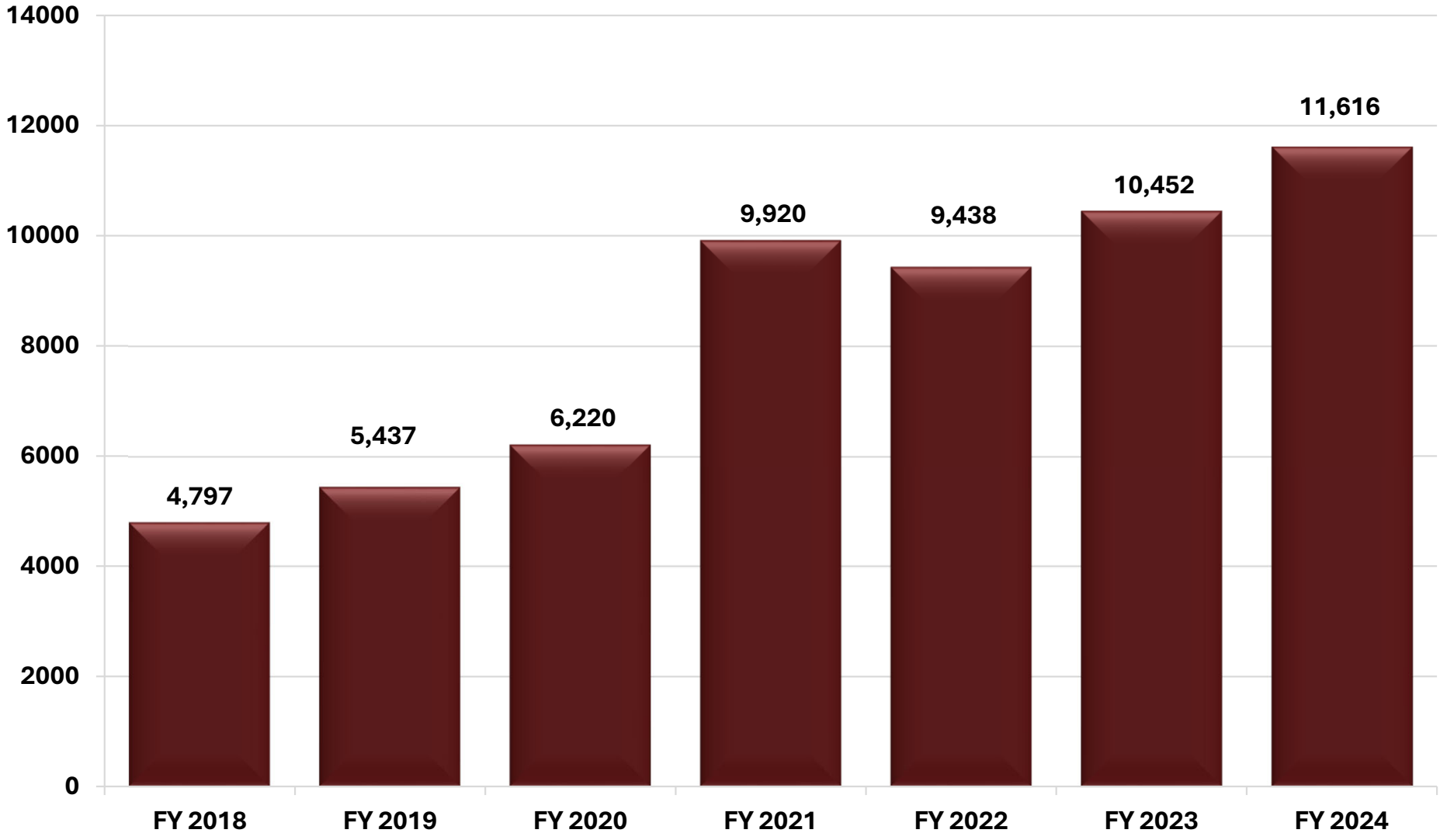
Niche Markets



West Texas A&M University

Total Research Expenditures Reported to NSF

(in thousands)





Section II
Financial

West Texas A&M University

Legislative Impact

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
General Revenue	$ 32,971	$ 33,105	$ 134
CRU	1,304	1,253	(51)
CCAP	8,447	8,446	(1)
Hazlewood	1,177	1,059	(118)
Subtotal	**$ 43,899**	**$ 43,863**	**$ (36)**
Exceptional Items			
Behavioral Health Workforce Initiative *		$ 4,000	$ 4,000
Subtotal	**$ -**	**$ 4,000**	**$ 4,000**
Estimated State Paid Benefits	**$ 9,700**	**$ 11,830**	**$ 2,130**
State Appropriations Total:	**$ 53,599**	**$ 59,693**	**$ 6,094**
HEF			
HEF	7,671	11,466	3,795
Total HEF	**$ 7,671**	**$ 11,466**	**$ 3,795**

*** - Recognizing full biennial amount**

West Texas A&M University

Fall 2026 (FY 2027) Proposed Fee Rates
For Resident Undergraduate Students

Fees	Actual Fall 2024	Proposed Fall 2026
Student Center Complex Fee	$8.00①	$10.00②
Health Fee - Per Semester	$70.00	$75.00
Athletic Fee	$32.00	$41.00
Student Service Fee	$17.60	$20.50
Rec Sports Fee - Per Semester③	$70.00	$120.00

① FALL 2024 CAPPED AT 12 SCHs or $96

② PROPOSED FALL 2026 WILL CAP AT 10 SCHs OR $100

③ WILL HOLD REFERENDUM OCTOBER 2025

West Texas A&M University

No-Cost-to-Student Textbook Initiative



West Texas A&M University

FY 2026 Proposed Revenue Budget and Variance

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 53,599	$ 59,693	$ 6,094	7.6%
Higher Education Fund	7,671	11,466	3,795	49.5%
Tuition and Fees	77,332	77,919	587	0.8%
Contracts and Grants	7,810	8,827	1,018	13.0%
Student Financial Assistance	23,116	25,116	2,000	8.7%
Gifts	7,812	7,770	(42)	-0.5%
Sales and Services	28,293	29,048	755	2.7%
Investment Income	1,615	2,085	470	29.1%
Other Income	613	911	298	48.6%
Discounts	(22,711)	(25,930)	(3,219)	14.2%
TOTAL REVENUES:	**$ 185,150**	**$ 196,906**	**$ 11,756**	**6.3%**

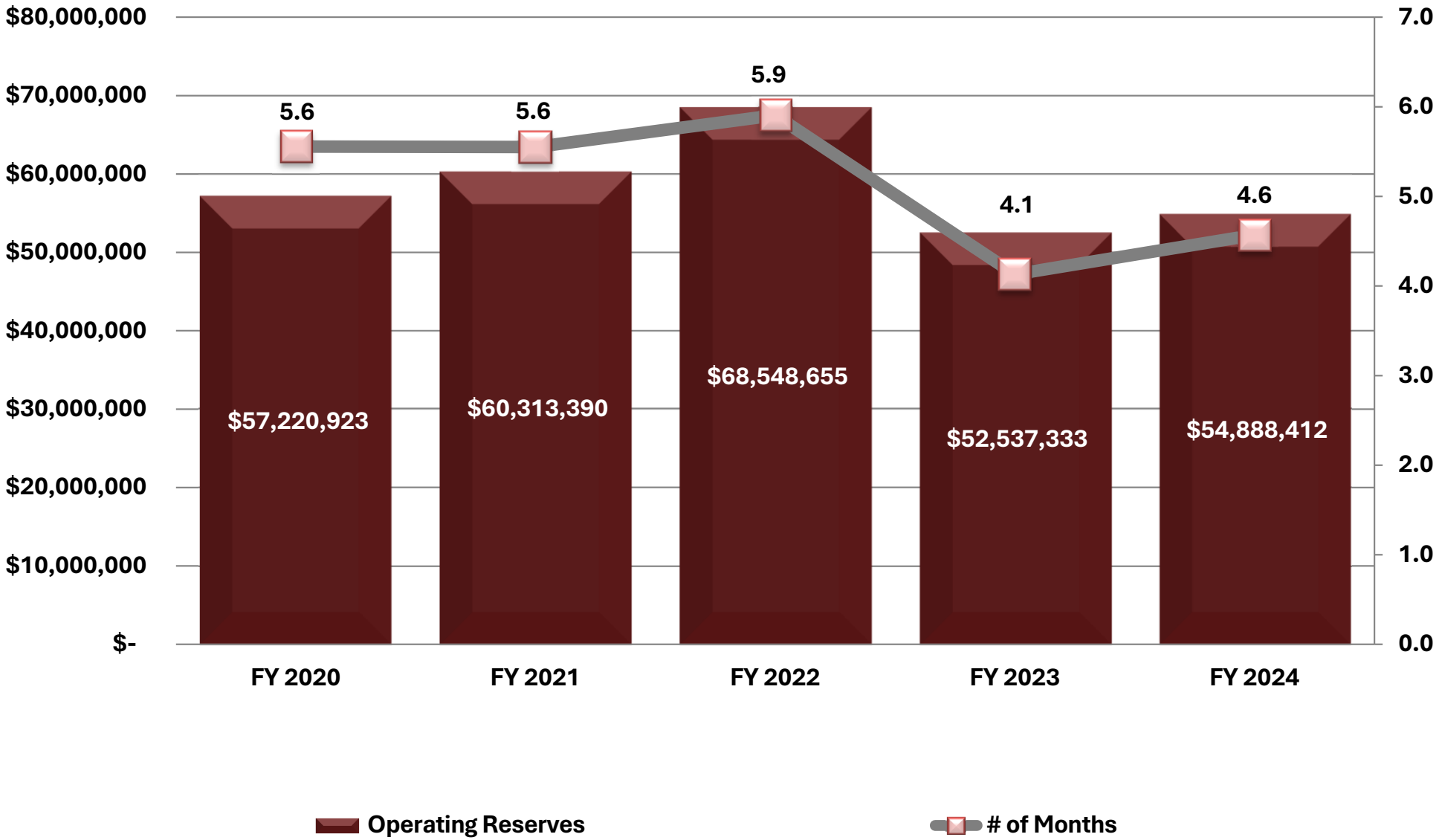
West Texas A&M University

FY 2026 Proposed Expense Budget and Variance

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 185,150**	**$ 196,906**		
Expenses:				
Salaries - Faculty	$ 33,955	$ 36,199	$ 2,244	6.6%
Salaries - Non-Faculty	30,939	33,544	2,606	8.4%
Wages	4,940	4,940	0	0.0%
Benefits	22,762	23,031	769	1.2%
Personnel Costs	**$ 92,596**	**$ 98,215**	**$ 5,619**	**4.1%**
Utilities	3,816	3,593	(223)	-5.8%
Scholarships	32,231	34,672	2,440	7.6%
Discounts	(22,711)	(25,930)	(3,219)	14.2%
Equipment	7,547	12,624	5,076	67.3%
Operations and Maintenance (Net)	47,817	49,942	2,124	4.2%
Debt Service	22,893	22,754	(139)	-0.6%
TOTAL EXPENDITURES:	**$ 184,190**	**$ 195,870**	**$ 11,680**	**6.3%**
Other Transfers:	(961)	(1,036)		
CHANGE IN NET POSITION (Rev+Exp+Transfer)	**$ 0**	**$ (0)**		

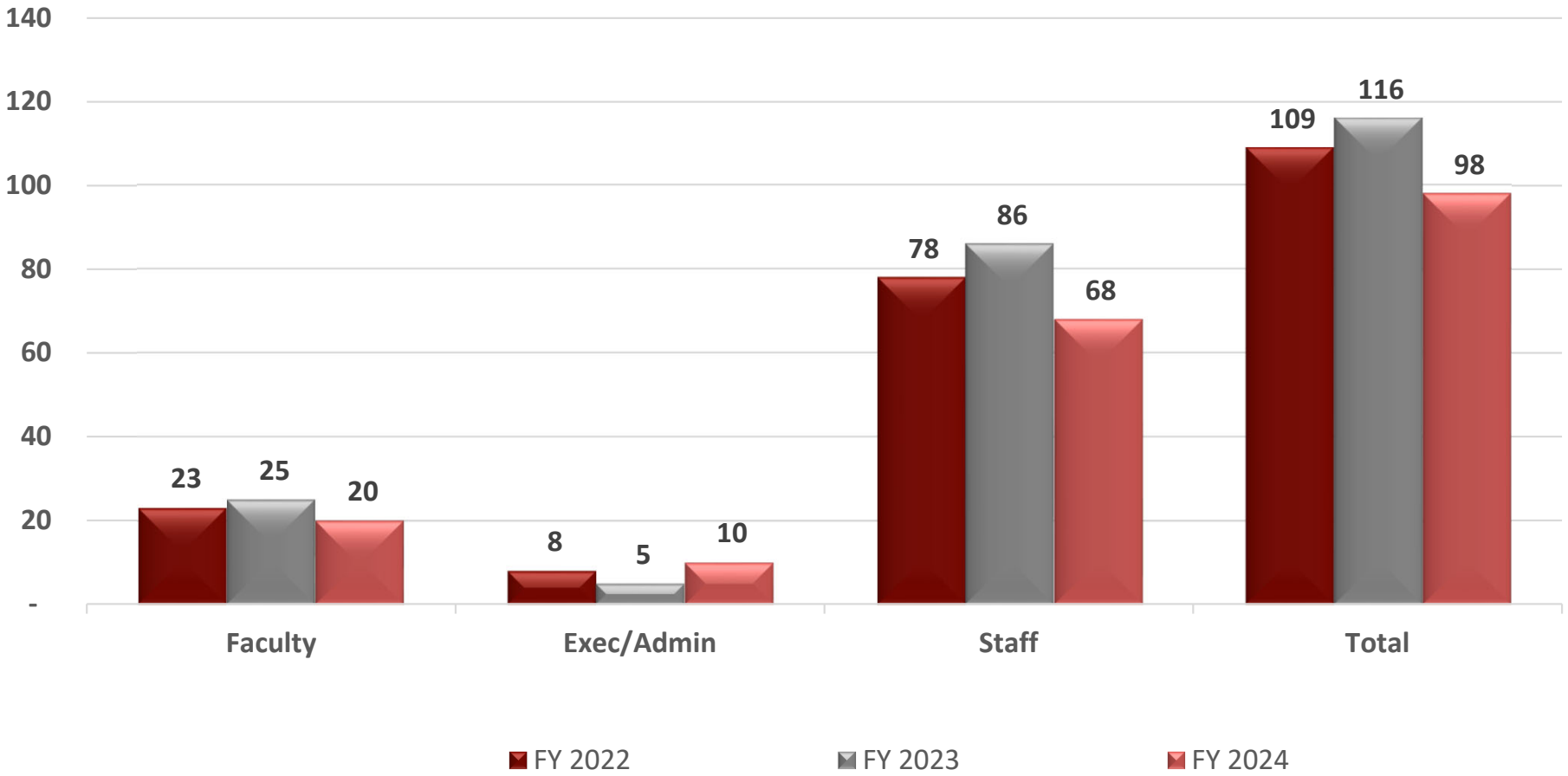
West Texas A&M University

Operating Reserves and Months of Reserves



West Texas A&M University

Turnover Count and Rate (%)



	Exec/Admin		Faculty		Staff		Total	
FY 2022	*8*	*7.6%*	*23*	*6.7%*	*78*	*20.3%*	*109*	*13.1%*
FY 2023	*5*	*4.9%*	*25*	*7.2%*	*86*	*22.1%*	*116*	*13.9%*
FY 2024	*10*	*9.5%*	*20*	*5.8%*	*68*	*18.1%*	*98*	*11.9%*

West Texas A&M University

FY 2026 Employee Retention Plan

FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
3% Performance Based Pool*	$ 881,100	$ 783,900	$ 1,665,000
Promotions*	74,700	-	74,700
Market Adjustments	-	-	-
*Benefits**	*150,700*	*134,100*	*284,800*
Total:	**$ 1,106,500**	**$ 918,000**	**$ 2,024,500**

*Amounts are included in the FY2026 Budget

West Texas A&M University

WTAMU Half-Off Tuition and Fees





Section III
Auxiliary Operations

West Texas A&M University

Athletics



West Texas A&M University

Athletics

Athletics *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Ticket Sales	$ 649	$ 568	$ 583	$ 15	2.6%
Contributions/Fundraising	843	860	910	50	5.8%
Fees	5,151	5,093	5,118	25	0.5%
Other	275	241	189	(52)	-21.6%
Total Revenues:	**$ 6,918**	**$ 6,762**	**$ 6,800**	**$ 38**	**0.6%**
Expenses					
Personnel Costs	$ 4,656	$ 4,747	$ 5,036	$ 289	6.1%
Travel	1,234	806	806	-	0.0%
Grants to Students	3,275	2,871	2,871	-	0.0%
O&M and Equipment	1,745	1,298	1,113	(185)	-14.3%
Debt Service	$ 3,163	$ 3,165	$ 3,167	2	0.1%
Total Expenses:	**$ 14,073**	**$ 12,887**	**$ 12,993**	**$ 106**	**0.8%**
Transfers					
From Food Service	1,000	1,000	1,000		
From Designated Tuition	5,745	5,125	5,193		
Total Transfers:	**$ 6,745**	**$ 6,125**	**$ 6,193**		
Net Income/(Loss)	**$ (410)**	**$ -**	**$ -**		

West Texas A&M University

Residential Living

Resident Life *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Sales and Services	$ 10,561	$ 11,168	$ 11,921	$ 753	6.7%
Other	59	-	-	-	0.0%
Total Revenues:	**$ 10,620**	**$ 11,168**	**$ 11,921**	**$ 753**	**6.7%**
Expenses					
Personnel Costs	$ 874	$ 1,002	$ 1,040	$ 38	3.8%
Housing Incentive	711	810	755	(55)	-6.8%
Grants to Students	73	304	304	-	0.0%
Utilities	615	670	675	5	0.7%
Contracted Services	1,224	1,358	1,744	386	28.4%
O&M and Equipment	916	1,471	1,595	124	8.4%
Debt Service	$ 5,488	$ 5,553	$ 5,808	255	4.6%
Total Expenses:	**$ 9,901**	**$ 11,168**	**$ 11,921**	**$ 753**	**6.7%**
Transfers					
To Plant	$ (423)				
Total Transfers:	**$ (423)**	**$ -**	**$ -**		
Net Income/(Loss)	**$ 296**	**$ -**	**$ -**		



Thank You
Questions or Comments?

West Texas A&M University

FY 2026 Programmatic Budget Review



Capital Plan Update

West Texas A&M University

Projects – Approved, Proposed and Unfunded

WEST TEXAS A&M UNIVERSITY
FY 2026 - FY 2030 CAPITAL PLAN
SUMMARY INFORMATION

Project #	Projected FY Start Date for Proposed Projects	Project Name	Total Planning Amount	Funding Sources: RFS Debt Proceeds	Funding Sources: Other	Cumulative Expenditures Prior Years to 5/31/2025
APPROVED PROJECTS						
18-3364		Renovation of an Education Building and Health/Safety Upgrades	44,922,833	44,922,833 t		19,430,735
18-3369		Public Safety Facility	9,975,000	1,975,000 o	8,000,000 o	1,495,580
		Physical Plant Projects/Equipment/Other	11,191,700	1,391,700	9,800,000	1,284,229
		Total Construction/Acquisitions in Progress	66,089,533	48,289,533	17,800,000	22,210,544
PROPOSED PROJECTS						
	2026	* Multipurpose Tornado Safe Building and Shelter	13,993,875	1,399,387 o	12,594,488 o	
		Total Proposed Construction/Acquisitions	13,993,875	1,399,387	12,594,488	-
TOTAL CAPITAL PLAN			80,083,408	49,688,920	30,394,488	22,210,544

* The Safe Room project will not move forward until FEMA requirements are met, POR is complete and funding is finalized.

Unfunded Capital Needs:

2026	JBK Student Center Upgrades	3,800,000
2027	Demolition of Cousins Hall Wings	2,250,000
2027	Mary Moody Northen Hall Dept. of Art Renovations	3,500,000
2027	Demolition of Old Student Union Building	3,500,000
2027	Mary Moody Northen Hall Upgrades	3,700,000
2027	26th Street Renovations	3,800,000
2027	Greenhouses	4,000,000
2027	Shirley Hall Renovations	5,250,000
2027	Virgil Henson Activities Center Upgrades	6,900,000
2027	Multi-Disciplinary Research Complex	77,000,000
2028	Cousins Hall Renovations	12,500,000
2028	Old Main Renovations	65,000,000
2028	Panhandle-Plains Historical Museum Renovations	152,000,000
2029	Intramural Fields	4,000,000
2029	Utility Plant	5,500,000
2030	Central Supply and Warehouse	4,000,000
2030	New Physical Plant	8,000,000
2030	25th Street Enhancement & Loading Dock	12,000,000
2030	Learning Commons	21,500,000

West Texas A&M University

Geneva Schaeffer Education Building



West Texas A&M University

Public Safety Building



West Texas A&M University

Multi-purpose Tornado and Safe Building



WTAMU Key Statistics



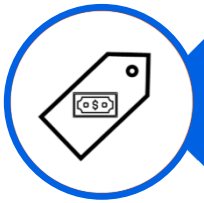
Total GSF: 3.0M

E&G (1.7M) | Aux (936K) | Mothballed (106K) | Demo (3.7K) | *Other (217K)



Construction Age: 51.7

E&G (50.7) | Aux (38.2) | Mothballed (98) | Demo (87.5) | *Other (92)



10 Year Needs ($ Millions): $316

E&G ($157) | Aux ($82) | Mothballed ($25) | Demo ($.6) | *Other ($51)



Deferred Maintenance ($ Millions): $140.2

E&G ($55.2) | Aux ($25.7) | Mothballed ($18) | Demo ($.23) | *Other ($41)

*Other GSF = PPH Museum. Owned by WTAMU, but is neither E&G or Auxiliary

WTAMU Core Observations

Current State

WTAMU is an aging campus with major renovation requirements in older facilities

- 76% of state-supported space was built more than 25 years ago, with 47% built over 50 years ago. Nearly 43% of auxiliary space is also over 50 years old.
- The university has kept Facility Condition Index (FCI) values manageable through strategic investments, demolitions, and mothballing of its oldest buildings.
- Most areas identified for future reinvestment involve large-scale renovations, as major building systems have surpassed their useful life.

Forward Focus

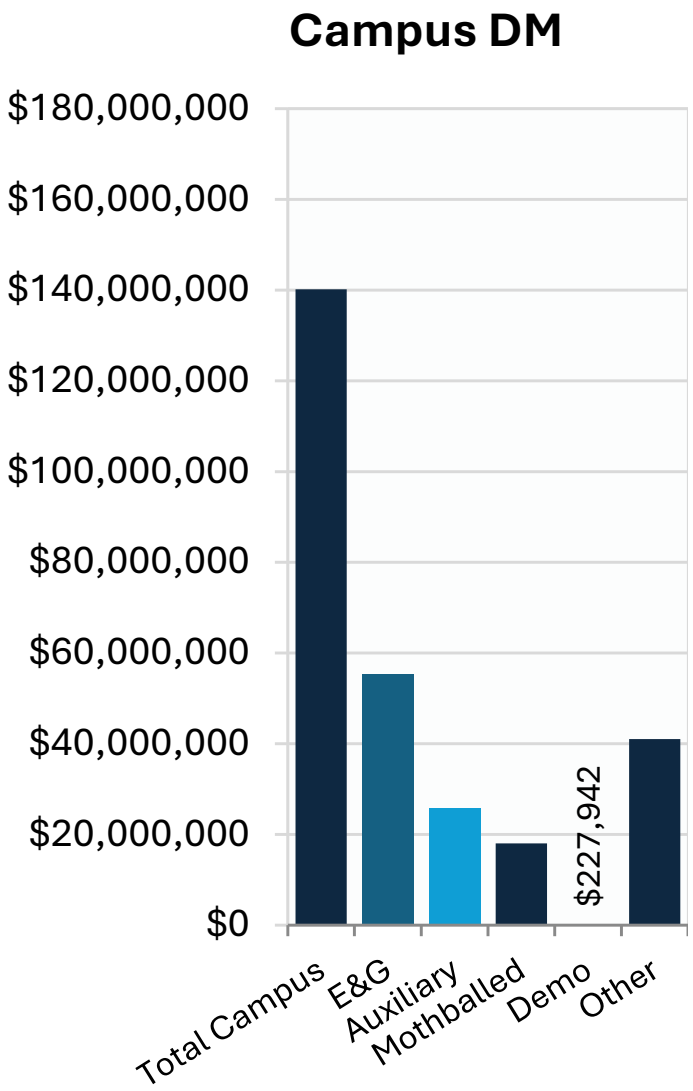
To maintain a healthy FCI :

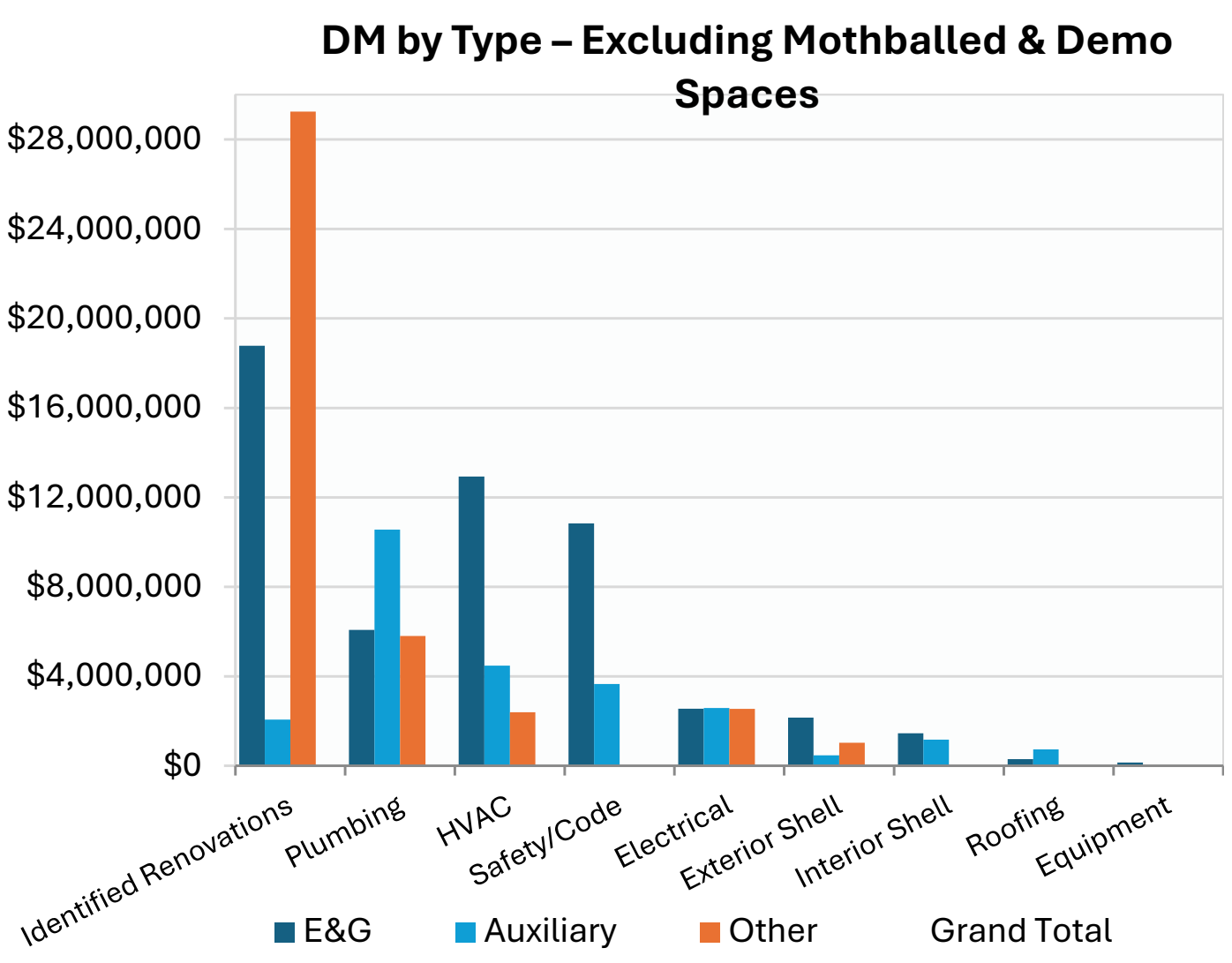
- E&G and auxiliary space will require $15.8 M of annual reinvestment to keep DM steady. Funding above and beyond the annual reinvestment will be needed to reduce overall campus DM.
- Continue strategic demolitions and major renovations. Current buildings listed for demolition or are mothballed have $18.2M of deferred maintenance. Nearly $12M will be erased with the renovation of the Old Education building slated to reopen Fall of 2025.
- WT has removed the Panhandle Plains Historical Building from its inventory. It is not considered and E&G or Auxiliary facility and was closed by the Texas Fire Marshal this past spring. That facility alone would have an FCI slightly under 35% and in the next 10 years would be approaching 44%

Key Considerations

- West Texas A&M University has begun shaping its campus into strategic segments: education and general, auxiliary, mothballed, and soon-to-be demolished facilities.
- To balance available resources with future funding needs, additional buildings should be evaluated for demolition.
- WTAMU also assesses a semester deferred maintenance fee per student for deferred maintenance.

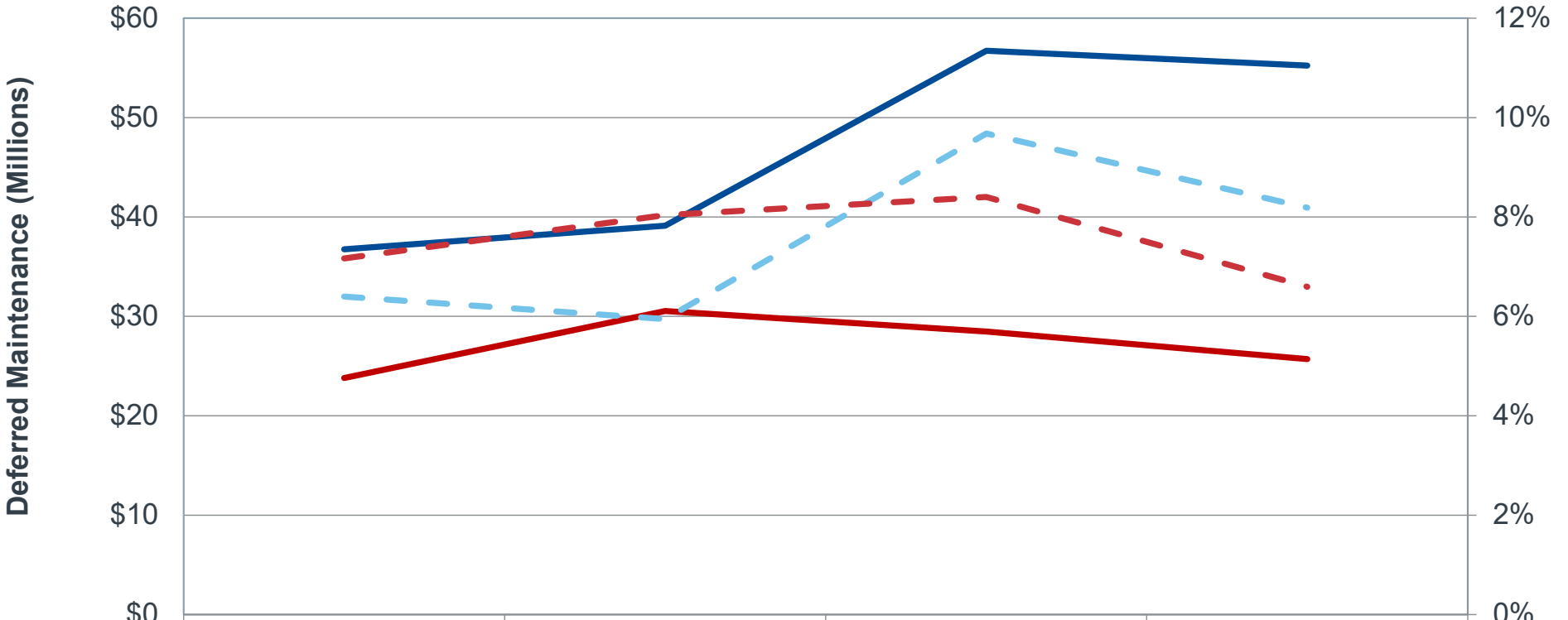
FY24 Deferred Maintenance at WTAMU





*Other GSF = PPH Museum. Owned by WTAMU, but is neither E&G or Auxiliary

WTAMU Facility Condition Index Trend



	FY21	FY22	FY23	FY24
E&G DM	$36,747,236	$39,122,166	$56,722,052	$55,227,040
Auxiliary DM	$23,790,609	$30,542,289	$28,467,551	$25,698,194
E&G FCI	6.4%	5.9%	9.7%	8.2%
Auxiliary FCI	7.2%	8.0%	8.4%	6.6%

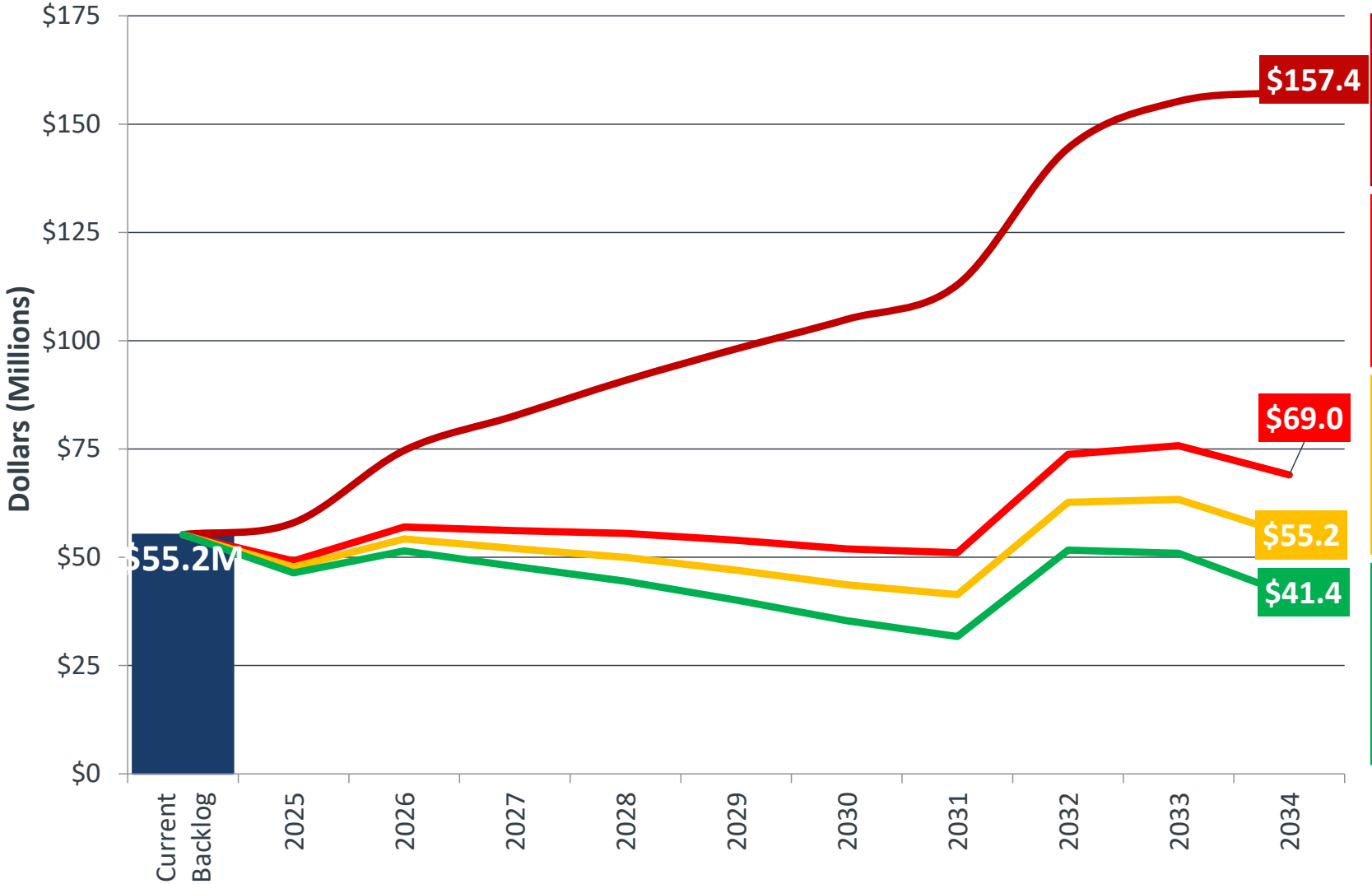
*Mothballed, Demo, and "Other" buildings removed from this chart

0% - 5%	5% - 10%	10% - 30%	> 30%
Capital Upkeep	*Repair & Maintain*	*Systemic Renovation*	*Renovation/Replacement*

*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

WTAMU Deferred Maintenance Impact – E&G

Current Backlog and Predicted Growth, with Funding Scenarios



Zero Funding Scenario:
Making no capital investment into existing space.

Funding Scenario 1:
25% DM Growth
Annual Funding: $8.8M

Funding Scenario 2:
Keep DM at current level
Annual Funding: $10.2M

Funding Scenario 3:
Reduce DM by 25%
Annual Funding: $11.6M

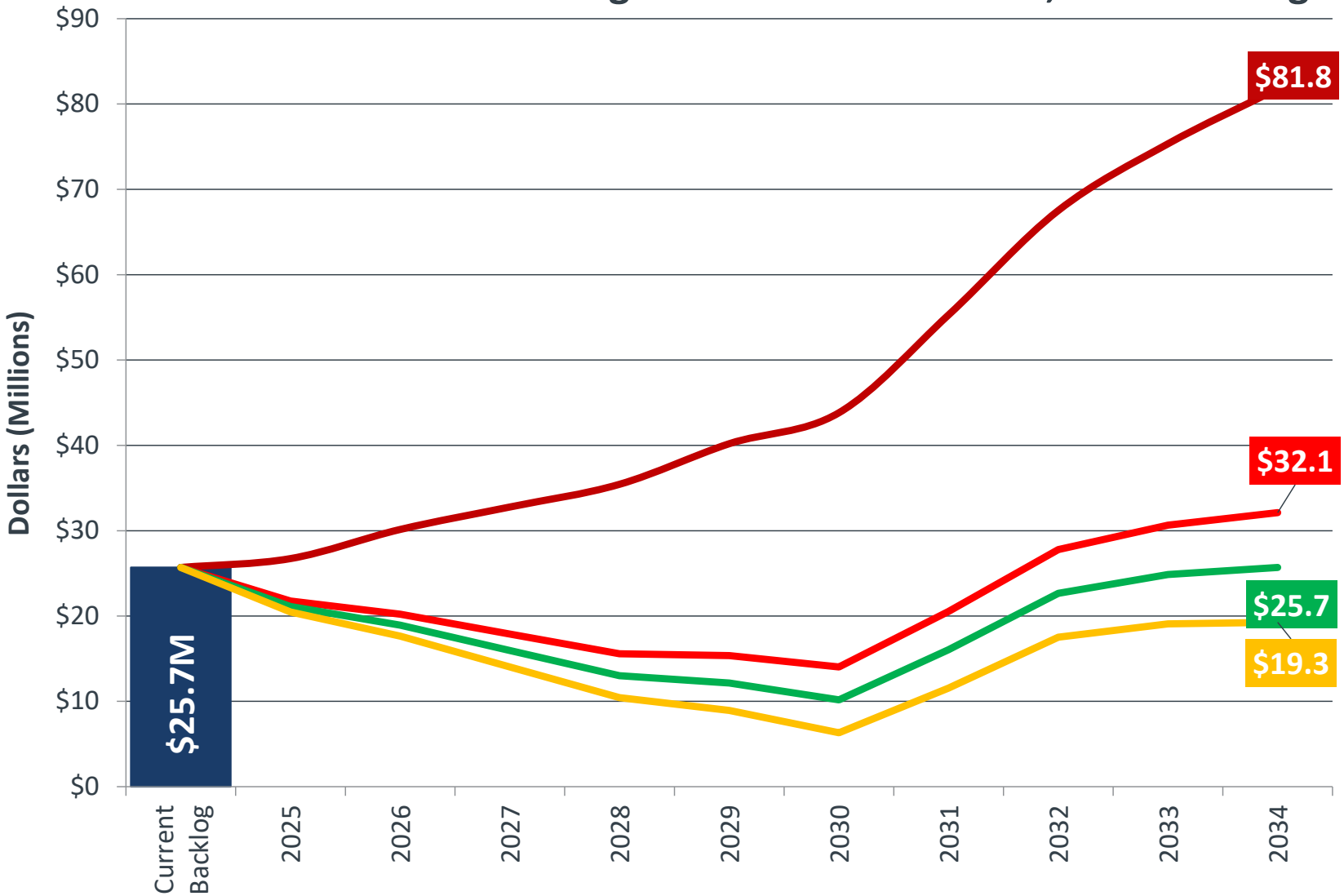
*Mothballed, Demo, and "Other" buildings removed from this chart

All scenarios modeled in FY24 dollars

GORDIAN®

WTAMU Deferred Maintenance Impact – Auxiliary

Current Backlog and Predicted Growth, with Funding Scenarios



Zero Funding Scenario:
Making no capital investment into existing space.

Funding Scenario 1:
25% DM Growth
Annual Funding: $5M

Funding Scenario 2:
Keep DM at current level
Annual Funding: $5.6M

Funding Scenario 3:
Reduce DM by 25%
Annual Funding: $6.3M

*Mothballed, Demo, and "Other" buildings removed from this chart

All scenarios modeled in FY24 dollars

GORDIAN®

West Texas A&M University

Buildings Scheduled for Demolition

Building	Gross Square Feet	Construction Year	Deferred Maintenance (in K)	Est. Cost to Demo (in K)	Occupied /Vacant	Est. Date to Demo
Old Student Union	68,924	1943	$6,121	$3,000	Ocuppied	Spring 26
Cousins Wing Additions *	46,888	1927	$6,724	$1,750	Vacant	Spring 26
Panhandle PlainsHistorical Museum ^	217,171	1933	$51,326	$3,750	Semi Occupied	Unknown
Farm Supervisor Residence #1	2,278	1950	$357	$150	Vacant	Fall 25
Ranch Manager Residence	3,369	1925	$323	$150	Vacant	Fall 25
Total	338,630		$ 64,851	$ 8,800		

* - Auxiliary Building

^ - Neither an E&G or Auxiliary Building



Thank You

Questions or Comments?

TEXAS A&M UNIVERSITY – CORPUS CHRISTI

BUDGET NARRATIVE

Introduction:

Texas A&M University-Corpus Christi (TAMU-CC) is dedicated to establishing itself as a premier institution of higher education in the Gulf Coast region. The university is committed to addressing the intellectual, cultural, social, environmental, and economic needs of South Texas through its academic and community engagement initiatives.

As a growing, doctoral-granting Hispanic-Serving Institution (HSI) and Minority-Serving Institution (MSI), TAMU-CC is devoted to preparing students for lifelong learning and responsible global citizenship. The university fosters a dynamic academic environment that supports excellence in teaching, research, creative endeavors, and service.

Faculty and Staff at TAMU-CC are committed to the responsible stewardship of university resources while ensuring that both undergraduate and graduate students benefit from hands-on learning experiences. This is achieved through an array of educational opportunities, including residential, distance learning, and international programs designed to challenge and inspire.

Revenues:

In the FY 2026 budget, State Appropriations decreased by $626,000 (-1%). This decrease is largely due to the completion of CCAP debt service.

Tuition and Fees are budgeted to increase by $1.3 million (1%) due to adjustments based on projected enrollment.

Contracts & Grants are budgeted to increase 3.1 million (9%) due to growth within research initiatives and renewals of grants. Gifts are budgeted to increase $557,000 (7%) based on FY25 projected actual and expected gifts.

Sales & Services are budgeted to increase $372,000 (1%) primarily due to the increase in demand for students living in on-campus housing.

Investment Income is budgeted to increase $1.9M (28%) to better align with actual performance trends. Other Income is budgeted to increase $174,000 (11%) over the FY 2025 Board Budget.

BUDGET NARRATIVE CONTINUED

Expenses:

Personnel Costs are budgeted to increase $4.5 million (3%) over the FY 2025 Board Budget primarily due to funding for faculty promotion & tenure and increase in group insurance premiums. The 0% to 3% performance-based retention plan for eligible faculty and staff is not currently budgeted and remains contingent upon Fall 2025 enrollment figures.

Utilities are budgeted to increase by $528,000 (11%) and reflect the effects of rising energy costs and housing utilities.

Scholarships are budgeted to increase $2.8M (6%) driven by higher tuition revenue and improved alignment with actual award disbursements.

Operations & Maintenance expenses are budgeted to increase by $4.1 million (6%). This change is due to a refinement in budget method to closer align with projected actuals due to increases in contractual agreements and inflation.

Reserves:

TAMU-CC is an island university, and its coastal location presents many benefits to students and research endeavors but also the increased risk of hurricane damage and associated closures. The coastal environment also increases corrosion, thereby decreasing useful life on infrastructure, such as roofs and HVAC Systems. To mitigate these risks, the university strives to hold a minimum of 3 months of operating expenses in reserve.

- The FY 2024 reserves were $61.7 million or 3.4 months.
- The FY 2025 reserve amount is projected to be $61.4 million or 3.4 months.
- The FY 2026 reserve amount is projected to be $61.8 million or 3.4 months.

Capital Plan:

Debt Service transfers for FY 2026 are budgeted at $31.2 million. This represents a decrease of $1.27 million (3.91%) in debt service for capital improvements and construction projects.

BUDGET NARRATIVE CONTINUED

The allocation of the university's debt service payments is from multiple sources: Tuition Revenue Bonds and Capital Construction Assistance funds at $10.6 million (34%); Higher Education Assistance Funds $5.0 million (16%); and the remaining $15.6 million (50%) are funded from auxiliary revenues, fees, and gifts.

TEXAS A&M UNIVERSITY - CORPUS CHRISTI
FY 2026 - FY 2030 CAPITAL PLAN
SUMMARY INFORMATION

Project #	Projected FY Start Date for Proposed Projects	Project Name	Total Planning Amount	Funding Sources		Cumulative Expenditures Prior Years to 5/31/2025
				RFS Debt Proceeds	Other	
APPROVED PROJECTS						
15-3268		Arts and Media Building	83,891,966	76,212,499 t,w,b	7,679,467 b	23,536,875
		Physical Plant Projects/Equipment/Other	5,686,663	1,102,685	4,583,978	-
		Total Construction/Acquisitions in Progress	89,578,629	77,315,184	12,263,445	23,536,875
TOTAL CAPITAL PLAN			89,578,629	77,315,184	12,263,445	23,536,875

TEXAS A&M UNIVERSITY
CORPUS CHRISTI



The Island University
Programmatic Budget Review FY 2026

Section 1: Overview

Texas A&M University-Corpus Christi's strategic plan:

The Islander Impact 2030

To be nationally recognized for student success, academic achievement, research, creative activity, innovation, and service excellence.



The Island University



- Designated as an R2 Institution with high research spending and doctorate production
- Ranked #1 in research expenditures since 2018 among the A&M System Regional Universities
- Achieved a record-breaking $50M+ in annual research expenditures with Islander focused research initiatives
- Recognized nationally for academic programs in
  - Coastal & Marine Sciences
  - Autonomous & Unmanned Aircraft Systems
  - Environmental Science
  - Counseling
  - Nursing
  - Engineering
  - Business
- Earned 25 Southland Conference (SLC) Championships with 13 NCAA appearances over the last 4 years. For the 4th year in a row, Islanders won the SLC Academic Performance Award and the Women's All Sport Award.

TEXAS A&M UNIVERSITY CORPUS CHRISTI

The Island University is Achieving its Core Mission

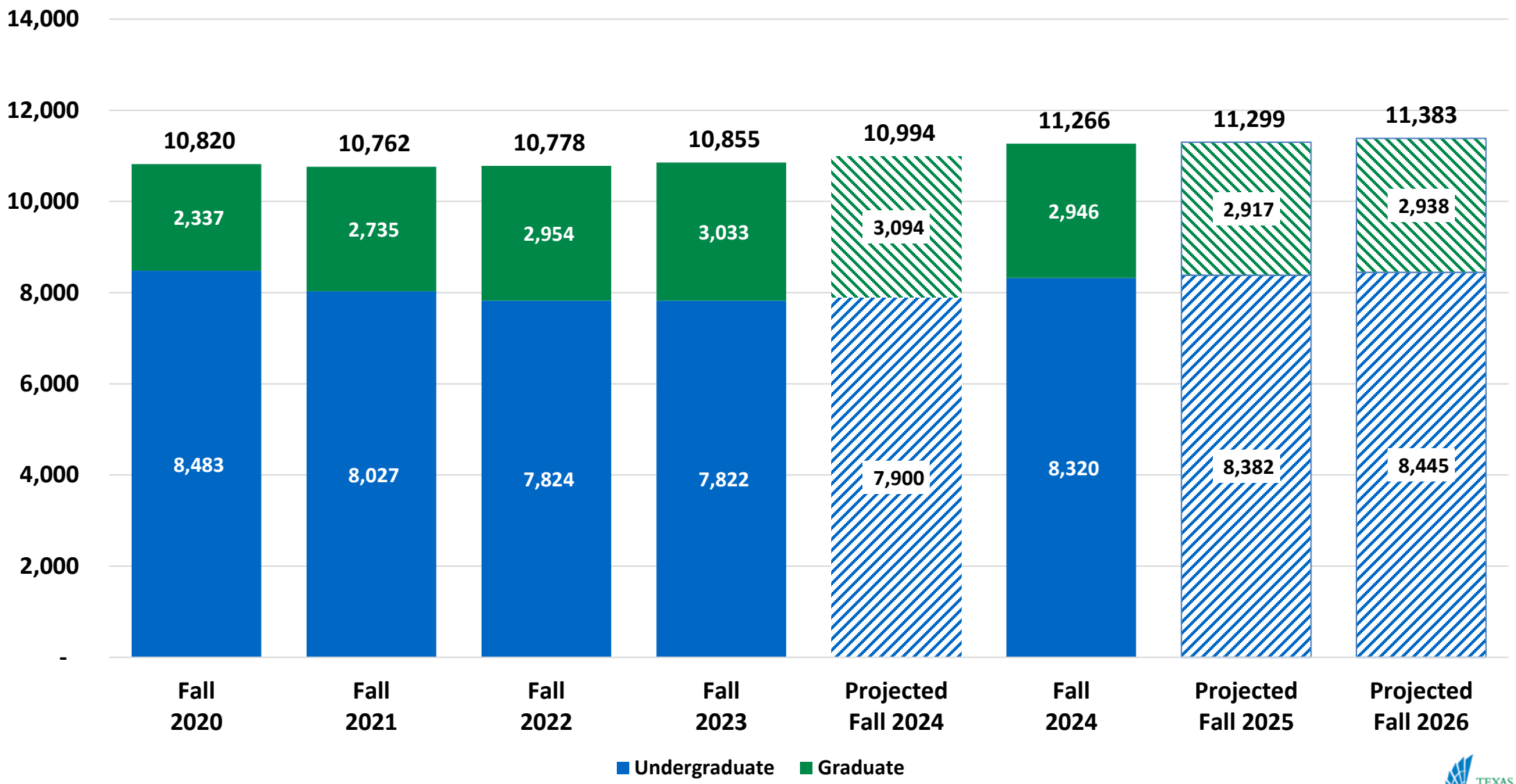
Graduating our largest class in Spring 2025

(1,407)

- 46% Hispanic
- 51% Minority
- 52% First Generation
- 55% Economically Disadvantaged

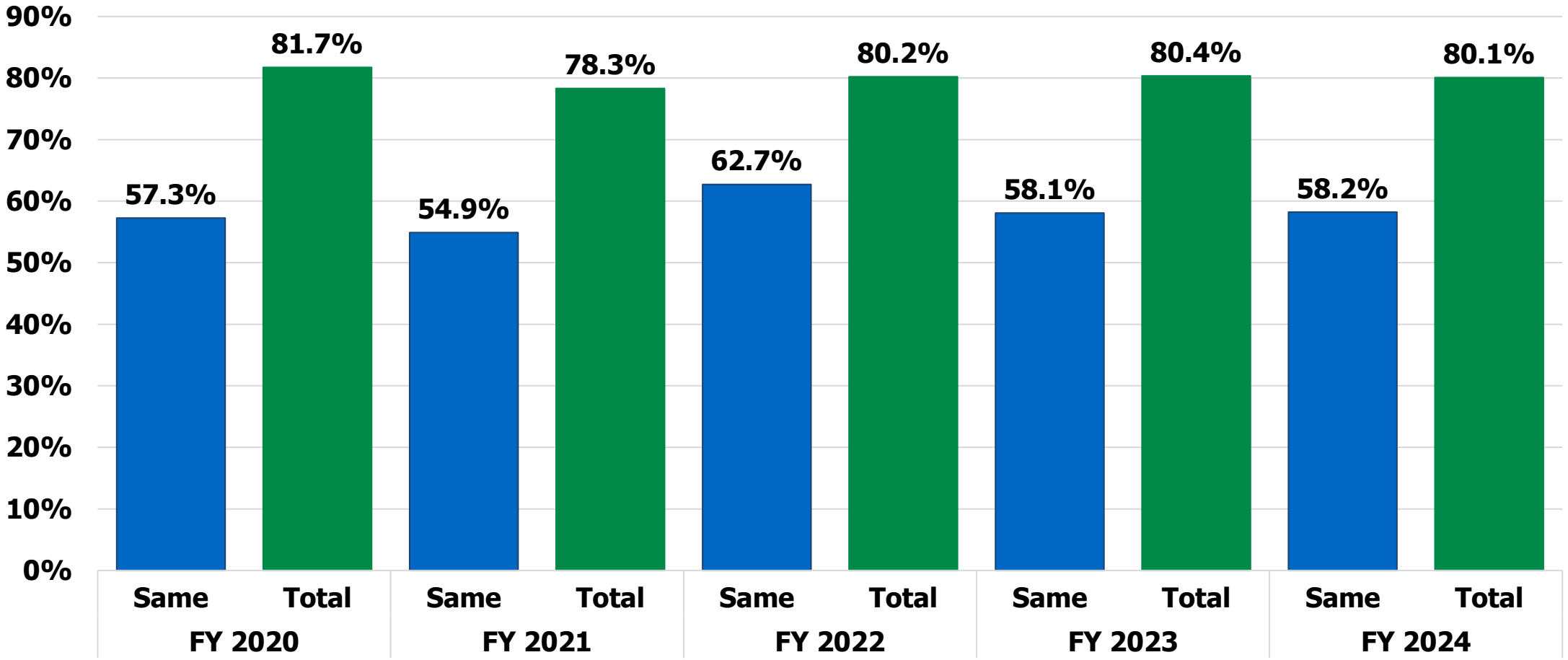


5-Year Enrollment Trend with Projections



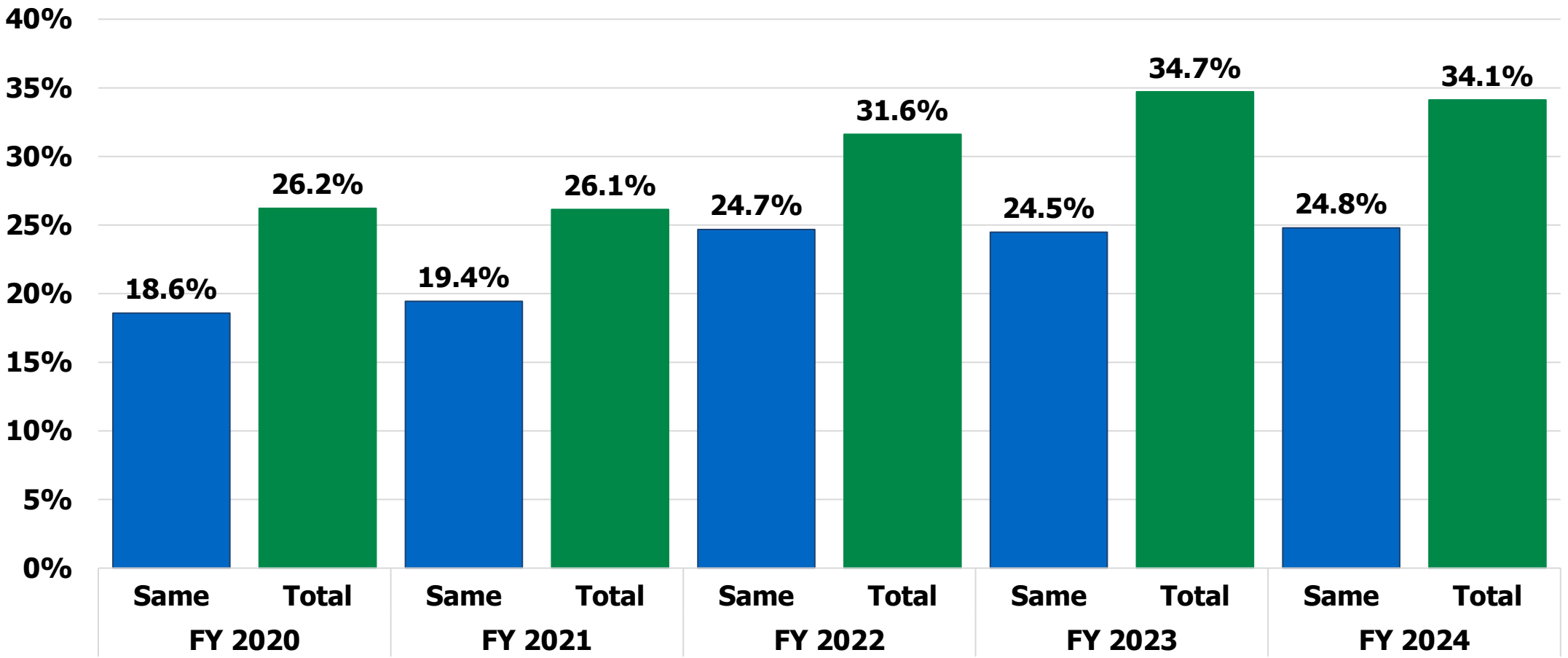
TEXAS A&M UNIVERSITY CORPUS CHRISTI

First Year Persistence Rate



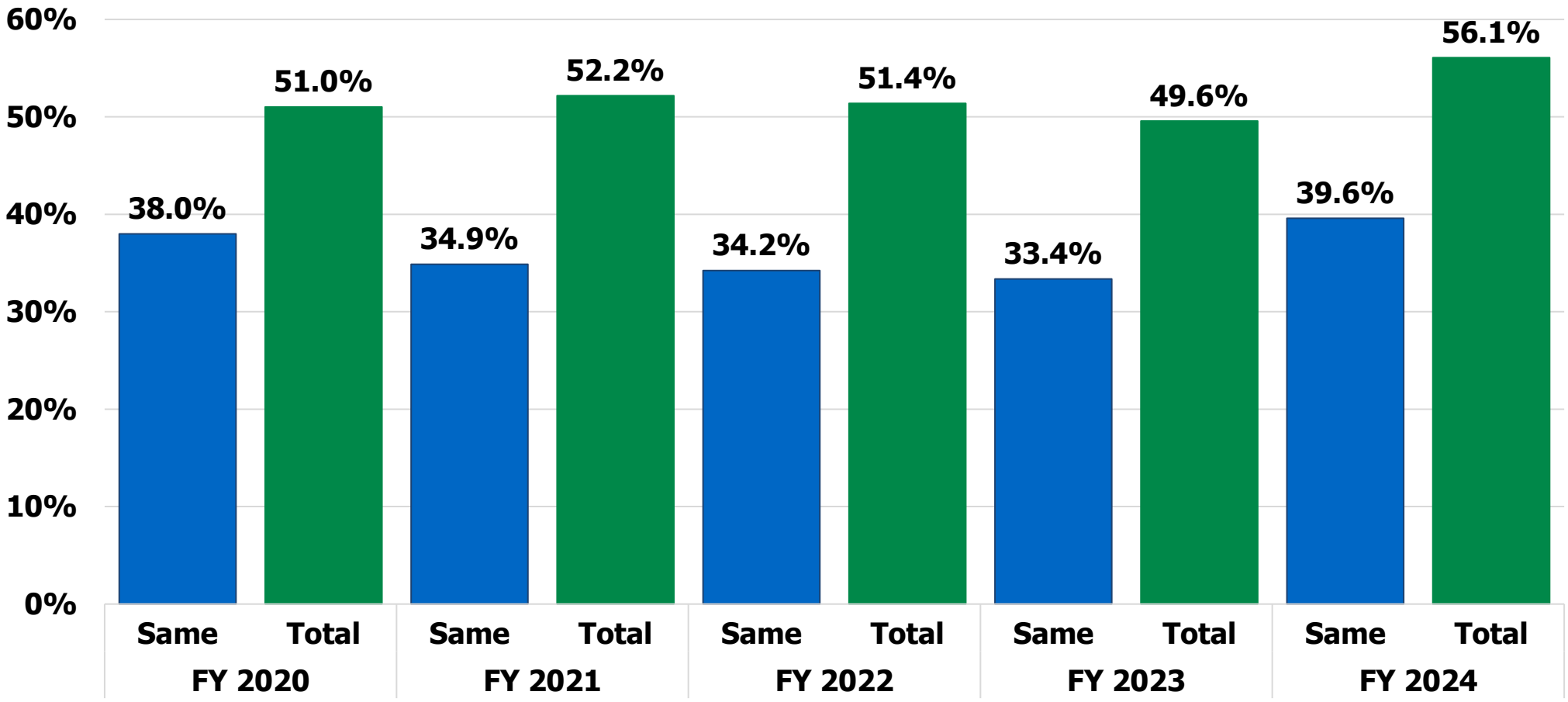
TEXAS A&M UNIVERSITY CORPUS CHRISTI

4-Year Graduation Rate Counts



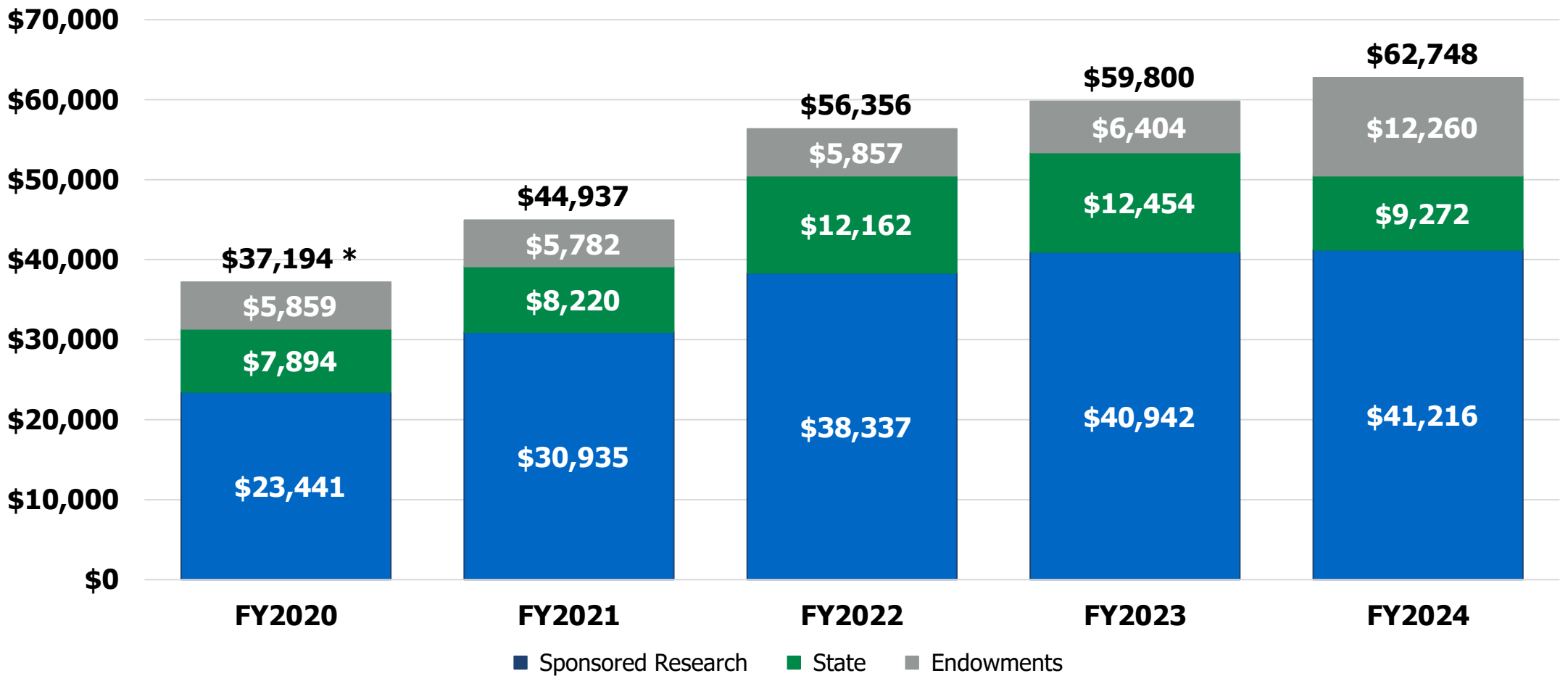
TEXAS A&M UNIVERSITY CORPUS CHRISTI

6-Year Graduation Rate Counts



TEXAS A&M UNIVERSITY CORPUS CHRISTI

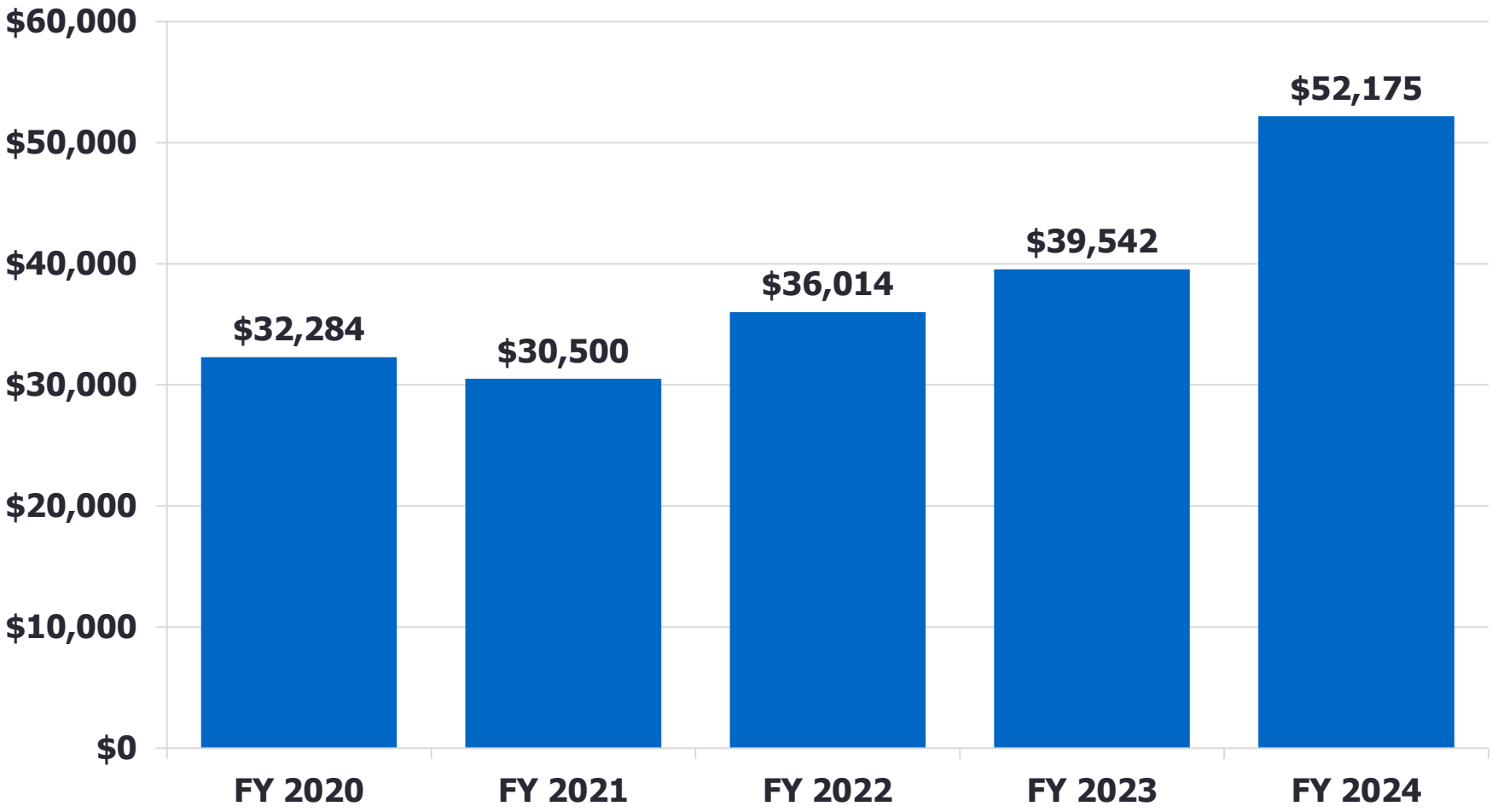
5-Year Research Enterprise Growth (in thousands)



*Reduction reflects COVID restrictions to travel and supply chain issues in certain research endeavors.

TEXAS A&M UNIVERSITY CORPUS CHRISTI

NSF Research Expenditures



TEXAS A&M UNIVERSITY CORPUS CHRISTI

Highest Ranked Among TAMUS Regional Universities



#1 *R&D Expenditures*

#1 *Federal Funding*

#1 *NSF Funding*

$52,175,000

In Research Expenditures in FY24

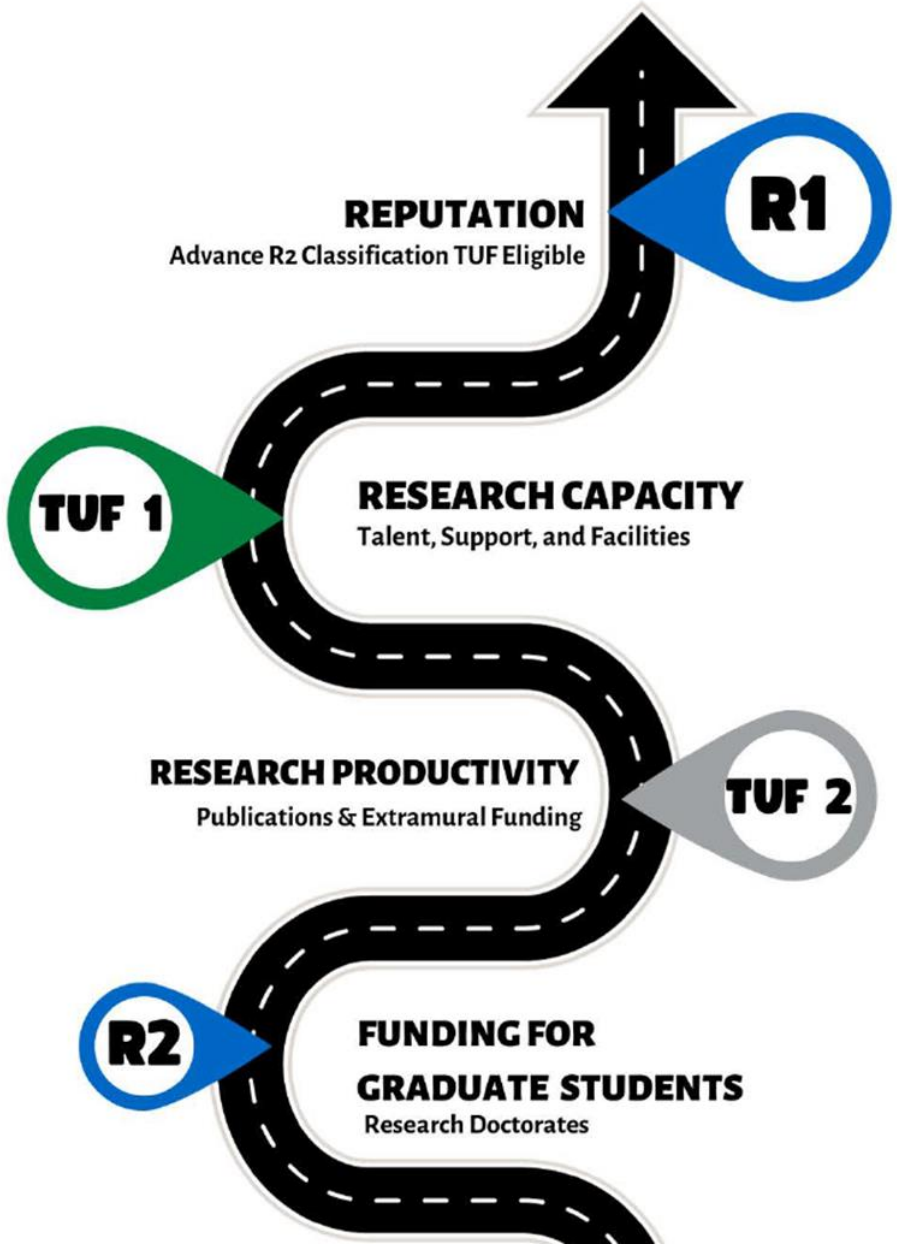
NSF 2023 RANKINGS AND 2025 CARNEGIE CLASSIFICATIONS

Overall Ranking Among All R2 Universities	***Overall Ranking Among R2 Public, Non-Medical Institutions***	***Overall Ranking Among All HSI***
#44 out of 139	**#18** out of 78	**#39** out of 105

Based on latest publicly available data from NSF HERD, THECB, and Carnegie Classification of Institutions of Higher Education.

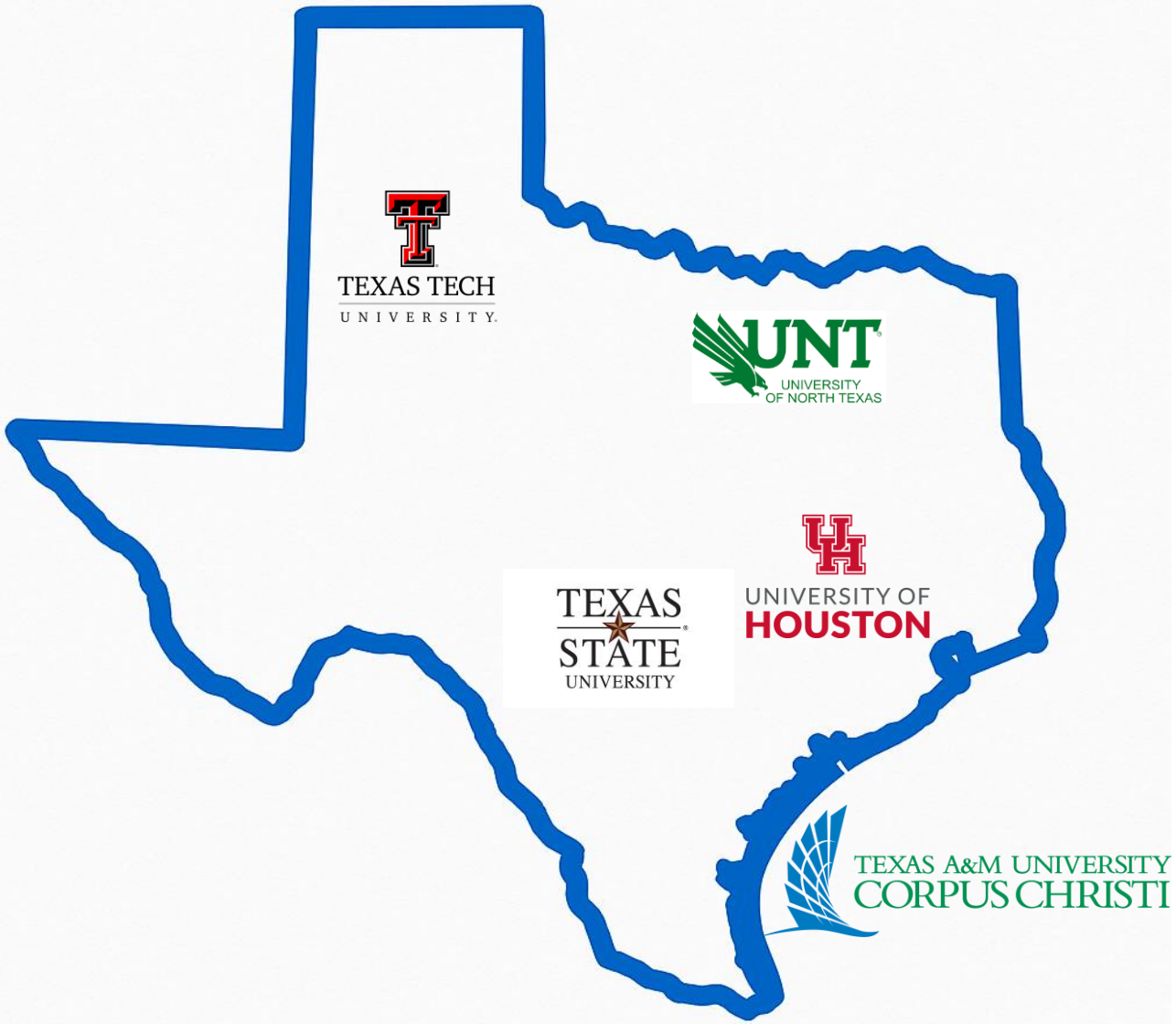
TEXAS A&M UNIVERSITY CORPUS CHRISTI

Roadmap to R1



TEXAS A&M UNIVERSITY
CORPUS CHRISTI

Texas University Fund (TUF)



$3.9B

+$1.3B

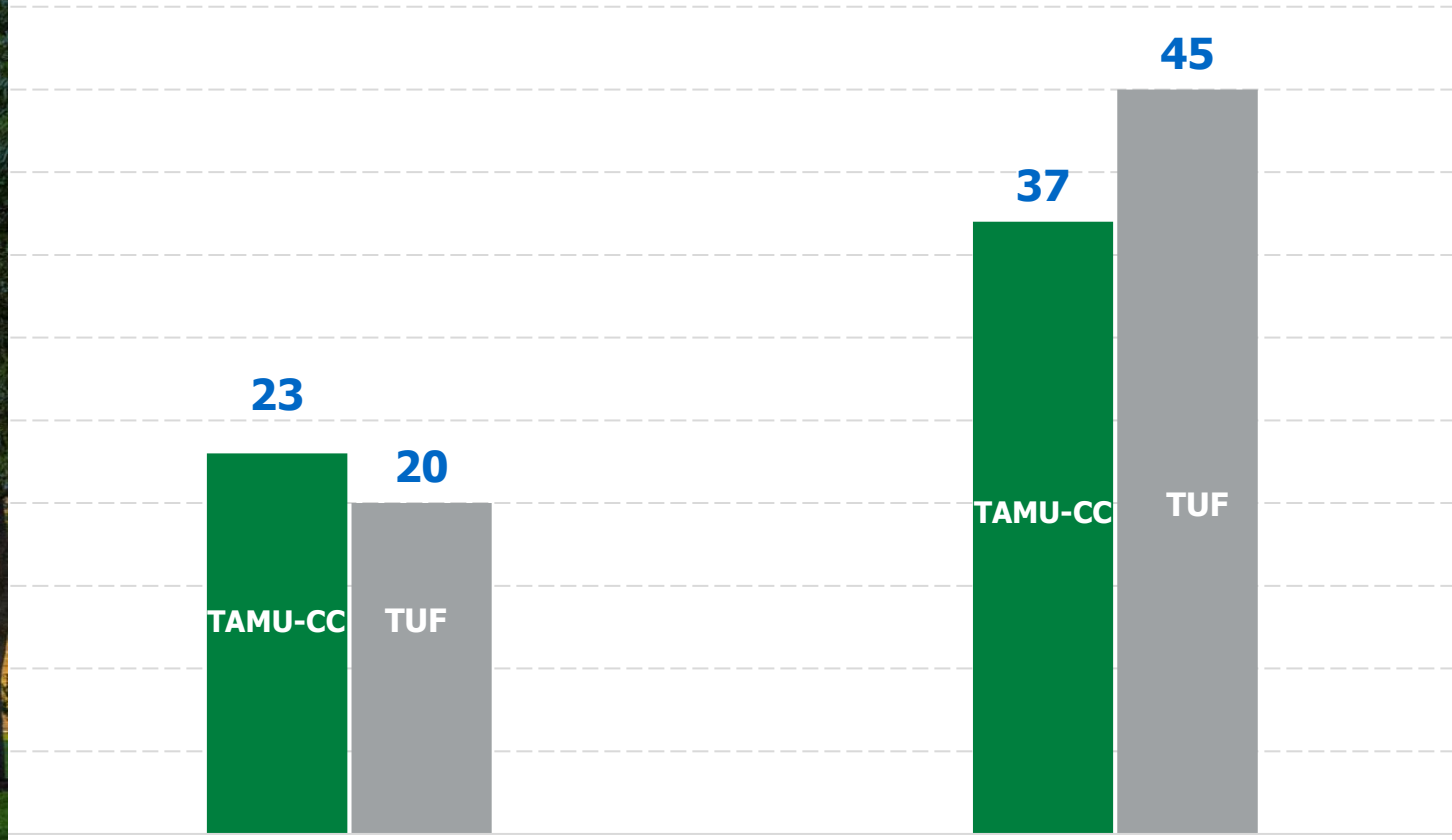
$5.2B

Endowment

TEXAS A&M UNIVERSITY
CORPUS CHRISTI



TUF Target (3-Year Average)



Federal and Private Research Expenditures (in $M)

Research Doctoral Conferrals

TEXAS A&M UNIVERSITY CORPUS CHRISTI



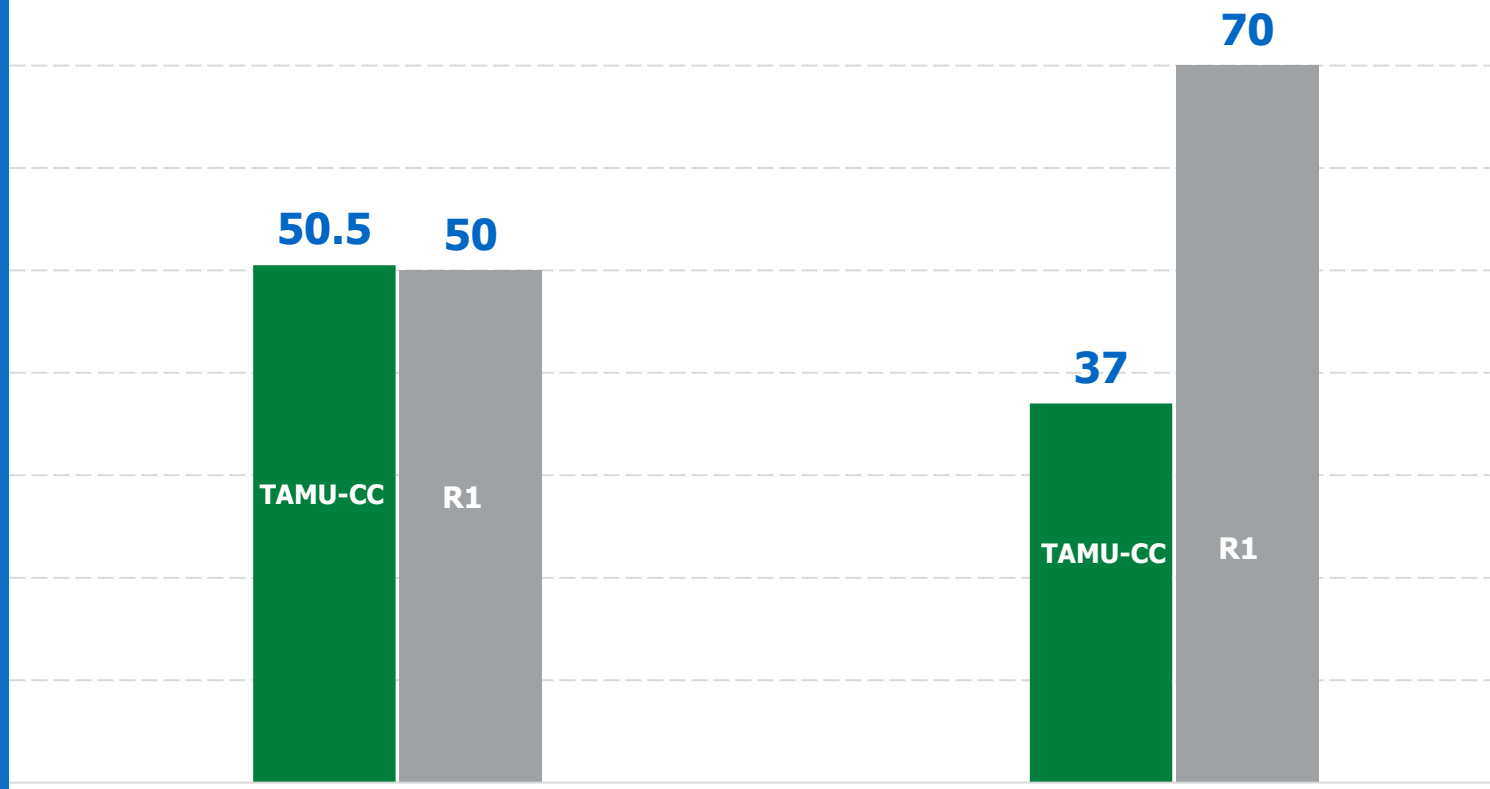
Short-Term Strategy

- Pipeline acceleration and expansion

Long-Term Strategy

- Increase student support to reflect R1 aspirations
- Expand current program modalities
- Add Ph.D. programs that align with workforce needs and research strengths
- Increase enrollment and degree completion across all doctoral programs

R1 Target



Total Research Expenditures (in $M)

Research Doctoral Conferrals

Section 2: Financial



89th Legislative Session

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
General Revenue	$ 44,614	$ 43,504	$ (1,110)
CRU	1,517	1,307	(211)
CCAP	11,544	10,662	(882)
Comprehensive Research Fund	3,041	3,777	736
HEGI	6,104	6,841	737
Hazlewood	2,770	2,559	(211)
Subtotal	**$ 69,591**	**$ 68,650**	**$ (941)**
Estimated State Paid Benefits	**$ 5,813**	**$ 6,128**	**$ 315**
State Appropriations Total:	**$ 75,404**	**$ 74,778**	**$ (626)**
Higher Education Fund:	**$ 11,825**	**$ 16,228**	**$ 4,403**

Proposed Fee Increases



- University Health Center Fee
- Athletics Fee
- Graduation Application Fee
- Graduate Course Fee

TEXAS A&M UNIVERSITY CORPUS CHRISTI

FY 2026 Proposed Revenue Budget & Variance

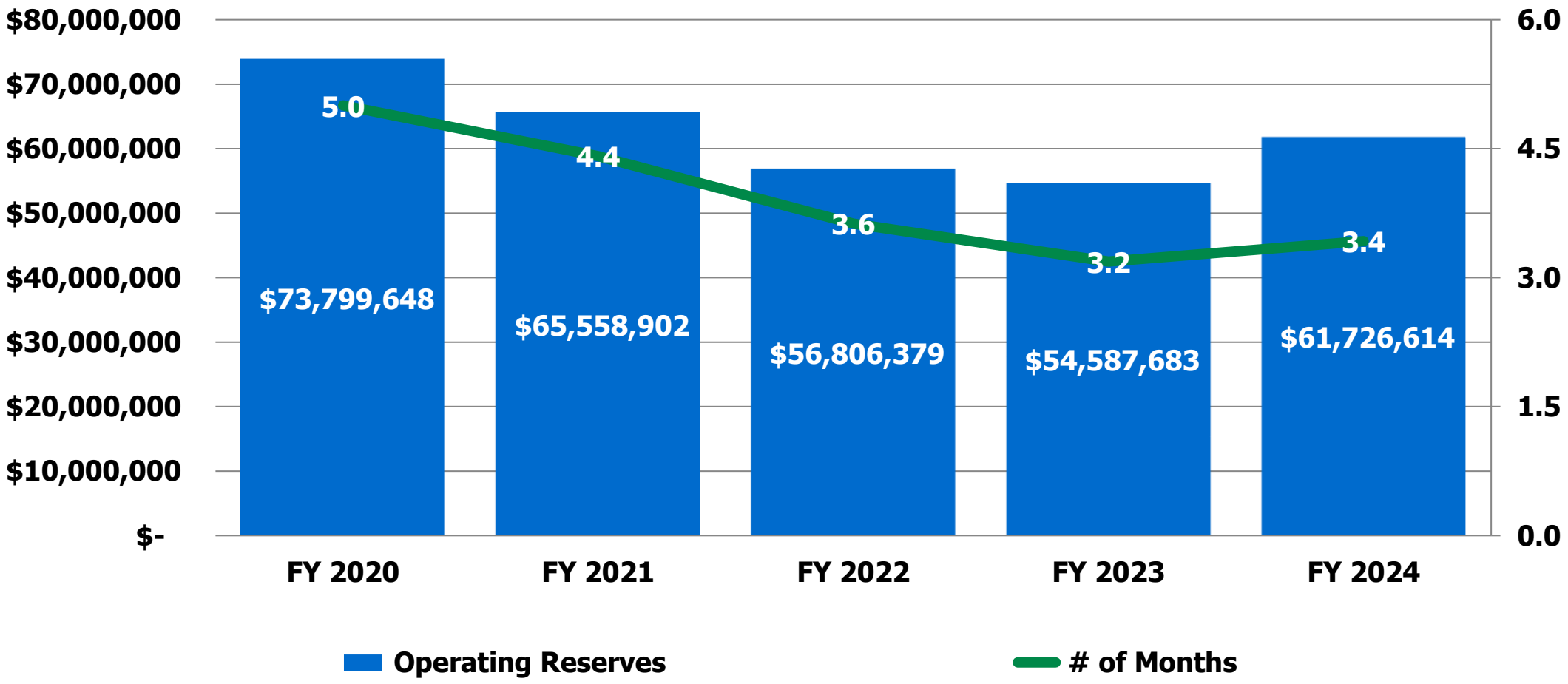
REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 75,404	$ 74,778	$ (626)	-1%
Higher Education Fund	11,825	16,228	4,403	37%
Tuition and Fees	111,917	113,214	1,297	1%
Contracts and Grants	32,622	35,701	3,078	9%
Student Financial Assistance	30,826	30,826	0	0%
Gifts	7,851	8,409	557	7%
Sales and Services	29,405	29,777	372	1%
Investment Income	6,940	8,875	1,936	28%
Other Income	1,647	1,822	174	11%
Discounts	(28,470)	(30,263)	(1,792)	6%
TOTAL REVENUES:	$279,968	$289,366	$ 9,399	3%

FY 2026 Proposed Expense Budget & Variance

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	$ 279,968	$ 289,366		
Expenses:				
Salaries - Faculty	$ 51,503	$ 51,796	$ 293	1%
Salaries - Non-Faculty	59,898	60,910	1,011	2%
Wages	6,970	7,596	626	9%
Benefits	36,743	39,277	2,534	7%
Personnel Costs	$ 155,115	$ 159,579	$ 4,464	3%
Utilities	4,654	5,182	528	11%
Scholarships	44,867	47,644	2,777	6%
Discounts	(28,470)	(30,263)	(1,792)	6%
Equipment (Capitalized)	6,723	7,349	627	9%
Operations and Maintenance	64,598	68,671	4,073	6%
Debt Service	32,482	31,204	(1,278)	-4%
TOTAL EXPENSES:	$ 279,968	$ 289,366	$9,399	3%
Other Transfers:	843	264		
CHANGE IN NET POSITION (Rev-Exp+Transfer):	$ 843	$ 264		

TEXAS A&M UNIVERSITY CORPUS CHRISTI

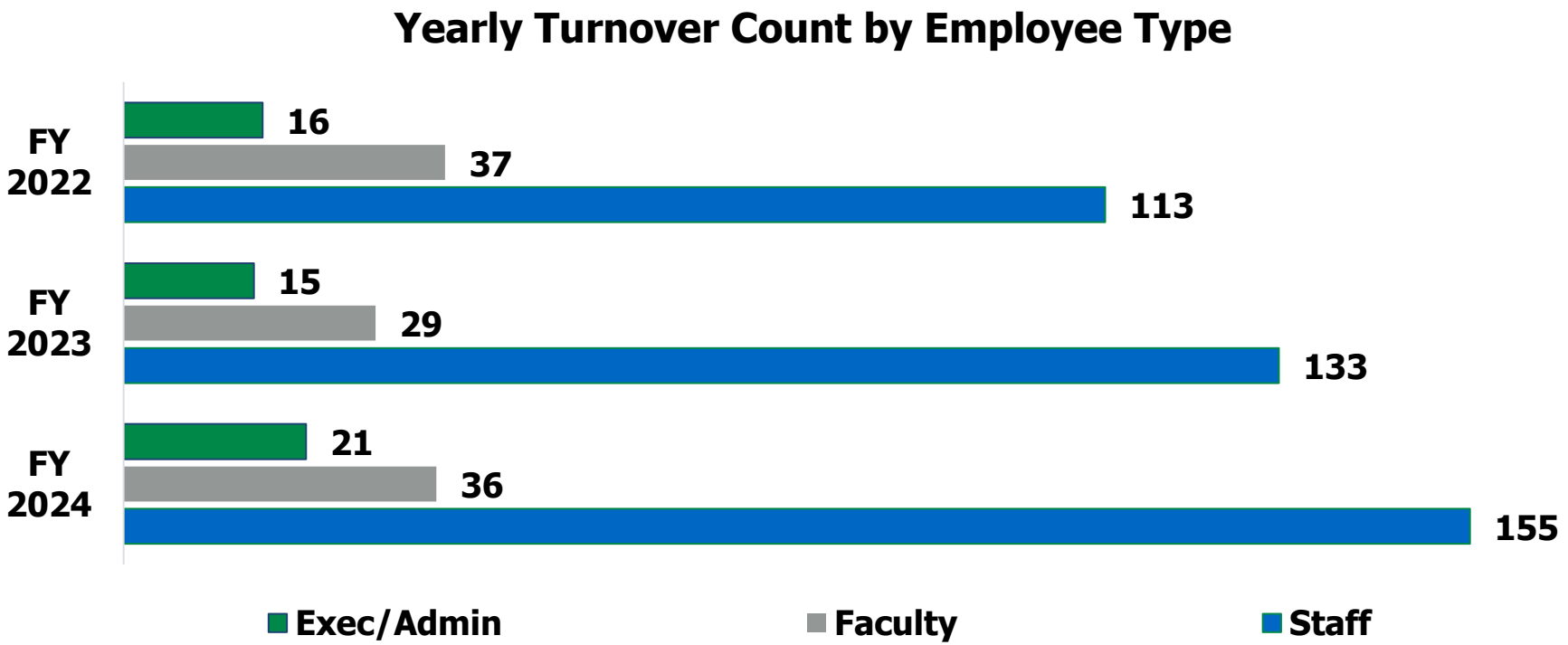
Operating Reserves and Months of Reserves



TEXAS A&M UNIVERSITY CORPUS CHRISTI

Employee Turnover

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*16*	*12.7%*	*37*	*8.7%*	*113*	*16.4%*	*166*	*13.4%*
FY 2023	*15*	*11.4%*	*29*	*6.5%*	*133*	*19.0%*	*177*	*13.9%*
FY 2024	*21*	*15.8%*	*36*	*7.8%*	*155*	*20.5%*	*212*	*15.7%*



TEXAS A&M UNIVERSITY CORPUS CHRISTI

Employee Retention Plan

FY 2026 PLAN DESCRIPTION	Faculty	Staff	Total
0-3% Performance Based Pool*	1,146,400	1,773,800	2,920,200
Promotions	588,600	-	588,600
*Benefits**	*321,000*	*328,200*	*649,200*
Total:	$ 2,056,000	$ 2,102,000	$ 4,158,000

*Contingent on enrollment or funding

Maximizing Revenue Plan

	Percent Increase 2023 to 2024	Total Increase
Workforce Development Training	40%	$29,931
Camps for Minors	11%	$88,187
Event Services	8%	$30,000
Islander Dining	30%	$16,251
Athletic Ticket Sales	6.23%	$10,505
Overall Fundraising	45.50%	$6,000,682

Continuous Improvement Plan



- Syllabi Accuracy and Compliance
- Course Rotations
- Mode of Delivery
- Course Caps
- Faculty Workload
- Retention Initiatives
  - First-Year Seminar
  - Supplemental Instruction
  - Advising Model

Section 3: Auxiliary Operations



Student Athletics

Athletics *(in thousands)*	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance Amount	Budget Variance %
Revenue					
Sales and Services	$ 1,472	$ 1,700	$ 1,821	$ 121	7%
Fees	6,165	6,403	6,444	41	1%
Gifts	587	846	871	25	3%
Total Revenues:	**$ 8,224**	**$ 8,949**	**$ 9,136**	**$ 187**	**2%**
Expenses					
Personnel Costs:	$ 5,031	$ 5,205	$ 5,310	$ 105	2%
O&M and Equipment	5,718	5,794	5,881	87	1%
Scholarships	3,011	2,957	3,013	56	2%
Debt Service (includes RFS Transfer)	433	433	432	(1)	0%
Total Expenses:	**$ 14,193**	**$ 14,389**	**$ 14,636**	**$ 247**	**2%**
Transfers					
From Designated Tuition and Fees	$ 5,969	$ 5,440	$ 5,500		
Total Transfers:	**$ 5,969**	**$ 5,440**	**$ 5,500**		
Net Income/(Loss)	**$ 0**	**$ 0**	**$ 0**		


2023
BEACH VOLLEYBALL
CHAMPION


2023
MEN'S BASKETBALL TOURNAMENT
CHAMPION




SLC
RALLY
CHAMPION
SOUTH TEXAS
SHOWDOWN
2024
2023


SOUTHLAND CONFERENCE
CHAMPIONS
SLC

Housing Operations

Housing Operations *(in thousands)*	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance Amount	Budget Variance %
Revenue					
Sales and Services	$ 21,786	$ 22,443	$ 23,084	$ 641	3%
Total Revenues:	**$ 21,786**	**$ 22,443**	**$ 23,084**	**$ 641**	**3%**
Expenses					
Personnel Costs:	$ 2,709	$ 3,695	$ 3,769	$ 74	2%
Utilities	1,488	1,518	1,745	228	15%
O&M and Equipment	4,253	4,444	5,382	938	21%
Debt Service (includes RFS Transfer)	9,134	9,137	9,129	(8)	0%
Total Expenses:	**$ 17,584**	**$ 18,794**	**$ 20,025**	**$ 1,232**	**7%**
Transfers					
To AUX Deferred Maintenance	(2,470)	(2,621)	(2,959)		
Total Transfers:	**$ (2,470)**	**$ (2,621)**	**$ (2,959)**		
Net Income/(Loss)	**$ 1,732**	**$ 1,028**	**$ 100**		

Texas A&M University-Corpus Christi







TEXAS A&M UNIVERSITY
CORPUS CHRISTI



The Island University
Programmatic Budget Review FY 2026

Capital Plan Update

TEXAS A&M UNIVERSITY - CORPUS CHRISTI
FY 2026 - FY 2030 CAPITAL PLAN
SUMMARY INFORMATION

Project #	Projected FY Start Date for Proposed Projects	Project Name	Total Planning Amount	Funding Sources: RFS Debt Proceeds	Funding Sources: Other	Cumulative Expenditures Prior Years to 5/31/2025
APPROVED PROJECTS						
15-3268		Arts and Media Building	83,891,966	76,212,499 t,w,b	7,679,467 b	23,536,875
		Physical Plant Projects/Equipment/Other	5,686,663	1,102,685	4,583,978	-
		Total Construction/Acquisitions in Progress	89,578,629	77,315,184	12,263,445	23,536,875
TOTAL CAPITAL PLAN			89,578,629	77,315,184	12,263,445	23,536,875

Unfunded Capital Needs:

2026	Student Services Center Roof Replacement & Retrofit	3,847,680
2026	Faculty Center Roof Replacement & Retrofit	7,529,562
2026	Dr. Robert R. Furgason Engineering Roof Replacement & Retrofit	6,193,000
2026	Corpus Christi Hall Roof Replacement & Retrofit	5,770,176
2026	Downtown Chaparral Building Generator & Saferoom	3,527,338
2026	Island Beach Rec Facility	7,500,000
2026	Miramar Housing Apartment Replacement	333,000,000
2027	Multi-purpose Community Center/Safe Room	55,000,000
2027	Center for the Arts Roof Replacement & Retrofit	5,726,520
2027	Center for Sciences Renovation	3,200,000
2027	Central Plant Chilled & Hot Water Loop	30,000,000
2027	Center for the Sciences Roof Replacement & Retrofit	3,913,815
2028	Natural Resources Center Renovations	3,500,000
2028	Stormwater Repair/Replacement Campus Wide	20,000,000
2028	Health Center	25,500,000
2029	Repair & Replace Paved Roads Campus Wide	20,000,000
2030	Chaparral Downtown Retrofit	1,759,426
2030	Student Success & Classroom Space	65,000,000
2030	Parking Garage	40,000,000
2030	Housing Residence Halls Retrofit	41,629,520

TEXAS A&M UNIVERSITY CORPUS CHRISTI

TAMU-CC Core Observations

Current State

TAMUCC is an aging campus with major mechanical systems requiring replacement:

- **35% of state-supported space is over 25 years old, much of which now requires system replacements and renovations.**
- **Most deferred maintenance at TAMUCC falls in the Safety/Code category; however, there are no current code compliance issues or safety concerns on campus. This need is driven primarily by the anticipated costs of new system requirements that will arise as renovation work triggers updated code considerations.**
- **Most DM after Safety/Code at TAMUCC is HVAC and roofing related – signaling critical areas that will require immediate attention.**

Forward Focus

To continue lowering the FCI in E&G spaces, and to keep the FCI low in auxiliary spaces, the university should:

- **Target large-scale renovations and demolish buildings in poor condition where appropriate.**
- **Establish a recurring annual investment in auxiliary facilities to manage deferred maintenance proactively.**

Key Considerations

- **Without increased funding, deferred maintenance at TAMUCC will continue to grow over the next decade.**
- **Large demolitions can quickly reduce deferred maintenance but may create new challenges related to space management.**

TEXAS A&M UNIVERSITY
CORPUS CHRISTI

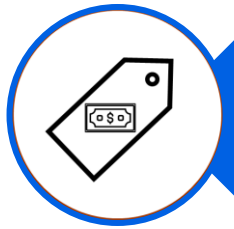
TAMU-CC Key Statistics



Total GSF: 3.7M | E&G (2.6M) | Aux (1.1M)



Construction Age: 21.2 | E&G: 24.1 | Aux: 14.1



10 Year Needs ($ Millions):

Total Campus: $404.9 | E&G: $340.2 | Aux: $64.7

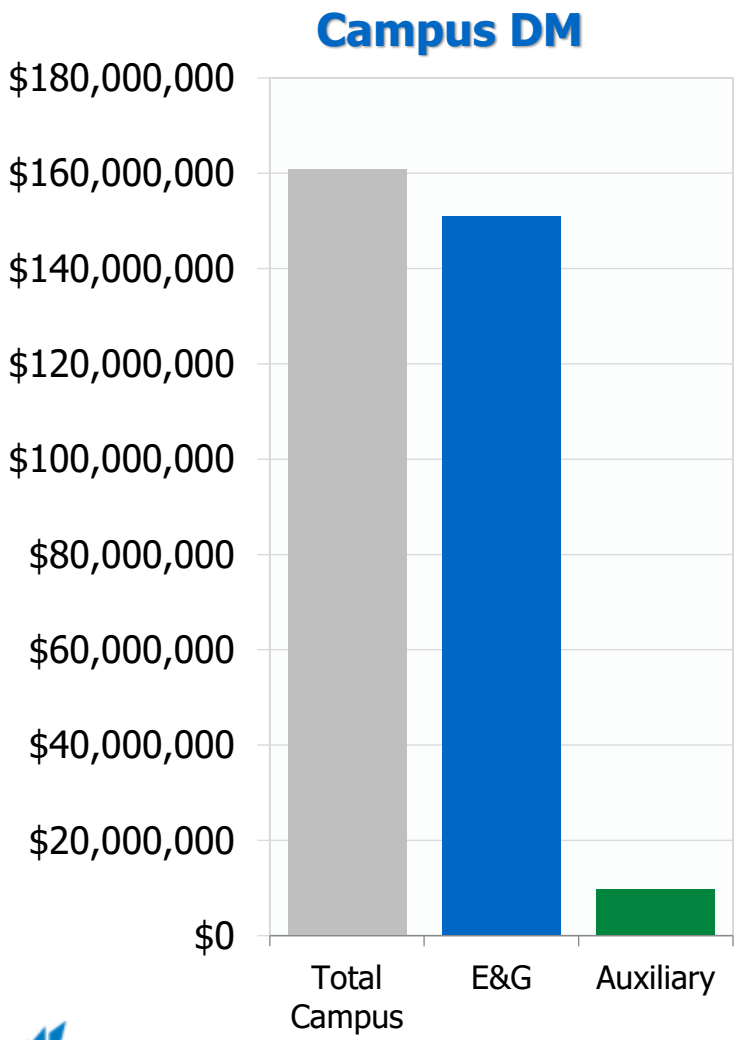


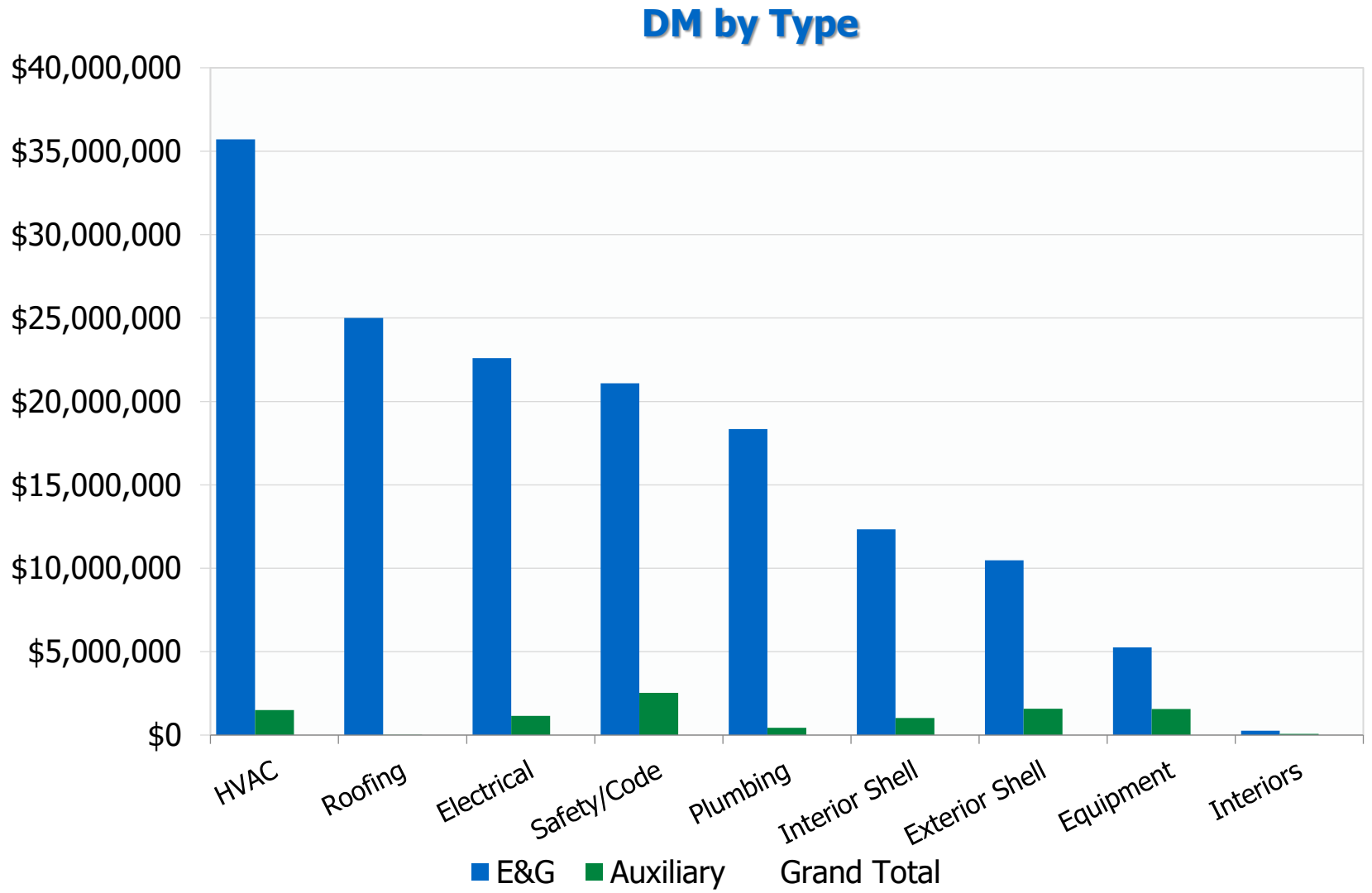
Deferred Maintenance ($ Millions):

Total Campus: $185.2 | E&G: $175.4 | Aux: $9.85

TEXAS A&M UNIVERSITY
CORPUS CHRISTI

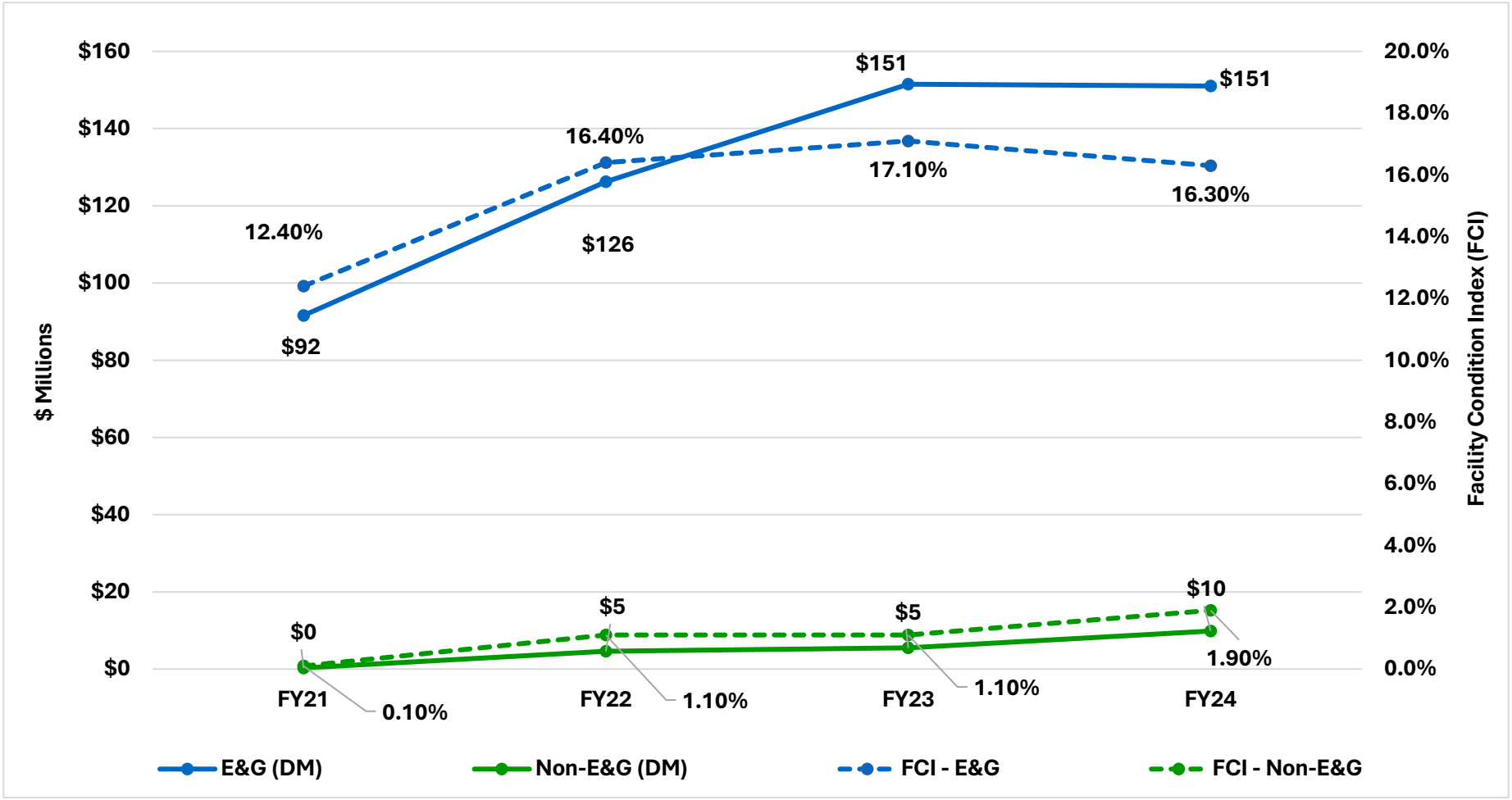
Outstanding Deferred Maintenance





TEXAS A&M UNIVERSITY CORPUS CHRISTI

Facility Condition Index

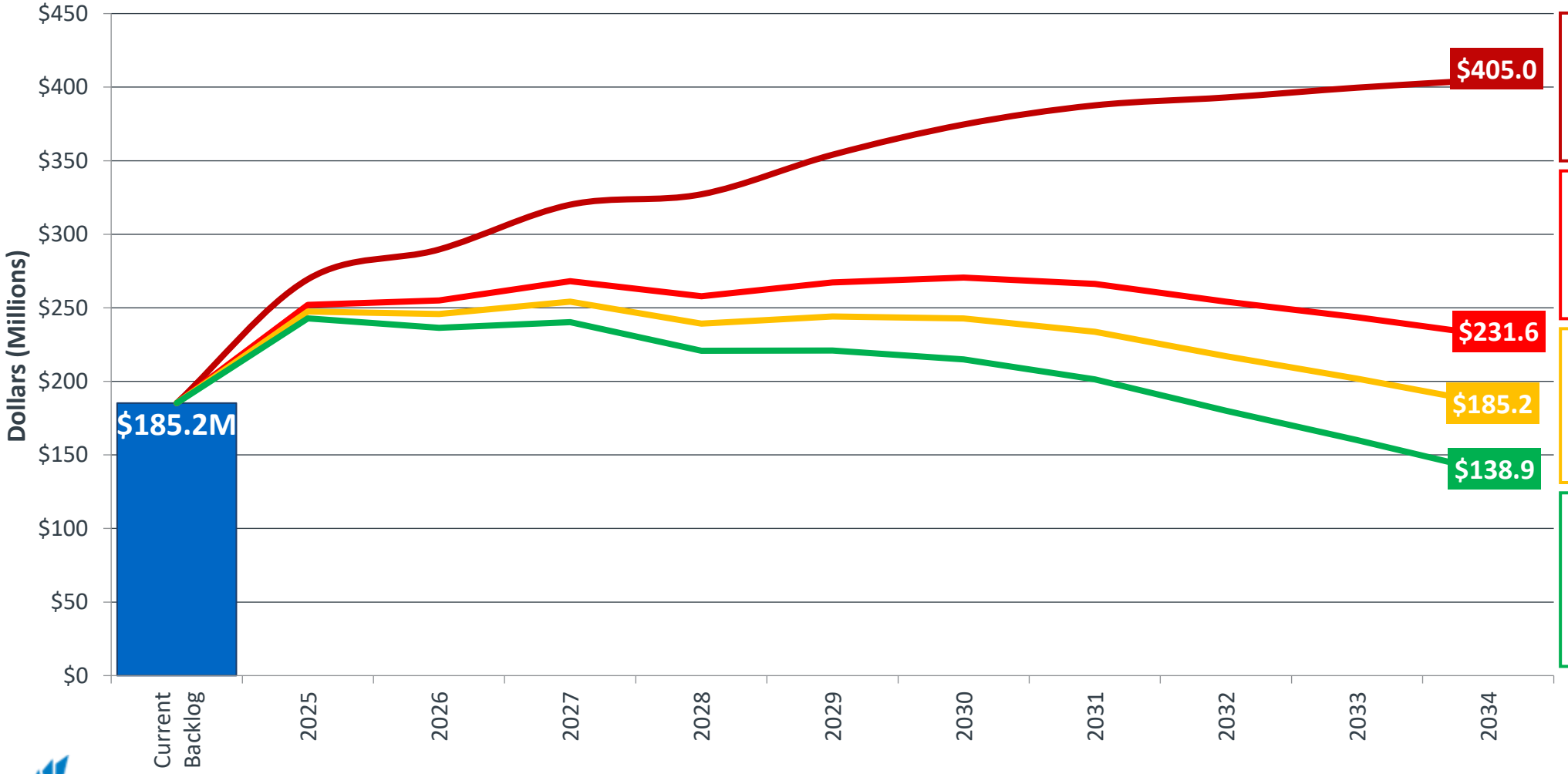


0% - 5%	5% - 10%	10% - 30%	> 30%
Capital Upkeep	*Repair & Maintain*	*Systemic Renovation*	*Renovation/Replacement*

TEXAS A&M UNIVERSITY CORPUS CHRISTI

TAMU-CC Deferred Maintenance Impact

Current Backlog and Predicted Growth, with Funding Scenarios



Zero Funding Scenario:
Making no capital investment into existing space.

Funding Scenario 1:
25% DM Growth
Annual Funding: $17.3M

Funding Scenario 2:
Keep DM at current level
Annual Funding: $22.0M

Funding Scenario 3:
Reduce DM by 25%
Annual Funding: $26.6M

TEXAS A&M UNIVERSITY CORPUS CHRISTI

All scenarios modeled in FY24 dollars

GORDIAN®

TAMU-CC Demolition List

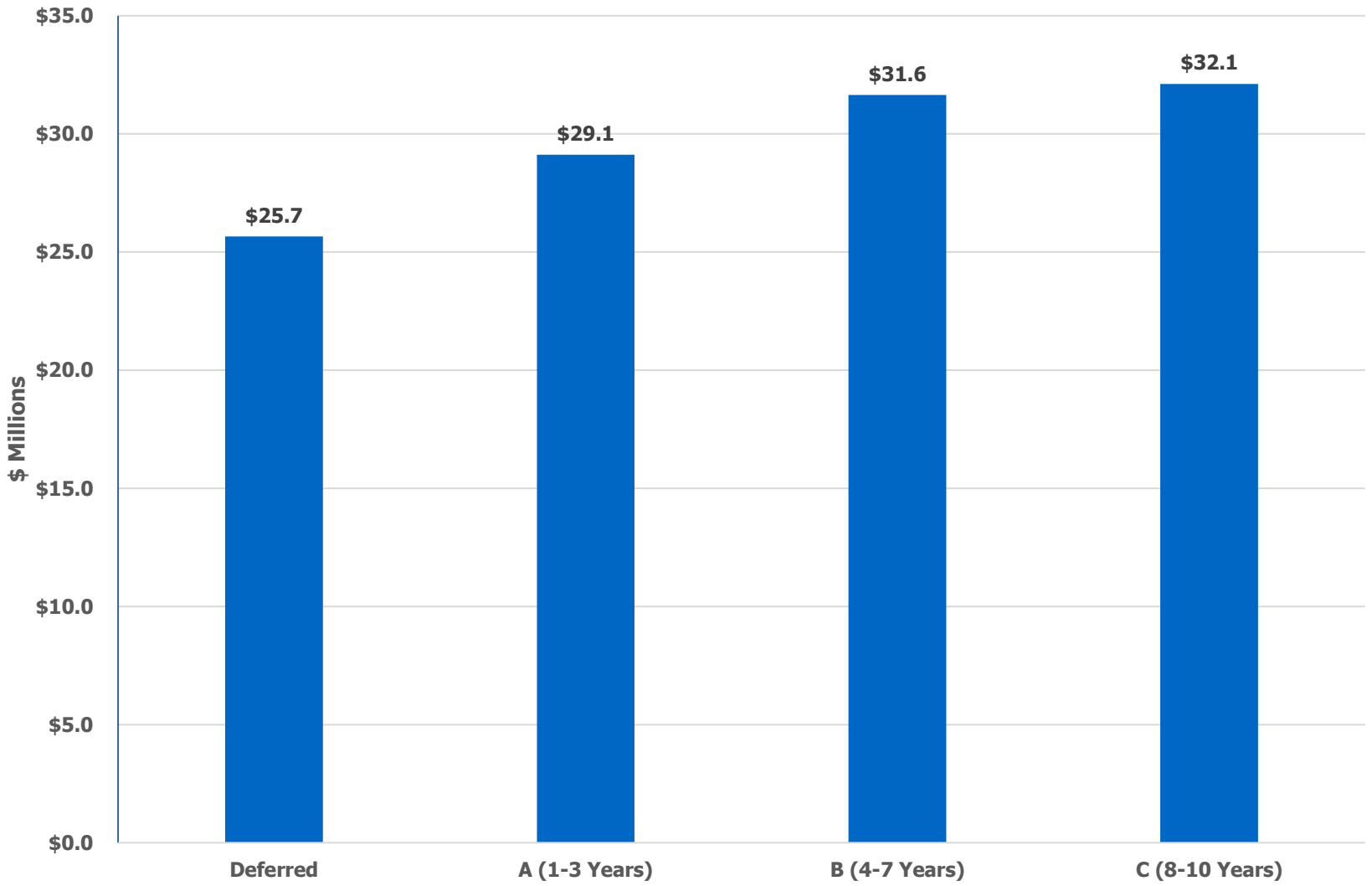
Building Name	GSF	Construction Year	Deferred Maintenance	Estimated Demolition Cost	Occupied/ Vacant	Timeline for Demolition *
CLASSROOM WEST	21,893	1960	$5,591,853	$766,255	Occupied	5/1/2026
DRIFTWOOD HALL	7,200	1985	$3,459,291	$252,000	Occupied	5/1/2026
BOAT STORAGE	12,060	1995	$2,561,896	$422,100	Occupied	5/1/2026
GLASSCOCK STUDENT SUCCESS CENTER	18,152	1967	$6,400,348	$635,320	Occupied	5/1/2027
SANDPIPER HALL	7,200	1985	$1,986,567	$252,000	Occupied	5/1/2027
PURCHASING	2,942	2005	$893,004	$102,970	Occupied	5/1/2027
ATHLETIC FIELD HOUSE	26,005	1968	$3,845,772	$910,175	Occupied	5/1/2028
MODULAR BUILDING 1	4,935	2014	$447,966	$172,725	Occupied	5/1/2028
SCIENCE LAB 1	4,000	2013	$191,776	$140,000	Occupied	5/1/2028
MC UPD SUBSTATION	2,554	2013	$142,002	$89,390	Occupied	5/1/2029
SCIENCE LAB 2	4,000	2013	$136,878	$140,000	Occupied	5/1/2029

*Contingent on available funding

Total DM Removed Through Demolitions:	Estimated Cost to Demolish:
$25,657,353	$3,882,935

TEXAS A&M UNIVERSITY CORPUS CHRISTI

Deferred Maintenance From Demolition List



TEXAS A&M UNIVERSITY CORPUS CHRISTI

Strategically Focusing Limited Resources



What we prioritize:

- Student and campus safety
- Preventative maintenance
- Classroom, laboratory, and research spaces
- Critical infrastructure
- Building envelope integrity
- Disaster resilience and preparedness
- Operational efficiency in electricity, water, HVAC systems, etc.

Our Agile Investment Strategy Includes:

- A commitment to funding preventative maintenance
- Access to State programs (e.g., CCAP investment)
- Successful and ambitious grant acquisition
- Preservation of functioning legacy systems
- Evolution of space planning and utilization practices
- Deferral of non-critical needs

TARLETON STATE UNIVERSITY

BUDGET NARRATIVE

Introduction

In Fiscal Year (FY) 2025, Tarleton State University developed a strategic budget model designed to align financial resources with the institutional goals outlined in *Tarleton Forward 2030*. As Tarleton transitions into FY 2026, this model will enable effective resource allocation in support of our mission and vision.

As a founding member of the Texas A&M University System, Tarleton remains steadfast in its mission to transform generations through discovery, leadership, and inclusion fostered by educational excellence. Our vision is to become the premier comprehensive regional university in the nation, anchored by a commitment to student success, impactful teaching, and innovative research.

The strategic plan—*Tarleton Forward 2030*—guides institutional efforts across six key priorities:

- **Student Opportunity & Success**: Strategically grow enrollment and promote a transformative educational environment that fosters holistic development and economic mobility.
- **Academic Distinction**: Drive academic excellence through innovative instruction, program expansion, and a robust academic infrastructure.
- **Global, Civic, and First-Generation Connections**: Advance community values and mission-aligned partnerships across all campuses.
- **Vision**: Use actionable data to guide decision-making that supports the success of all Texans.
- **Research, Innovation & Economic Impact**: Cultivate a culture of innovation through research, scholarship, and regional partnerships.
- **Institutional Prominence**: Elevate the university's national profile through student achievement, employee engagement, philanthropy, and fiscal responsibility.

The FY 2026 budget reflects these strategic imperatives through planning and resource alignment. The following narrative provides detailed insights into projected revenues, expenses, reserves, and capital initiatives, each playing a critical role in supporting Tarleton's continued growth and long-term success.

BUDGET NARRATIVE CONTINUED

Revenues

For FY 2026, Tarleton State University has strategically budgeted and forecasted revenues across all major categories, reflecting a continued focus on aligning financial planning with institutional priorities. Overall, total revenues are projected to increase by $26.5 million, representing a 9% growth compared to FY 2025.

- **State Appropriations** are budgeted to increase by approximately 5%. This modest growth is primarily attributable to exceptional item funding awarded for the College of Osteopathic Medicine start-up, allocated as part of the upcoming biennium. This targeted investment supports one of Tarleton's most significant academic and healthcare-related initiatives.
- **Total Tuition and Fees** are projected to rise by $9.87 million, a 7% increase driven largely by enrollment growth and year-over-year trends. Specifically:
    - **Designated Tuition** is anticipated to increase by $3.8 million (7%), consistent with Tarleton's steady enrollment gains and strategic program expansion.
    - **Student Fees** are expected to rise by $5.1 million (10%), reflecting anticipated increases in student headcount and engagement in fee-supported services and activities.
- **Contracts and Grants** are projected to remain flat in FY 2026, consistent with prior-year trends and the current sponsored project pipeline.
- **Student Financial Assistance** is also expected to remain flat compared to FY 2025, based on historical expenditure patterns and actual utilization rates.
- **Sales and Services** have increased by $8.3 million for FY 2026 from anticipated enrollment growth.

This revenue growth reflects the university's ongoing commitment to financial stewardship while investing in student success, academic innovation, and the long-term goals outlined in *Tarleton Forward 2030*.

BUDGET NARRATIVE CONTINUED

Expenses

For FY 2026, Tarleton State University strategically budgeted and forecasted expenses with a clear focus on aligning resources to support the university's strategic priorities as outlined in *Tarleton Forward 2030*. Overall, expenditures are projected to increase by $20.6 million, or 7%, compared to FY 2025.

- This increase is largely driven by Tarleton State University commitments to new programs designed to meet teacher education needs, economic impact, and rural health initiatives, such as the new Osteopathic Medical School.
- **Personnel Costs** represent the most significant area of increase, rising by 17% for FY 2026. This growth reflects Tarleton's strategic hiring of faculty and support staff to meet the demands of increasing enrollment and to advance the university's 2030 strategic objectives. The rise in personnel costs also includes an employee retention plan of 3% performance merit pool, market adjustments, promotions and increases in **benefits**, driven by both higher salary obligations and escalating healthcare expenses.
- **Utility Expenses** are projected to increase by $540,000, or 11%, due to higher electrical rates and the operational costs associated with new facilities coming online in FY 2026.
- In contrast, **Operations and Maintenance** costs are budgeted to decrease by $6.9 million, or 7%, as part of a continued effort to align spending with historical actuals and optimize operational efficiency.
- **Debt Service** is expected to increase by $7 million (15%) in FY 2026. This reflects ongoing investments in campus expansion at the Stephenville and Fort Worth locations, which are critical to supporting enrollment growth and fulfilling long-term strategic infrastructure needs.

Overall, the FY 2026 expense plan reflects prudent financial management while ensuring that investments are directly tied to advancing institutional excellence and student success.

Reserves

- The FY 2024 Current Reserves balance is $71.3 million, or 3.73 months.
- The FY 2025 and FY 2026 Projected Reserve Balance are expected to increase slightly compared to the FY 2024 balance from strategic reserve transfers to maintain at least a 3-month reserve balance.
- The FY 2026 Budget reflects a Change in Net Position of $6.5 million that will be allocated to strategic initiatives outlined in Tarleton Forward 2030.

BUDGET NARRATIVE CONTINUED

Capital Plan

Priorities for the Capital Plan for FY 2026 include:

- Regents Hall (New Residence Hall)
- Innovation Lab
- Opening of EECU Convocation and Events Center
- Opening of Health Sciences & Human Services Building for Rural Health Initiative (CCAP)
- Library Expansion Continuation

COMMITTED TO AN EXCEPTIONAL STUDENT EXPERIENCE

PROGRAMMATIC BUDGET REVIEW

FISCAL YEAR 2026

TARLETON STATE UNIVERSITY

MISSION STATEMENT

TARLETON STATE UNIVERSITY, A FOUNDING MEMBER OF THE TEXAS A&M UNIVERSITY SYSTEM, TRANSFORMS GENERATIONS BY INSPIRING DISCOVERY, LEADERSHIP AND SERVICE THROUGH EDUCATIONAL EXCELLENCE.

COMMITTED TO AN EXCEPTIONAL STUDENT EXPERIENCE

TARLETON FORWARD

2030: OUR FUTURE-FOCUSED STRATEGIC PLAN

VISION

TARLETON STATE WILL BE THE PREMIER COMPREHENSIVE UNIVERSITY IN THE NATION, WITH A KEEN FOCUS ON STUDENT SUCCESS, TEACHING, AND RESEARCH.

VISION FOR GROWTH

21,000+
RECORD BREAKING
Fall 2025 FTIC Applications

80%
INCREASE



Record Enrollment
5 Straight Years

Fall 2024
Total Enrollment
17,256

VISION FOR EXCELLENCE

RANKED #1 IN TEXAS



84.0%*



Tarleton State graduates employed or enrolled in graduate school

* THECB 2024 ALMANAC - 4-YEAR INSTITUTIONS

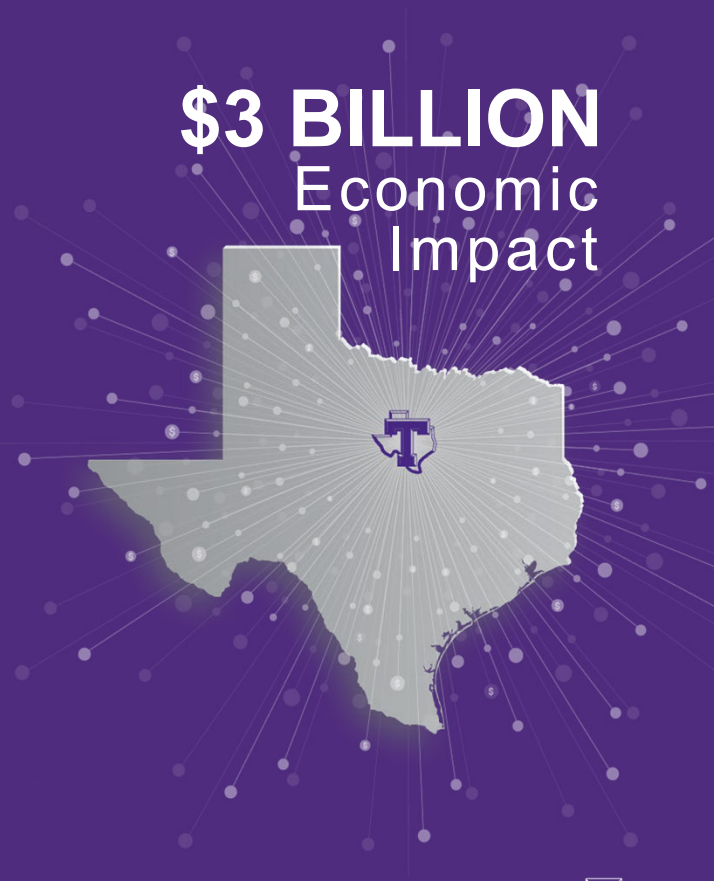
VISION FOR IMPACT

MILITARY FRIENDLY '25-26 GOLD SCHOOL

BEST COLLEGES Money 2024

Best Colleges in America

$3 BILLION
Economic Impact

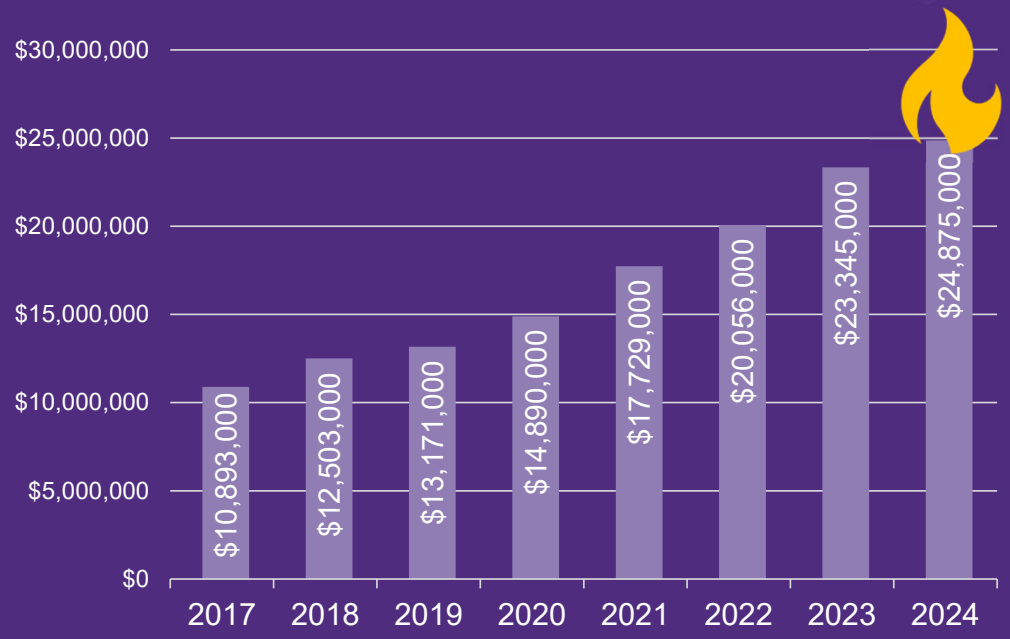


VISION FOR RESEARCH

- National Institutes of Health Grant: First for Tarleton State – $370,987
- National Science Foundation Grant – $190,350
- Texas Department of Agriculture Grant – $749,410
- TIAER – Ten grants awarded totaling $1,055,973
- CAE-USDA RMA Grant – $3,500,000

FY24 Awards

HIGHEST RESEARCH SPENDING IN TARLETON STATE HISTORY



VISION FOR ATHLETICS

TEXANS



Five Track & Field Athletes Named All American

Women's Basketball - NIT Qualifiers

Women's Golf - WAC Champions

3.30

GPA RECORD ACROSS

400

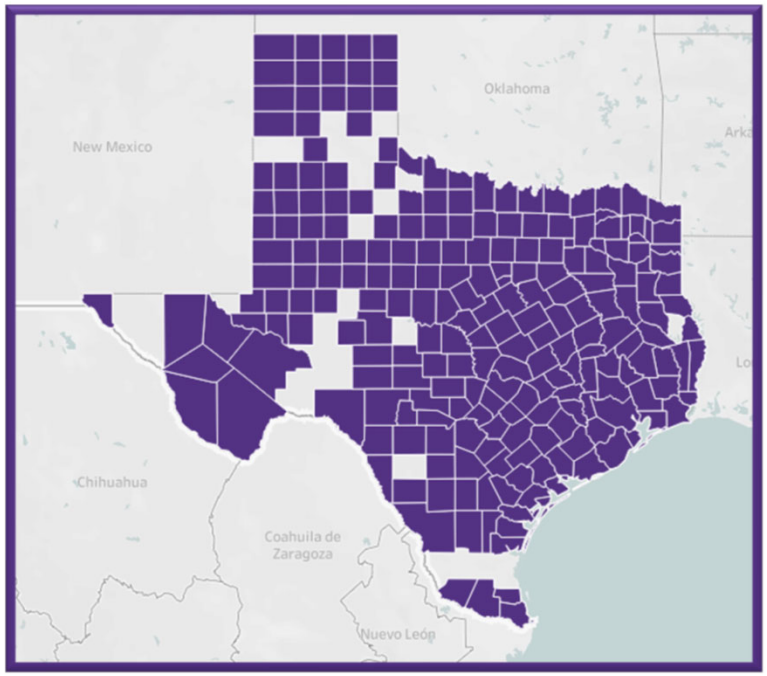
STUDENT ATHLETES



In their first season of NCAA Division I championship eligibility, Tarleton State made the FCS playoffs and became the first team since 2009 to win their playoff- eligible debut.

THE UNIVERSITY *FOR* TEXAS

97% OF TARLETON STATE STUDENTS ARE FROM TEXAS, REPRESENTING 231 COUNTIES (AS OF FALL 2024)

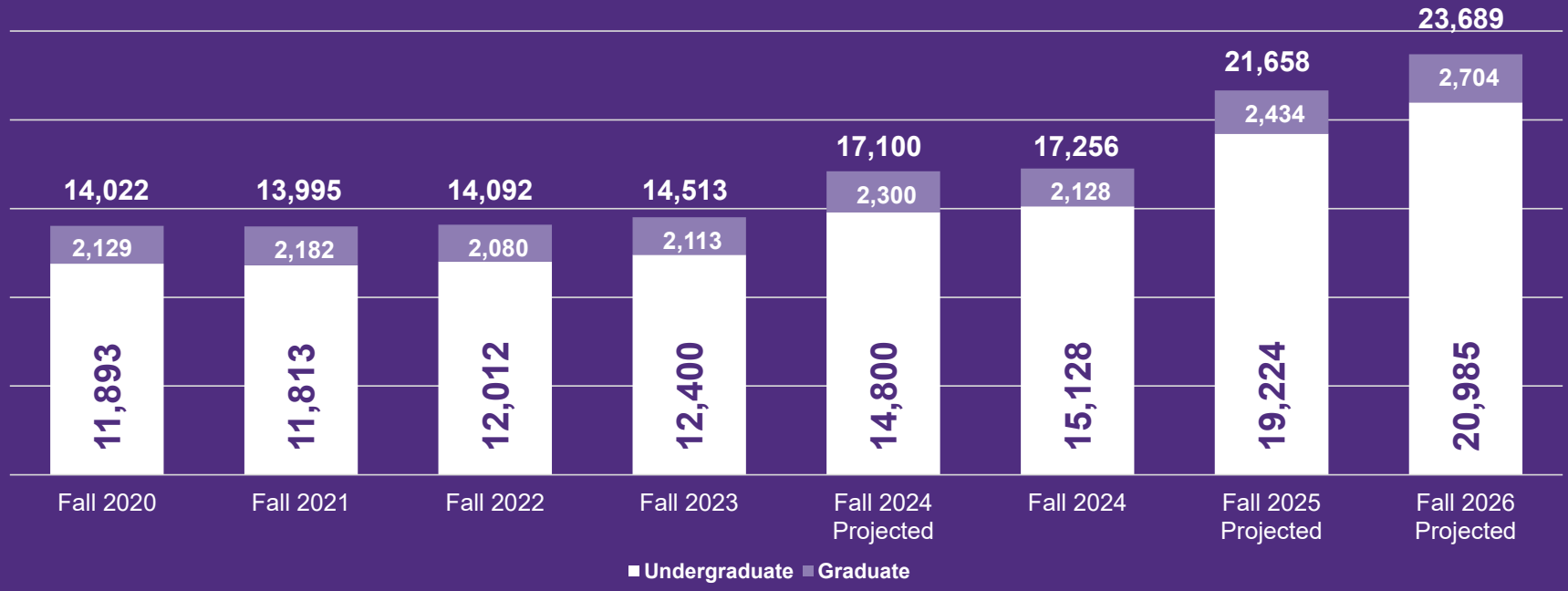


SECTION I

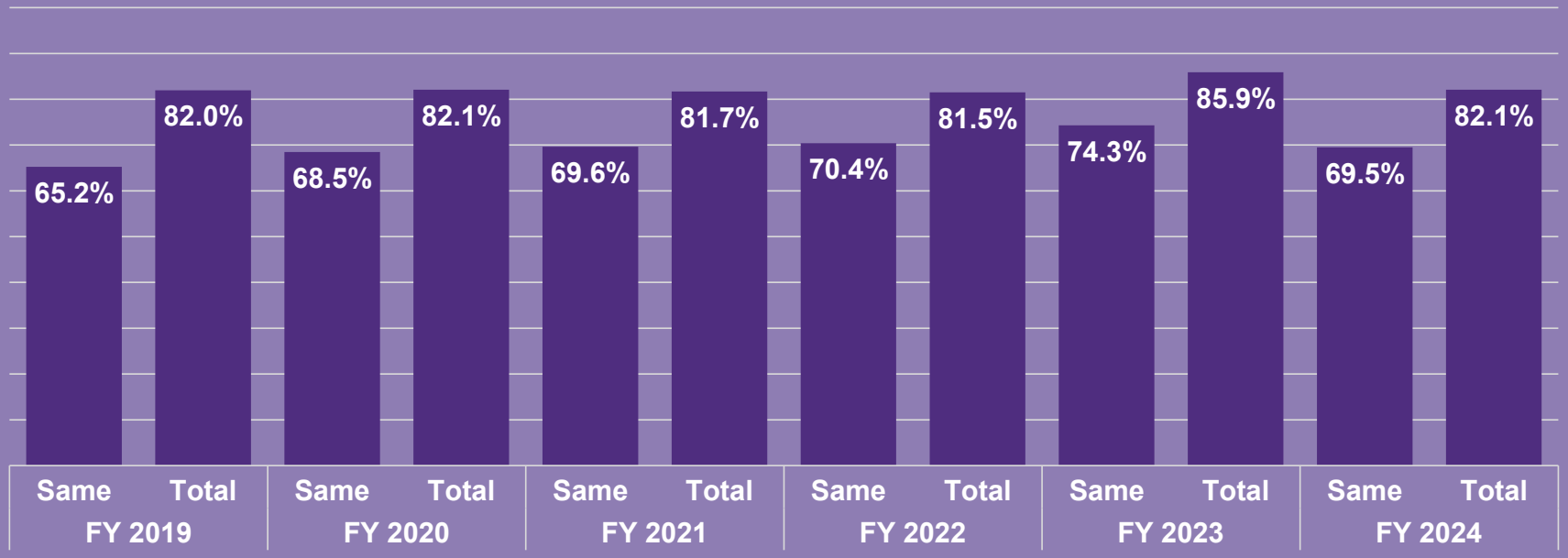
ACADEMIC MEASURES



5-YEAR ENROLLMENT TREND WITH PROJECTIONS

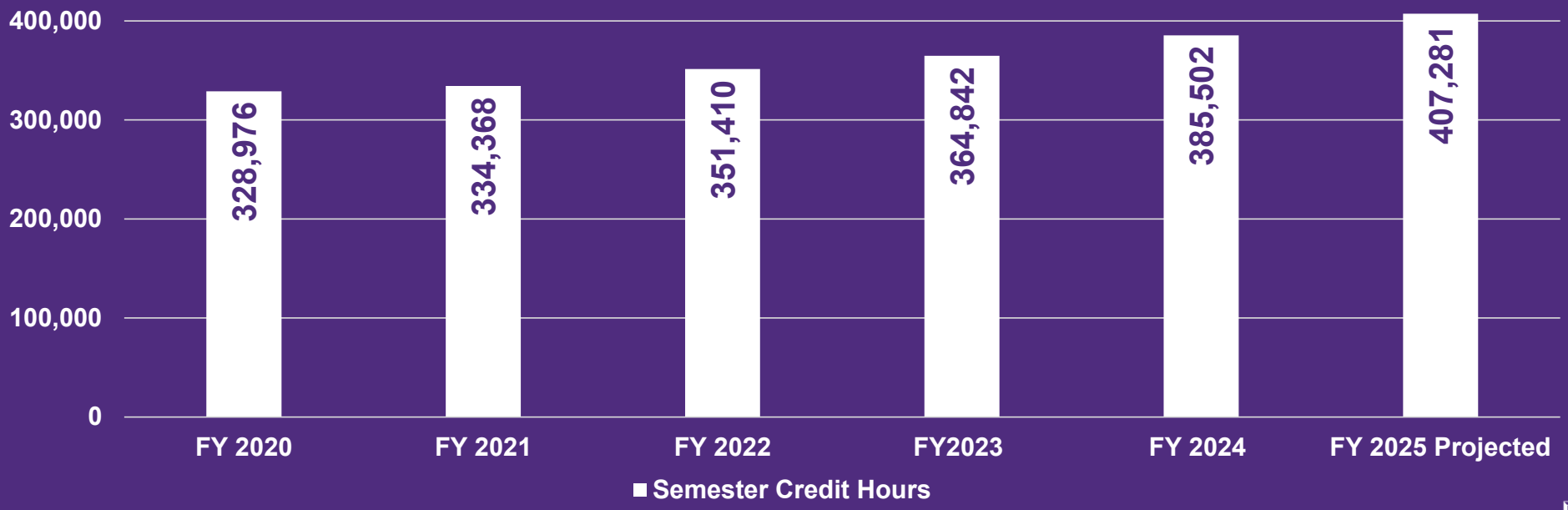


FIRST-YEAR PERSISTENCE RATE

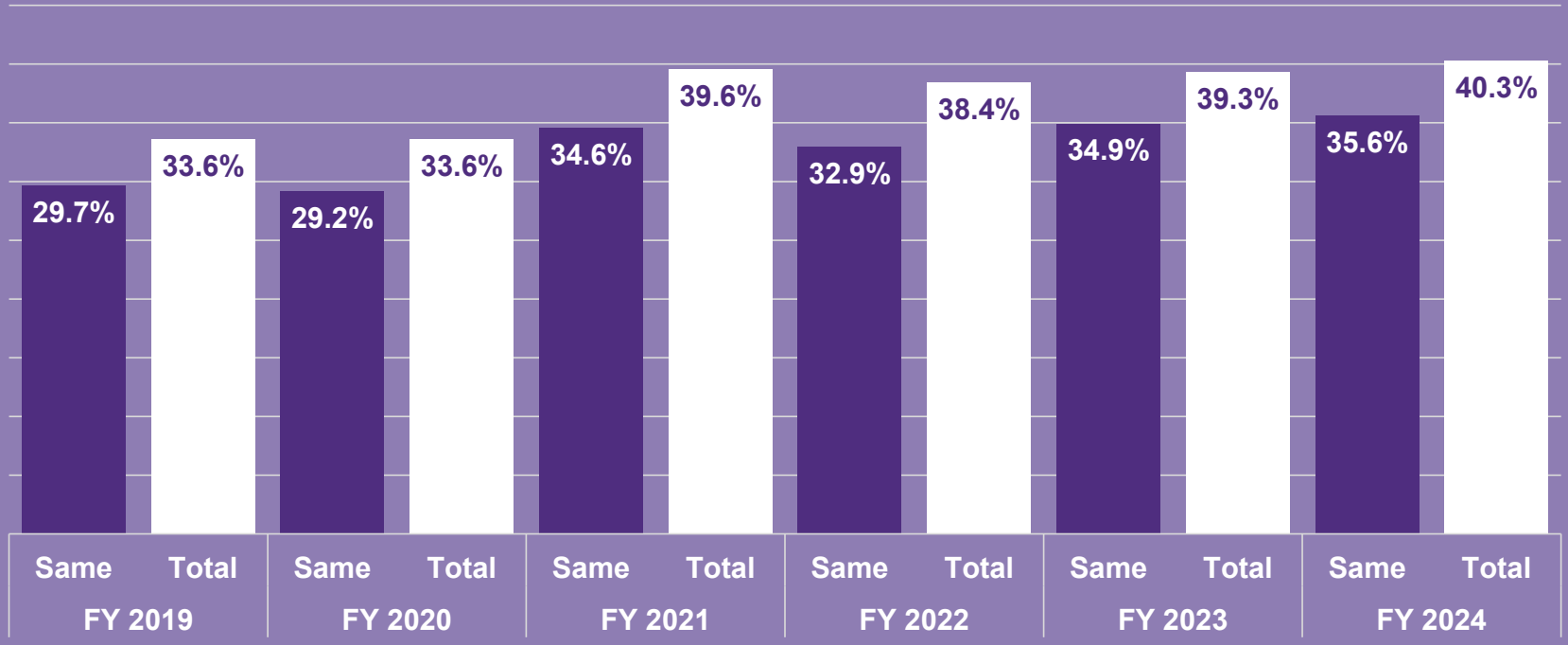


Source: THECB Accountability System, Interactive, Persistence Rates

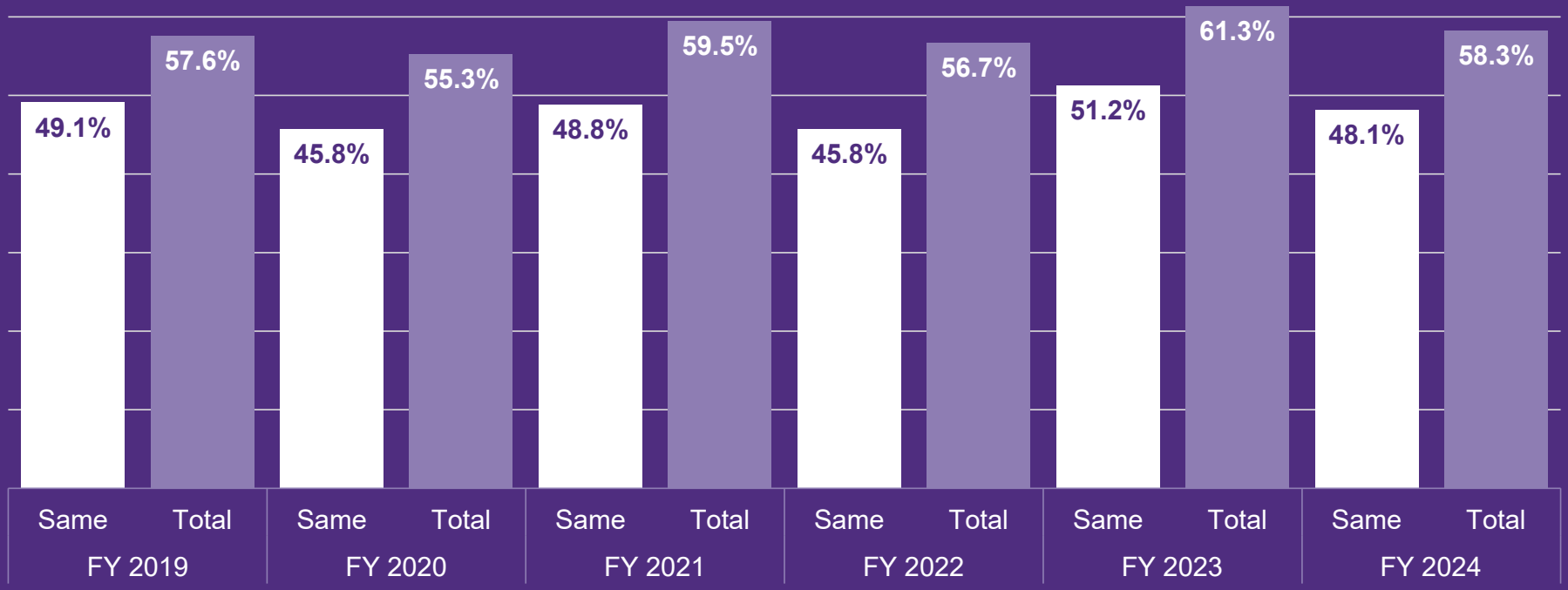
FIVE-YEAR SEMESTER CREDIT HOUR TREND



4-YEAR GRADUATION RATES



6-YEAR GRADUATION RATES



SECTION II

FINANCIAL UPDATE



LEGISLATIVE SUPPORT

(in thousands)

Legislative Items:	FY 2025	FY 2026	Variance
STATE APPROPRIATIONS			
Instruction/Operations/Infrastructure	$43,079	$45,712	$2,633
CRU	2,009	2,093	84
Hazelwood	3,513	3,805	292
Infrastructure	6,747	8,064	1,317
CCAP	18,582	17,491	(1,091)
HEGI	6,434	7,324	890
Texas Public Education Grants	2,829	2,653	(176)
Other	2,861	2,752	(109)
Less GR-D	(16,476)	(20,040)	(3,564)
SUBTOTAL	$ 69,318	$ 69,854	$ 536
EXCEPTIONAL ITEMS			
College of Osteopathic Medicine	$ -	$2,500	$2,500
Better Health for Rural Texas	2,500	2,500	-
Health Sciences & Rural Health	1,000	1,000	-
Institutional Enhancement	1,814	1,814	-
Comprehensive Research Fund	929	846	(83)
Other	1,477	1,477	-
Subtotal	$7,720	$10,137	$2,417
ESTIMATED STATE PAID BENEFITS	$5,381	$6,198	$ 817
STATE APPROPRIATIONS TOTAL:	$82,419	$86,189	$3,770

PROPOSED TUITION AND FEE CHANGES

NAME OF TUITION/FEE	DESCRIPTION	STUDENT REFERENDUM
Undergraduate & Graduate Tuition and Fee Structure	A simplified tuition structure with three categories based on major. This new structure eliminates differential tuition by course and combines tuition and fees into banded rates, in which charges remain the same within a range of hours.	No referendum is required
University Services Fee Increase • Proposed undergraduate rate increase from $96.01 per hour to $105.60 per hour. • Proposed graduate increase from $123.50 per hour to $135.85 per hour	The University's EECU Event Center opened in August 2025. This fee increase, along with revenue-generating activities, will be used to support student-centered programming in the facility.	No referendum is required

PROPOSED TUITION AND FEE CHANGES

NAME OF TUITION/FEE	DESCRIPTION	STUDENT REFERENDUM
Health Service Fee Increase • Proposed rate increase from $4.91 per hour to a flat rate per student of $75/semester	The Stephenville campus has recently added a Chief Medical Officer and is adding medical services, such as MRI, mental health services, and equipment reserves to become a more comprehensive medical center for our students.	A student referendum for approval is required and will be held in early fall semester
Comprehensive Medical Education Fee • Proposed new fee of up to $150/credit hour for graduate health professions majors	Graduate Health Profession programs require specialized facilities, equipment, supplies, and highly qualified faculty to provide students with the necessary hands-on training and education. The revenue generated from the comprehensive medical fee will be specifically allocated to support the direct costs associated with operating Graduate Health Profession programs.	No referendum is required

REVENUE BUDGET

(in thousands)

REVENUES	FY 2025 BUDGET	FY 2026 PROPOSED	BUDGET VARIANCE	
			AMOUNT	%
State Appropriations	$82,419	$86,189	$3,771	4.60%
Tuition and Fees	133,546	143,418	9,873	7.40%
Contracts and Grants	16,615	16,451	(163)	-1.00%
Student Financial Assistance	40,000	40,000	-	n/a
Gifts	5,500	5,471	(29)	-0.50%
Sales and Service	52,536	60,861	8,325	15.80%
Investment Income	7,500	10,030	2,530	33.70%
Other Income	1,045	4,336	3,291	314.80%
Discounts	(32,052)	(33,115)	(1,063)	3.30%
TOTAL REVENUES	$307,109	$333,642	$26,534	8.60%

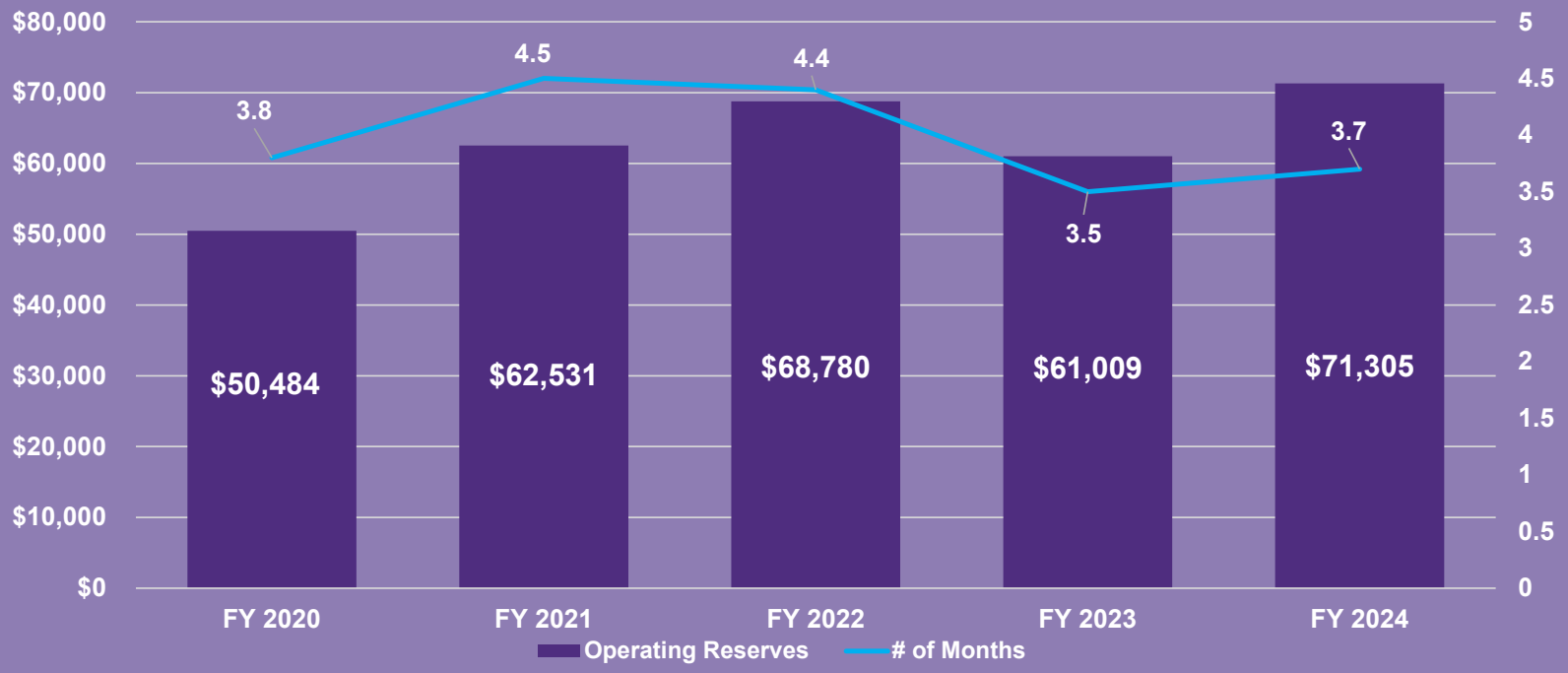
EXPENDITURES BUDGET

(in thousands)

EXPENSES	FY 2025 BUDGET	FY 2026 PROPOSED	BUDGET VARIANCE	
			AMOUNT	%
TOTAL REVENUES:	**$307,109**	**$333,642**		
EXPENSES				
Salaries – Faculty	**$49,220**	**$57,125**	**$7,905**	**16.10%**
Salaries – Non-Faculty	**47,310**	**59,023**	**11,713**	**24.80%**
Wages	**7,042**	**6,173**	**-868**	**-12.30%**
Benefits	**33,159**	**38,264**	**5,105**	**15.40%**
PERSONNEL COSTS:	**$136,731**	**$160,595**	**$23,854**	**17.40%**
Utilities	**$5,000**	**$5,540**	**$540**	**10.80%**
Scholarships	**55,062**	**52,455**	**(2,607)**	**-4.70%**
Discounts	**(32,052)**	**(33,115)**	**(1,063)**	**3.30%**
Equipment	**2,000**	**1,750**	**(250)**	**-12.50%**
Operations and Maintenance (net)	**93,000**	**86,099**	**(6,901)**	**-7.40%**
Debt Service	**46,762**	**53,779**	**7,018**	**15.00%**
TOTAL EXPENDITURES	**$306,503**	**$327,094**	**$20,591**	**6.70%**
OTHER TRANSFERS	**$-**	**$-**		
CHANGE IN POSITION (Rev-Exp+Transfer)	**$605**	**$6,548**		

OPERATING RESERVES & MONTHS OF RESERVES

(in thousands)



OPERATING BUDGET STRATEGIC INVESTMENTS

(in thousands)

STRATEGIC INITIATIVES	BUDGET IMPACT
Goal I: Student Opportunity and Success	
Student Success Initiatives	$2,465
Goal II: Academic Distinction	
Maintain Student-to-Faculty Ratio	$5,461
New Graduate and Professional Programs	$2,398
College of Osteopathic Medicine	$2,500
Goal III: Global, Community & First Generation Initiatives	
Continued Enhancement of Experiential Learning & Study Abroad Initiatives	$244
Continued First Generation Initiatives	$129
Goal IV: Research, Innovation and Economic Impact	
Faculty Research Start Up	$846
NIH and USDA External Funding	$6,250
Goal V: Institutional Prominence	
Continued Investment in Division I Athletics	$4,624
Event Center Revenue Generation Support	$3,500

RESIDENTIAL LIFE

(in thousands)

AUXILIARY OPERATIONS	ACTUALS	BUDGET		BUDGET VARIANCE	
RESIDENTIAL LIVING AND LEARNING	FY24	FY25	FY26	AMOUNT	VARIANCE
REVENUE					
Sales and Service	$26,687	$26,082	$27,659	$1,577	6.0%
Other Income			866	866	
Total Revenues	$26,687	$26,082	$28,525	$2,443	9.4%
EXPENSES					
Personnel Costs	$1,464	$1,136	$1,486	$350	30.8%
Utilities	1,564	1,500	1,500	-	0.0%
Operations and Maintenance	11,049	9,000	9,242	242	2.7%
Debt Service	12,535	14,297	16,297	2,000	14.0%
Total Expenses	$26,612	$25,933	$28,525	$2,592	10.0%
NET INCOME (LOSS)	$ 75	$ 149	-		

DINING SERVICES

(in thousands)

AUXILIARY OPERATIONS	ACTUALS	BUDGET		BUDGET VARIANCE	
DINING	FY24	FY25	FY26	AMOUNT	VARIANCE
REVENUE					
Sales and Service	$15,025	$12,991	$15,909	$2,918	22.5%
Contracts	5,189	2,450	2,450	-	0.0%
Total Revenues	$20,214	$15,441	$18,359	$2,918	18.9%
EXPENSES					
Operations and Maintenance &Equipment	15,032	9,700	10,581	881	9.1%
Transfer	-	2,450	2,450	-	0.0%
Debit Service	2,182	2,182	2,270	88	4.0%
Total Expenses	$17,214	$14,332	$15,301	$969	6.8%
NET INCOME (LOSS)	-	$1,109	$3,058		

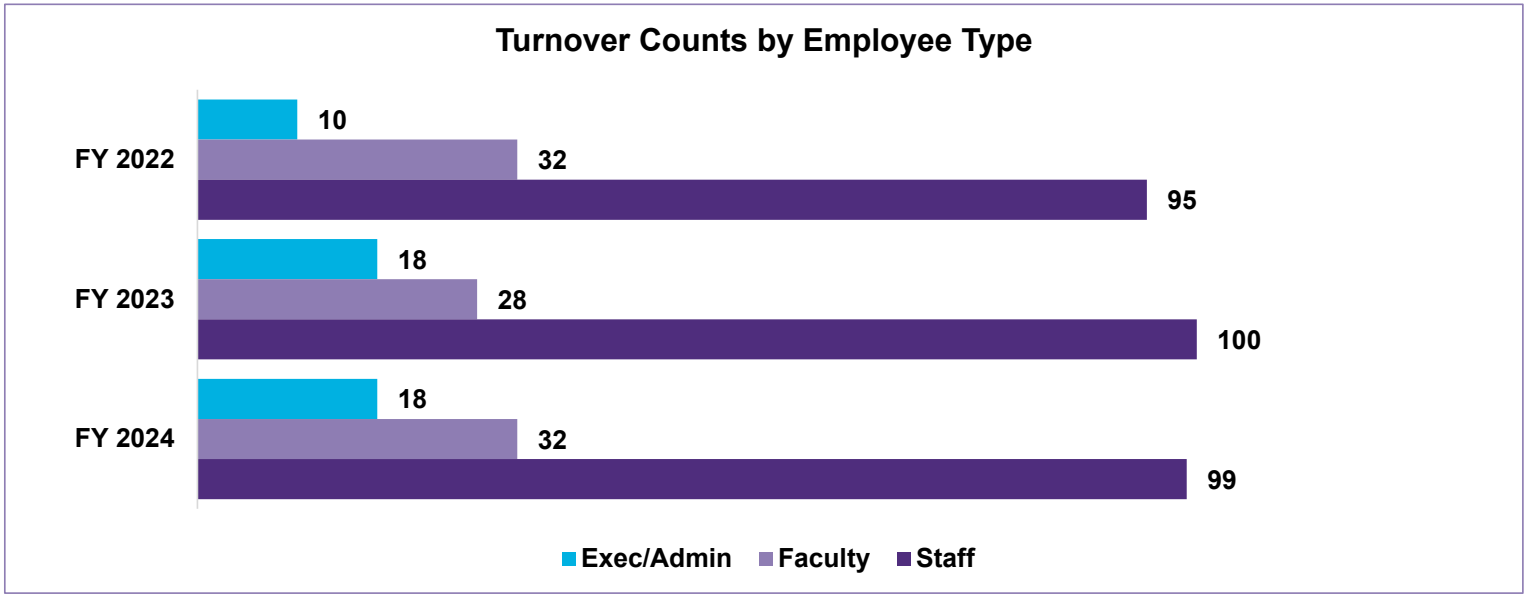
INTERCOLLEGIATE ATHLETICS

(in thousands)

AUXILIARY OPERATIONS	ACTUALS	BUDGET		BUDGET VARIANCE	
INTERCOLLEGIATE ATHLETICS	FY24	FY25	FY26	AMOUNT	VARIANCE
REVENUE					
Sales and Service	$2,887	$2,050	$2,112	$62	3.0%
Fees	12,161	12,583	13,086	503	4.0%
Gifts	420	4,400	4,400	-	0.0%
Institutional and Auxiliary Support	17,492	18,461	21,416	2,955	16.0%
Other Income	149	1,411	1,411	-	0.0%
Total Revenues	$33,109	$38,905	$42,425	$3,520	9.0%
EXPENSES					
Personnel Costs	$9,174	$10,595	$11,826	$1,231	11.6%
Scholarships	5,524	6,200	7,200	1,000	16.1%
Operations and Maintenance & Equipment	12,778	15,510	15,933	423	2.7%
Capital Expense	2,742	3,400	4,000	600	17.6%
Debt Service (includes RFS Transfer)	2,786	2,700	2,986	286	10.6%
Total Expenses	$33,004	$38,405	$41,945	$3,540	9.2%
NET INCOME (LOSS)	$105	$500	$480		

EMPLOYEE TURNOVER

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*10*	*9.2%*	*32*	*7.3%*	*95*	*18.0%*	*137*	*12.7%*
FY 2023	*18*	*14.9%*	*28*	*5.9%*	*100*	*18.8%*	*146*	*12.9%*
FY 2024	*18*	*13.4%*	*32*	*6.8%*	*99*	*17.6%*	*149*	*12.8%*



EMPLOYEE RETENTION PLAN

(in thousands)

FY 2026 EMPLOYEE RETENTION PLAN	FACULTY	STAFF	TOTAL
3% Performance Based Pool	$1,196	$1,494	$2,690
Promotions	225	-	225
Market Adjustments	125	125	250
Benefits	*283*	*300*	*583*
Budget Total:	**$1,829**	**$1,919**	**$3,748**
Faculty Compensation Adjustments*	$1,810	-	$1,810
Adjunct Faculty Compensation Adjustments *	734	-	734
Potential Total:	**$2,544**	**-**	**$2,544**

*Contingent on enrollment

BY ALL ACCOUNTS, TARLETON STATE IS THRIVING.

RECORD STUDENT ACHIEVEMENT
RECORD ENROLLMENT GROWTH
RECORD PERSISTENCE, RETENTION AND GRADUATION RATES
RECORD PROGRAMMATIC DEVELOPMENT
RECORD RESEARCH EXPENDITURES
RECORD STATE & FEDERAL SUPPORT
RECORD CAPITAL INVESTMENT







COMMITTED TO AN EXCEPTIONAL STUDENT EXPERIENCE

CAPITAL PLAN AND DEFERRED MAINTENANCE

FISCAL YEAR 2026

TARLETON STATE UNIVERSITY

CAPITAL PLAN
APPROVED PROJECTS

(in thousands)

APPROVED: PROJECT NAME	TOTAL PLANNING AMOUNT	FUNDING SOURCE		CURRENT STATUS
		PUF DEBT PROCEEDS	RFS DEBT PROCEEDS	
Health Sciences Building	$80,000		$80,000	Construction
Dick Smith Library Renovation & Expansion	$9,500	$9,500		Construction
EECU Convocation Center	$110,000		$110,000	Construction
Regents Hall (Lillian Street Dorm)	$120,000		$120,000	Approved

CAPITAL PLAN
PROPOSED PROJECTS

(in thousands)

PROPOSED: PROJECT NAME	PROJECTED FY START DATE	TOTAL PLANNING AMOUNT	FUNDING SOURCE		CURRENT STATUS
			PUF DEBT PROCEEDS	RFS DEBT PROCEEDS	
Innovation Lab	2026	$48,000		$48,000	Pending Approval
Cain Street Dorm	2027	$120,500		$120,000	POR
College of Osteopathic Medicine	2028	$125,000			POR

CAPITAL PLAN
UNFUNDED PRIORITY PROJECTS

(in thousands)

FUTURE PLANNED PROJECTS	PROJECTED FY START DATE	TOTAL PLANNING AMOUNT	FUNDING SOURCE	
			PUF DEBT PROCEEDS	RFS DEBT PROCEEDS
Alumni and Welcome Center	2027	$100,000		
Agricultural Science Building*	2027	$100,000		
Parking Structure #2	2027	$40,000		
Fort Worth Engineering Building*	2028	$75,000		

*Future Legislative Session Capital Construction Assistant Project Request

COMMITTED TO AN EXCEPTIONAL STUDENT EXPERIENCE

DEFERRED MAINTENANCE

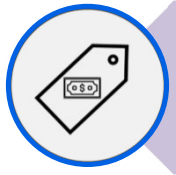
KEY STATISTICS



Total GSF: 4.7M | E&G (3.4M) | Aux (1.4M)



Construction Age: 17.7 | E&G: 19.5 | Aux: 13.4

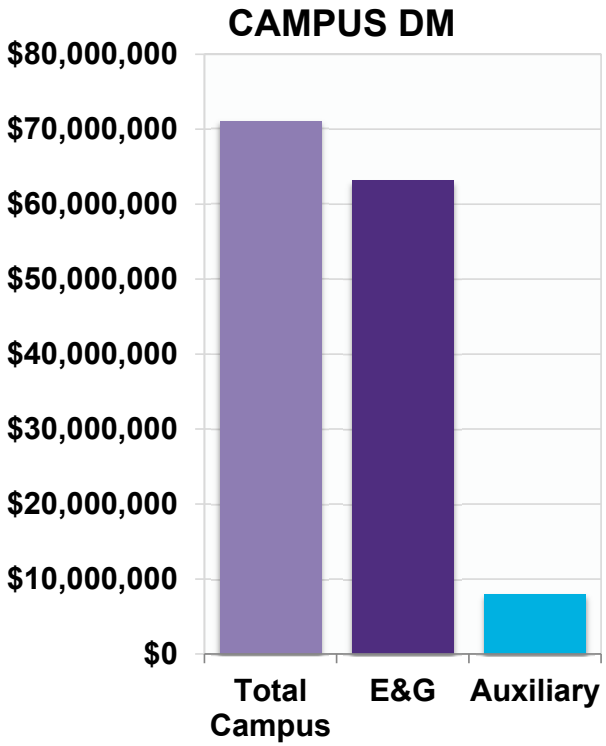


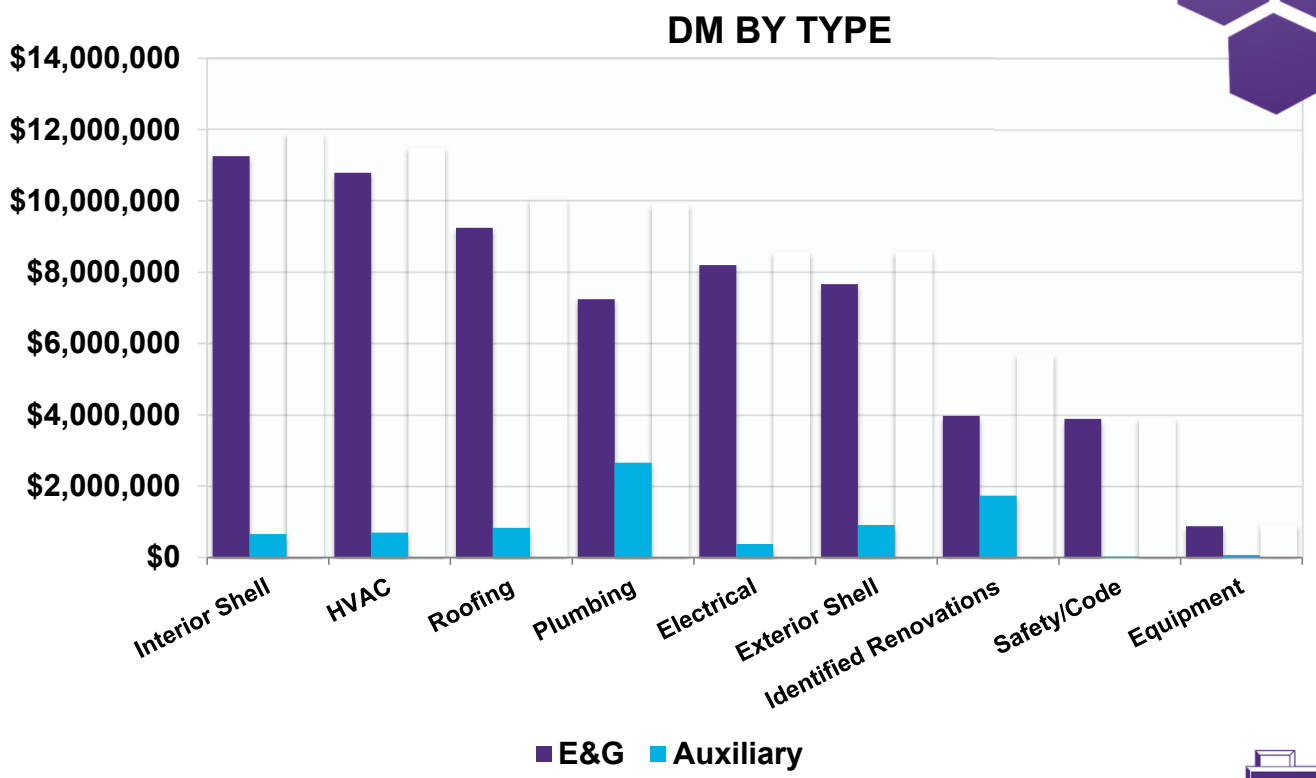
10 Year Needs ($ Millions):
Total Campus: $157.0 | E&G: $110.6 | Aux: $46.4



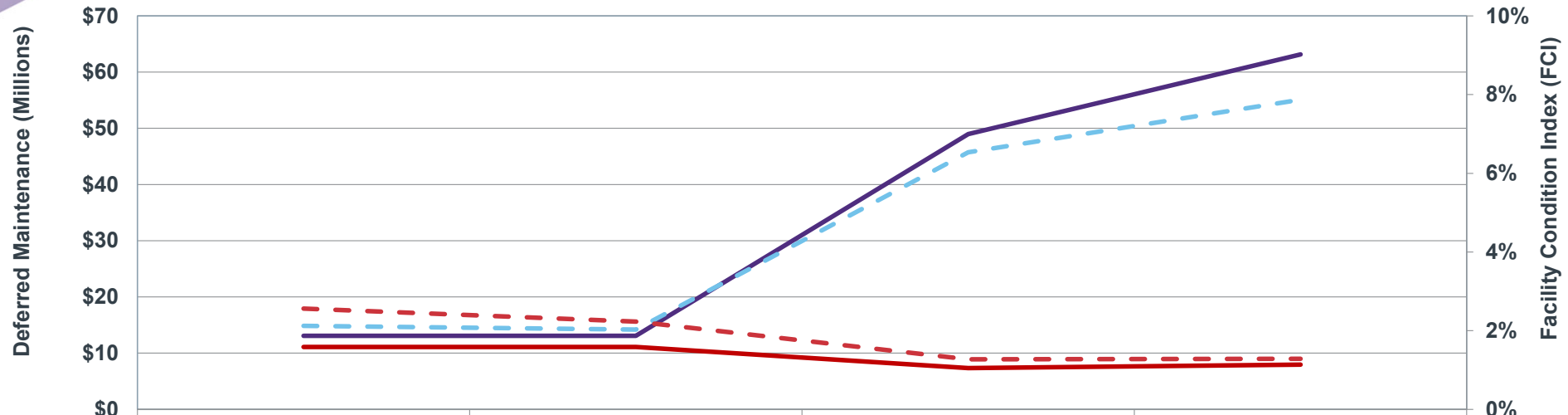
Deferred Maintenance ($ Millions):
Total Campus: $71.1 | E&G: $63.2 | Aux: $7.9

FY24 DEFERRED MAINTENANCE BY TYPE





FACILITY CONDITION INDEX TREND



	FY21	FY22	FY23	FY24
E&G DM	$13,074,514.10	$13,074,514.10	$48,955,363.13	$63,151,219.80
Auxiliary DM	$11,098,238	$11,098,238	$7,346,862	$7,948,199
E&G FCI	2.1%	2.0%	6.5%	7.9%
Auxiliary FCI	2.6%	2.2%	1.3%	1.3%

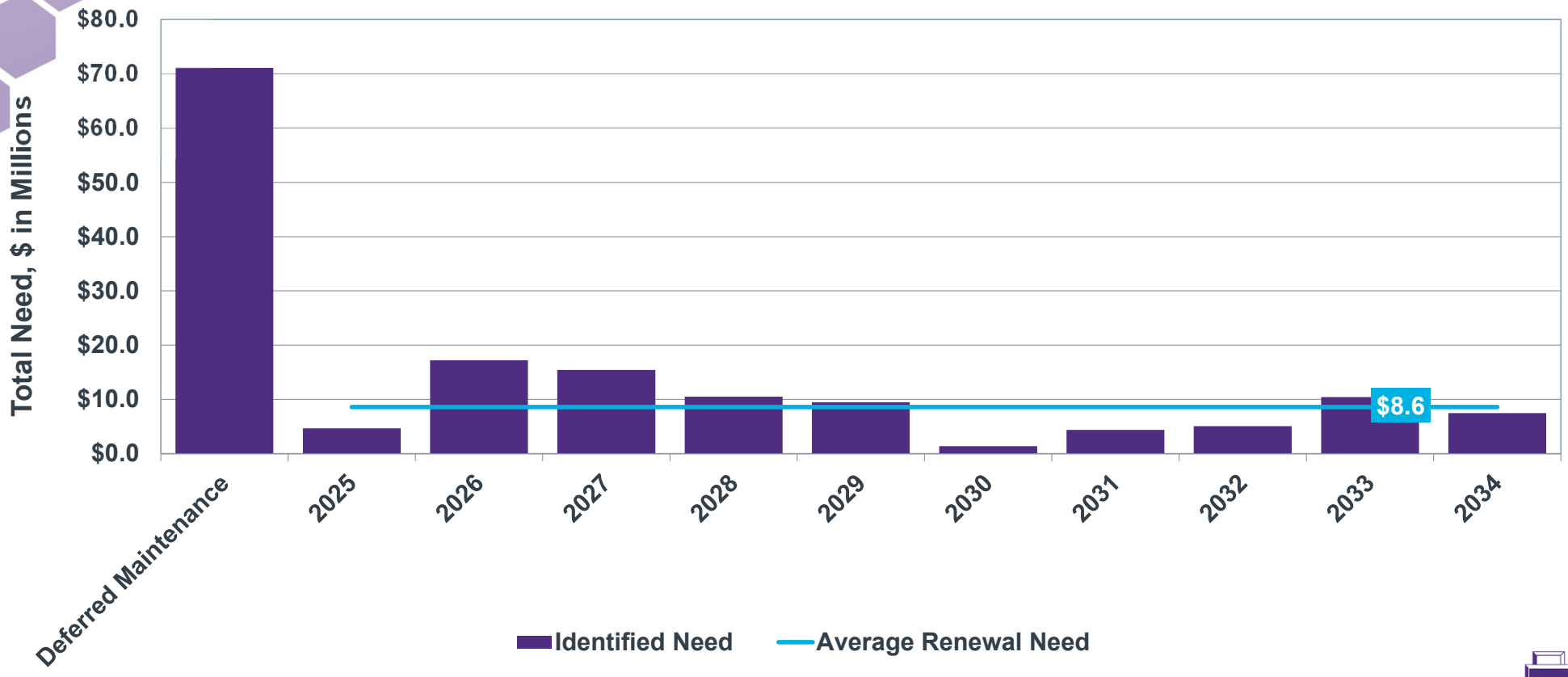
0% - 5% *Capital Upkeep*

5% - 10% *Repair & Maintain*

10% - 30% *Systemic Renovation*

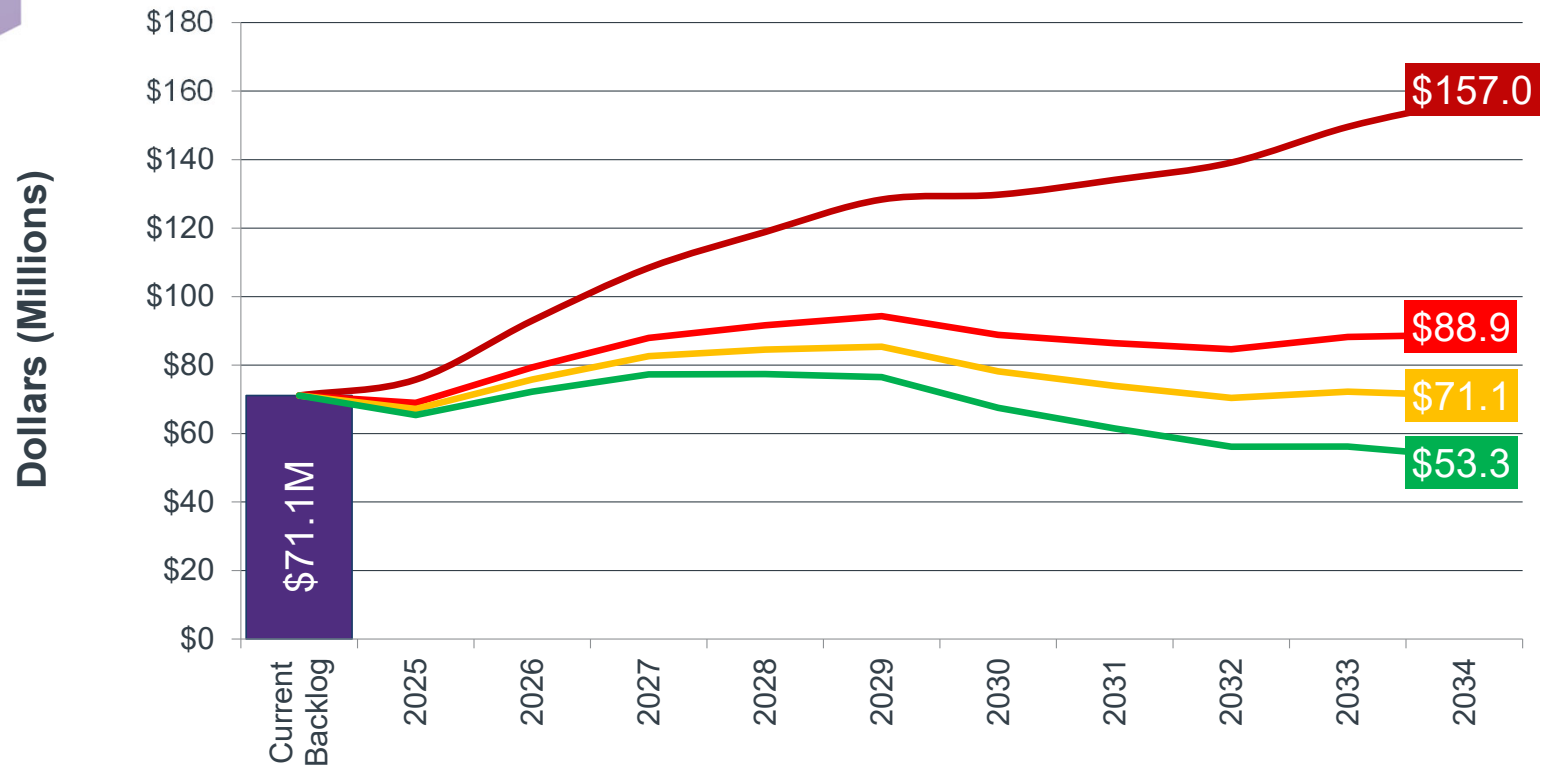
> 30% *Renovation/Replacement*

FUTURE CAPITAL NEEDS



DEFERRED MAINTENANCE IMPACT

Current Backlog and Predicted Growth, with Funding Scenarios



Zero Funding Scenario:
Making no capital investment into existing space.

Funding Scenario 1:
25% DM Growth
Annual Funding: $6.8M

Funding Scenario 2:
Keep DM at current level
Annual Funding: $8.6M

Funding Scenario 3:
Reduce DM by 25%
Annual Funding: $10.3M

All scenarios modeled in FY24 dollars

FY26 DEFERRED MAINTENANCE PLANNED SPENDING

(in thousands)

CATEGORY	PLANNED SPENDING	REMAINING BACKLOG	% BACKLOG CLEARED	METHOD OF FINANCE	
				PUF DEBT	ENERGY AS A SERVICE (Eaas)
HVAC	$8,000	$3,500	70%		$8,000
Interior Finishes	$1,000	$10,900	8%	$1,000	
Plumbing	$2,500	$7,400	25%	$2,500	
Exterior Enclosure	$3,000	$5,600	35%	$3,000	
Electrical	$2,000	$6,600	23%	$2,000	
Site Improvements	$0	$5,700	0%		
Roofing	$500	$9,600	5%	$500	
Fire Protection	$500	$3,400	13%	$500	
Equipment	$500	$400	53%	$500	
Total	$18,000	$53,100	25%	$10,000	$8,000

LONG-RANGE DEFERRED MAINTENANCE PLANNING

- Strategic rebuild vs renewal analysis
- Increased preventative maintenance focus to improve asset lifespan
- Comprehensive HVAC condition analysis and prioritization
- Maintain $8-10 million annual DM allocation

DIVESTMENT OPPORTUNITIES

Building Name	Construction Year	Estimated Demo FY	GSF	Replacement Cost	Deferred Maintenance	ROM Cost to Demo	Status
Bender Hall	1953	2028	27,577	$5,956,632	$1,002,471.48	$1,400,000.00	Vacant
Ferguson Hall	1958	2028	29,466	$6,360,336	$89,305.25	$1,300,000.00	Vacant
Meats Lab	1974	2028	9,426	$5,146,596	$1,022,134.98	$500,000.00	Occupied
Health Science & Human Services	1952	2028	31,021	$13,401,072	$4,286,283.02	$1,600,000.00	Occupied
Central Receiving	1987	2030	16,021	$3,869,072	$1,168,247.76	$850,000.00	Occupied
Women's Athletic Facility	1974	2027	2,993	$1,634,178	$588,695.78	$200,000.00	Occupied
Baseball Building	1960	2027	16,110	$958,403	$61,314.05	$850,000.00	Occupied
Intramural Building	1987	2030	1,155	$419,265	$109,298.97	$60,000.00	Occupied
North Side Concession	1997	2030	2,016	$304,290	$22,659.01	$110,000.00	Occupied

Total DM Removed Through Demolitions:

$8,350,410

Estimated Cost to Demolish:

$6,870,000



COMMITTED TO AN

EXCEPTIONAL

STUDENT EXPERIENCE

TARLETON STATE UNIVERSITY

TEXAS A&M UNIVERSITY – SAN ANTONIO

BUDGET NARRATIVE

Introduction:

As we near the conclusion of the current fiscal biennium and the second year of a new presidential administration, Texas A&M University-San Antonio continues its trajectory of growth. We exceeded 8,000 in student enrollment for the first time in FY 2025. A&M-San Antonio serves a predominately first-generation student population. We are deeply committed to supporting their academic success and recognize the unique challenges they may face, so we endeavor to foster an environment where not only first-generation, but all students persist and thrive—academically, socially, and professionally.

As a relatively young institution, we also continue to expand our academic program portfolio and develop the physical campus environment. The launch of our first doctoral program is imminent, and several undergraduate programs that are responsive to workforce and industry needs, primarily in health-related and STEM disciplines, are in development. We opened our student recreation center and a second residence hall in FY 2025 and currently have three capital projects in construction, with an additional anticipated to begin within FY 2026. Our emphasis at A&M-San Antonio is on continued growth—in student population, in the academic enterprise, and in our campus footprint—and on ensuring that we are ready to meet the education and workforce development needs of the region.

Revenues:

Overall, total revenues are budgeted to increase by 5% to $137.3 million. This increase is mainly attributed to the following:

- State Appropriations increased by 7% due to increased enrollment, and an increase in state benefits, and a $288,000 increase in Comprehensive Research Fund.
- Based on FY 2025 Fall and Spring enrollment, Tuition and Fees revenue is projected to increase $3.6 million (7%) primarily due to enrollment growth in both undergraduate and graduate enrollment.
- Contracts and Grants are projected to decrease $1.7 million (-23%) in FY 2026 due timing of Community Health & Genomics funding received.
- Sales and Services reflect an increase of $950,000 (14%) due to the completion of our second residence hall that opened Fall 2025 at 90% occupancy.

BUDGET NARRATIVE CONTINUED

Expenses:

Overall, total expenses are budgeted to increase by 7%. This budgeted increase is attributed to the following to the following:

- Personnel Costs reflect an increase of approximately $4.0 million (6%) due to the addition of 6 new faculty positions and 10 new critical staff positions funded for FY 2026.
- While benefits are increasing overall, the $1 million increase (7%) is primarily due to the increase in HEGI.
- Utilities reflect an increase of about $355,000 (19%) due to the opening of the new Recreational Center and Phase II Residential Housing buildings coming online in FY 2025.
- Operations and Maintenance costs are projected to decrease by $561,000 (-3%) Operations and maintenance costs are projected to decrease by $561,000, driven by budget alignment with actual historical expenditures.
- Debt Service has increased $4.6 million (28%) due to financing of the third residence hall construction beginning FY 2026 and the issuance of bonds for the completed second residence hall.

Reserves:

- FY 2024 operating reserve balance was $30.4 million or 3.2 months.
- FY 2025 projected operating reserve is $28.3 million or 3.4 months.
- FY 2026 projected operating reserve is $46.4 million or 5.9 months.

Capital Plan:

- The Educare Building and Public Health & Education Building broke ground Spring 2025 and are scheduled to open Fall 2027.
- The Multipurpose Field, Competition Track and Softball Field Upgrades are scheduled to be completed and open by late Summer 2026.
- Student Housing Phase III and Dining Hall is expected to break ground in late Spring 2026.



TEXAS A&M UNIVERSITY SAN ANTONIO

FY 2026 Programmatic Budget Review

Section I: Overview

TEXAS A&M UNIVERSITY
SAN ANTONIO



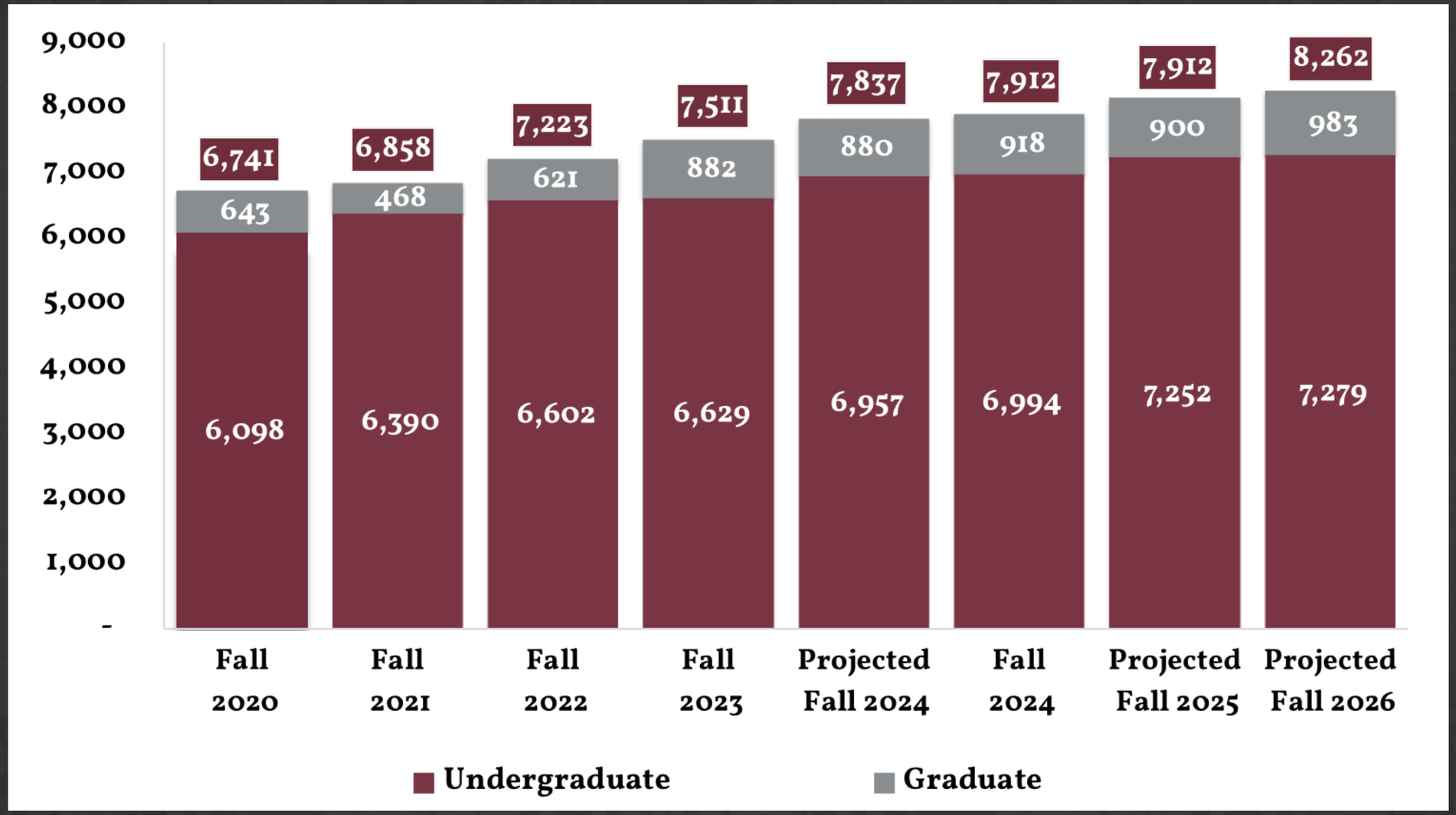


Mission Statement

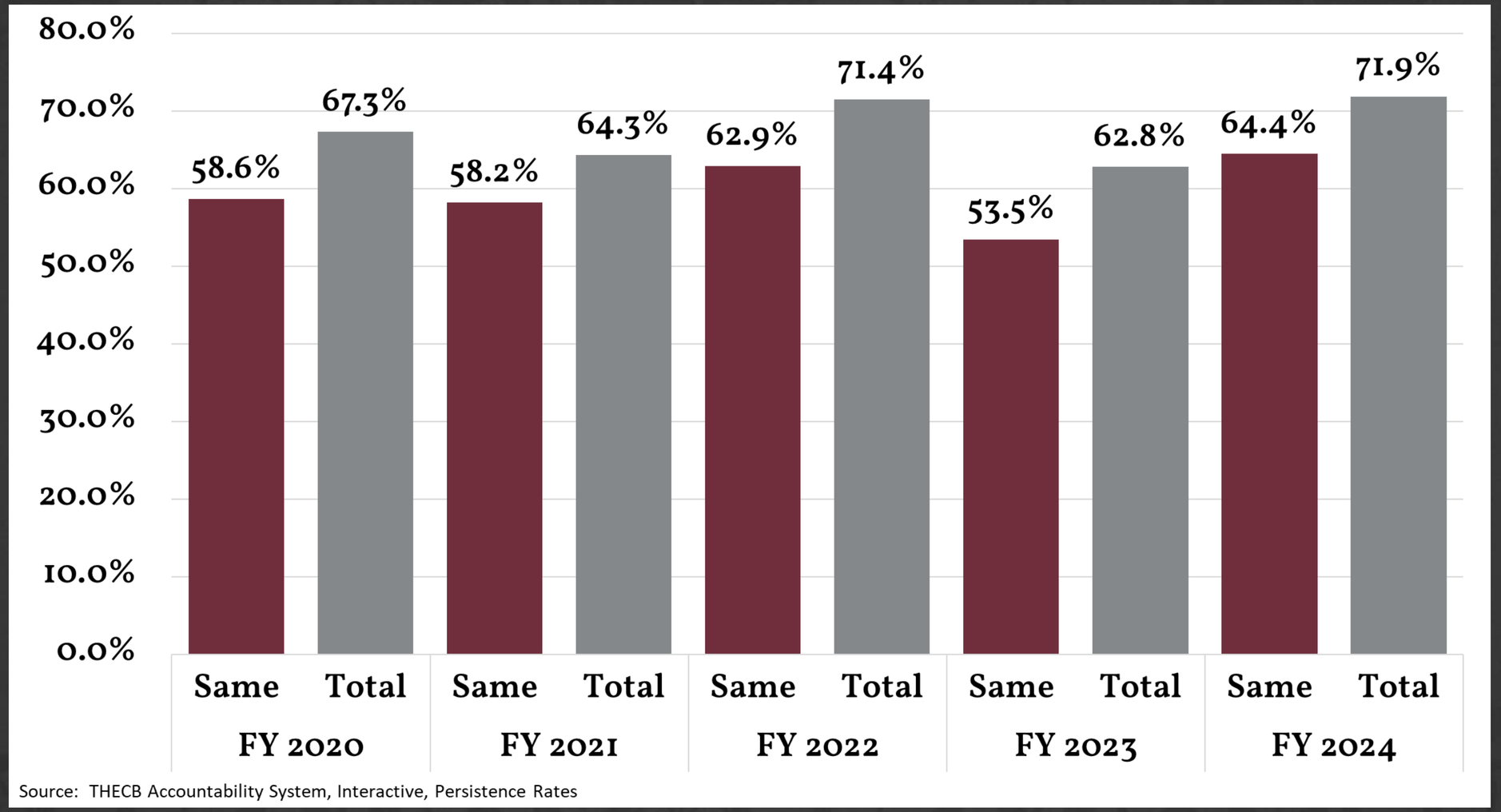
As a proud Hispanic-Serving and Military-Embracing Institution with a predominantly first-generation student population, Texas A&M University-San Antonio transforms lives and our community by delivering a quality higher education experience that is accessible and inclusive, and by empowering students for academic success, rewarding careers, and engaged global citizenship.



5-Year Enrollment

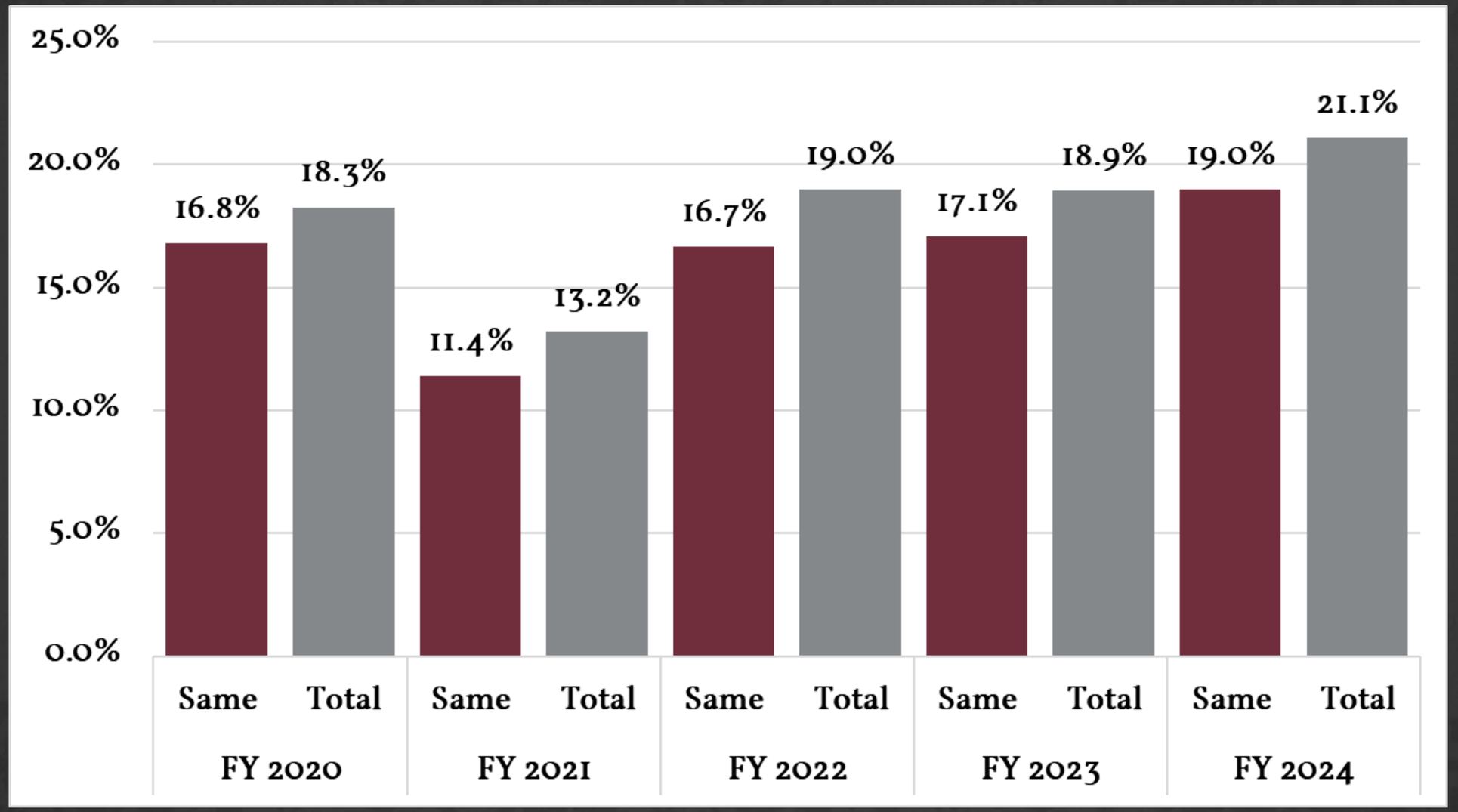


First Year Persistence Rate

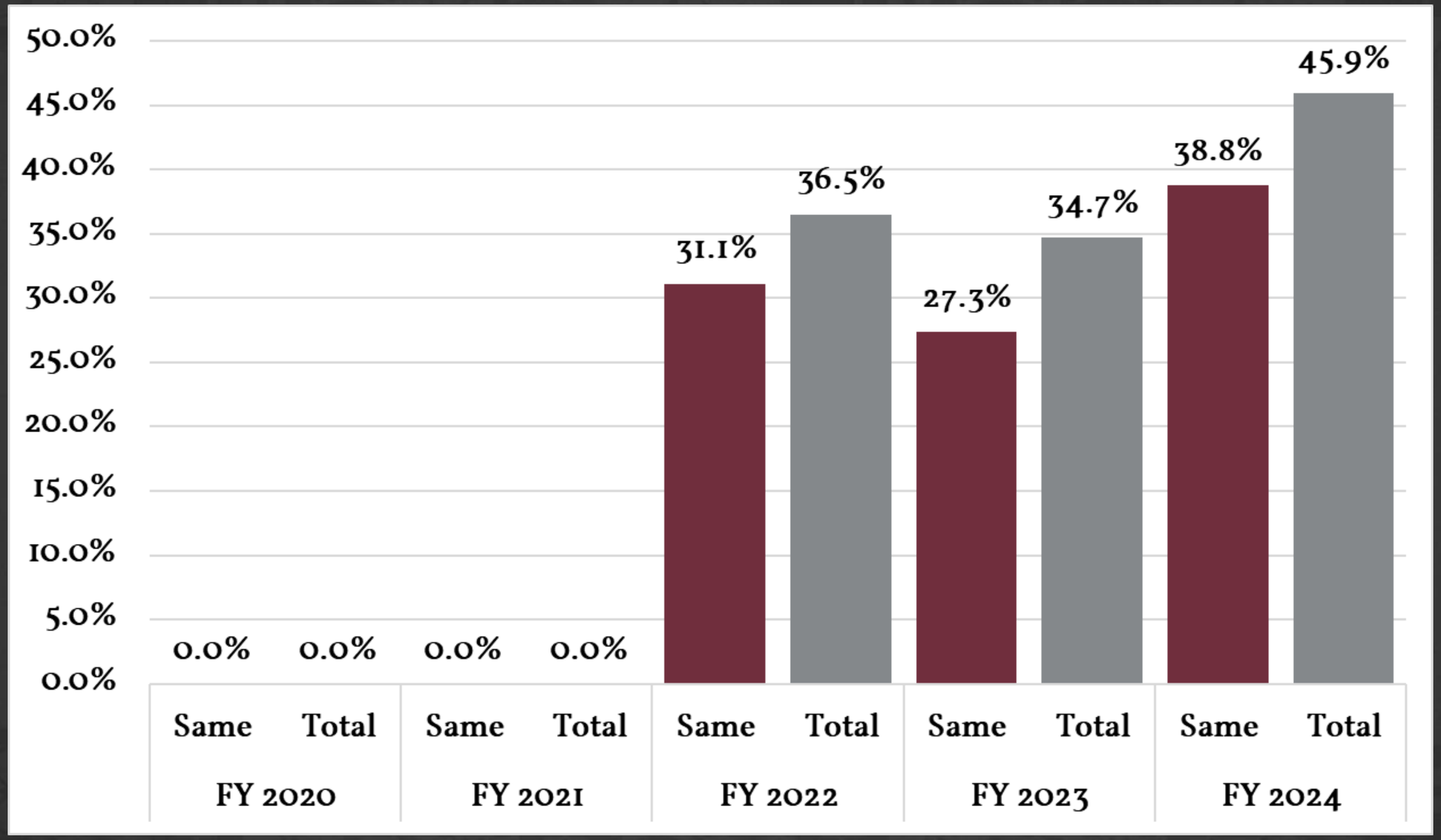


Source: THECB Accountability System, Interactive, Persistence Rates

4-Year Graduation Rate

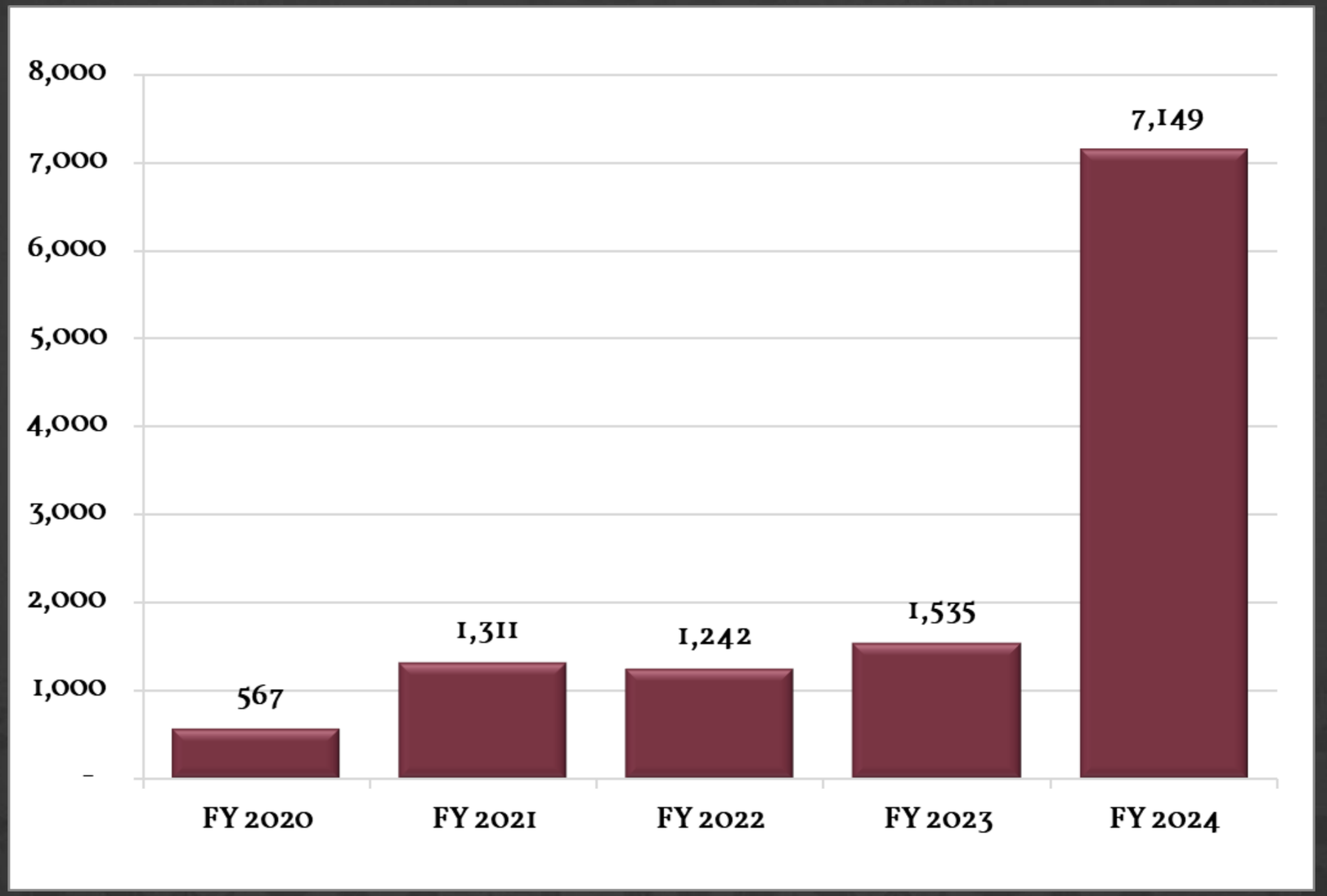


6-Year Graduation Rate



NSF Research Expenditures

($ in thousands)



Section II: Financial Updates

TEXAS A&M UNIVERSITY
SAN ANTONIO





Legislative Update

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
Instruction/Operations			
Operations Support	$ 9,899	$ 12,693	$ 2,794
Teaching Exp Supplement	$ -	$ 355	$ 355
Unemployment Insurance	$ 16	$ 30	$ 14
Workers' Compensation Insurance	$ 5	$ 28	$ 23
CRU Funding	$ 1,214	$ 1,191	$ (23)
Infrustructure Support			$ -
CCAP (TRB)	$ 11,601	$ 11,602	$ 1
E&G Space Support	$ 3,414	$ 2,816	$ (598)
Small Institution Supplement	$ 731	$ 549	$ (182)
Non-Formula Funding Support			$ -
Expansion Funding	$ 6,599	$ 6,599	$ -
Institutional Enhancement	$ 3,009	$ 3,009	$ -
Research Development Fund	$ 41	$ 330	$ 289
Hazlewood	$ 935	$ 697	$ (238)
Subtotal	**$ 37,464**	**$ 39,899**	**$ 2,435**
Estimated State Paid Benefits	**$ 5,360**	**$ 5,905**	**$ 545**
State Appropriations Total:	**$ 42,824**	**$ 45,804**	**$ 2,980**

Proposed Fee Increase

Fee	Description of Change	Last Increase	Current Rate	Proposed Change	Total Revised Fee
Athletic Fee	Increase $7.00 per semester credit hour	Fall 2024	$ 10.50	$ 7.00	$ 17.50

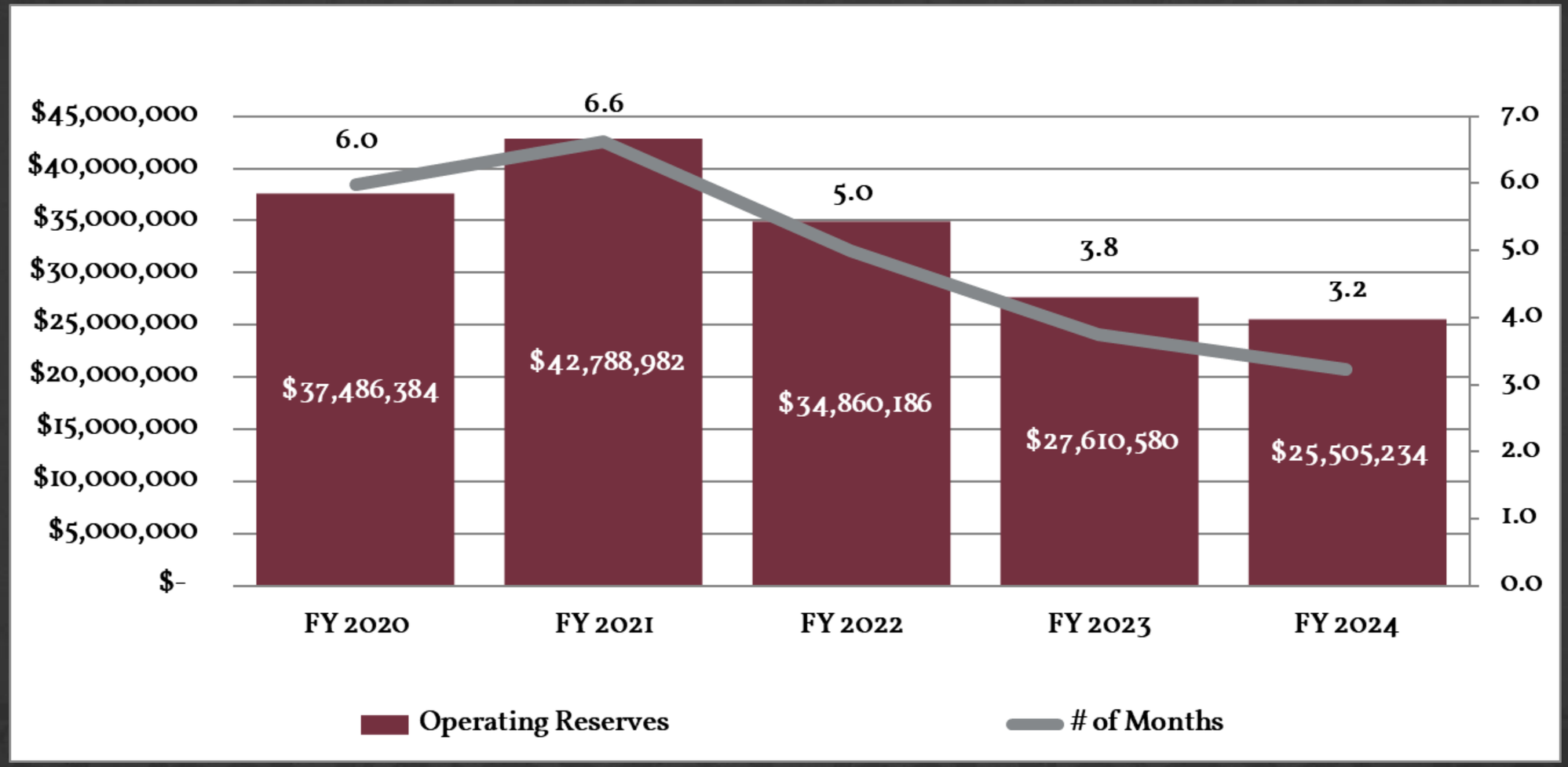
Proposed Revenue Budget & Variance

REVENUES (in thousands)	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 42,824	$ 45,805	$ 2,981	7%
Tuition and Fees	$ 53,131	$ 56,786	$ 3,656	7%
Contracts and Grants	$ 7,599	$ 5,880	$ (1,719)	(23%)
Student Financial Assistance	$ 26,362	$ 26,200	$ (162)	(1%)
Gifts	$ 3,918	$ 4,057	$ 139	4%
Sales and Services	$ 6,641	$ 7,592	$ 950	14%
Investment Income	$ 2,799	$ 2,799	$ -	0%
Other Income	$ 253	$ 363	$ 110	43%
Discounts	$ (12,139)	$ (12,139)	$ -	0%
TOTAL REVENUES:	$ 131,387	$ 137,342	$ 5,955	5%

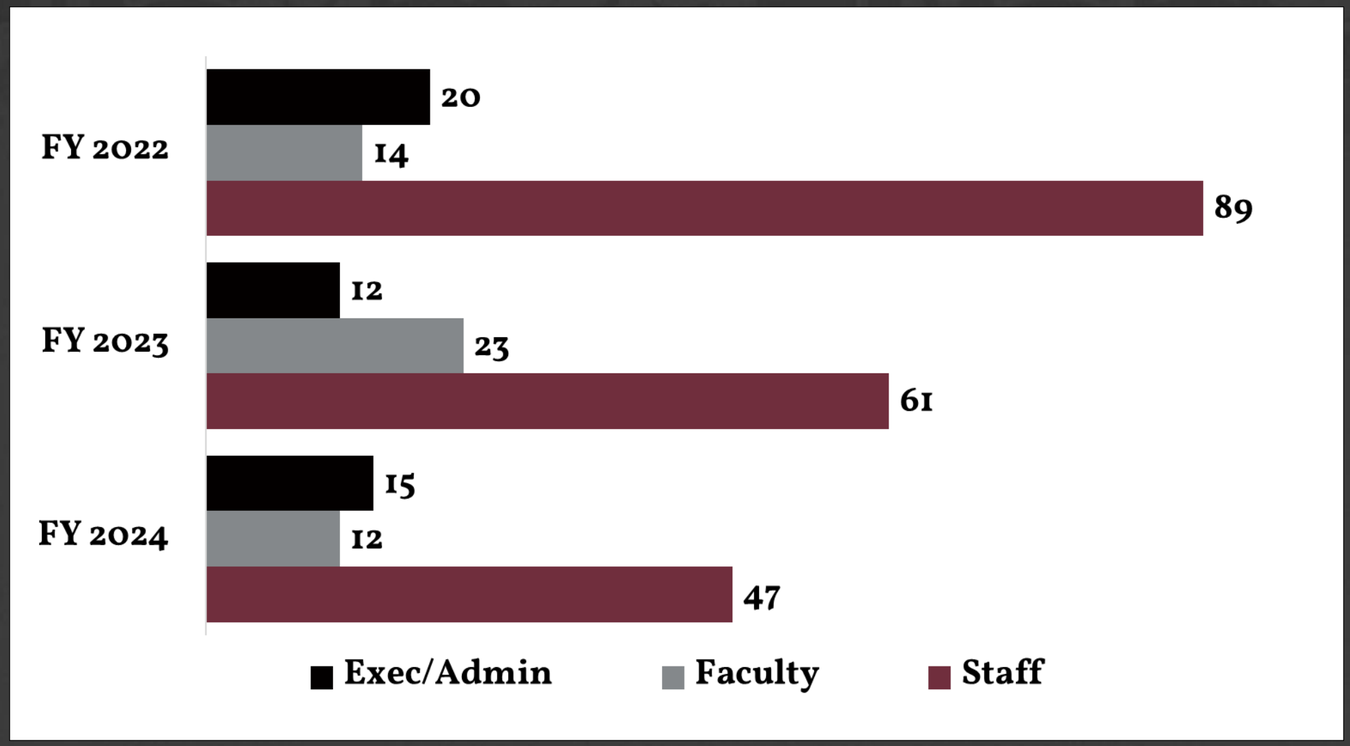
Proposed Expense Budget & Variance

EXPENSES (in thousands)	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	$ 131,387	$ 137,342		
Expenses:				
Salaries - Faculty	$ 23,582	$ 25,054	$ 1,472	6%
Salaries - Non-Faculty	$ 29,611	$ 31,079	$ 1,468	5%
Wages	$ 2,566	$ 2,666	$ 100	4%
Benefits	$ 16,134	$ 17,194	$ 1,059	7%
Personnel Costs	$ 71,893	$ 75,992	$ 4,099	6%
Utilities	$ 1,889	$ 2,244	$ 355	19%
Scholarships	$ 30,440	$ 31,101	$ 660	2%
Discounts	$ (12,139)	$ (12,139)	$ -	n/a
Equipment	$ 542	$ 412	$ (130)	(24%)
Operations and Maintenance (Net)	$ 21,961	$ 21,401	$ (561)	(3%)
Debt Service	$ 16,800	$ 21,437	$ 4,638	28%
TOTAL EXPENSES:	$ 131,387	$ 140,449	$ 9,062	7%
Other Transfers:				
NET POSITION CHANGE:	$ -	$ (3,107)		

Reserves & Months of Reserves



Employee Turnover



	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	20	22.30%	14	5.90%	89	30.20%	123	19.70%
FY 2023	12	12.90%	23	9.70%	61	20.10%	96	15.20%
FY 2024	15	15.50%	12	5.30%	47	14.90%	74	11.60%

Employee Retention Plan

FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
Avg. 2% Performance Based Pool *	$ 542,100	$ 365,100	$ 907,200
Promotions	$ 162,000	$ -	$ 162,000
Benefits	$ 130,300	$ 67,600	$ 197,900
Total:	$ 834,400	$ 432,700	$ 1,267,100

*Contingent on Fall 25 Enrollment





Section III: Auxiliary Operations

TEXAS A&M UNIVERSITY
SAN ANTONIO





Auxiliary Operations: Athletics

Athletics Operations *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Fees	$ 1,227	$ 1,403	$ 1,595	$ 192	13.7%
Total Revenues:	**$ 1,227**	**$ 1,403**	**$ 1,595**	**$ 192**	**13.7%**
Expenses					
Personnel Costs:	$ 826	$ 952	$ 1,241	$ 289	30.4%
O&M and Equipment	$ 566	$ 519	$ 593	$ 74	14.3%
Scholarships	$ 182	$ 407	$ 407	$ -	0.0%
Total Expenses:	**$ 1,574**	**$ 1,878**	**$ 2,241**	**$ 363**	**19.3%**
Transfers					
From Designated Tuition and Fees		$ 882	$ 882		
Total Transfers:	**$ -**	**$ 882**	**$ 882**		
Net Income/(Loss)	**$ (347)**	**$ 407**	**$ 236**		

Current Sports

Women's Soccer
Men's Soccer
Women's Softball
Men's Golf
Women's Basketball
Men's Basketball

Auxiliary Operations: Housing

Resident Life Operations *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Sales & Service	$ 3,101	$ 4,981	$ 5,671	$ 690	13.9%
Other	$ 35	$ -	$ 80	$ 80	100.0%
Total Revenues:	**$ 3,136**	**$ 4,981**	**$ 5,751**	**$ 770**	**15.5%**
Expenses					
Personnel Costs:	$ 206	$ 195	$ 357	$ 162	83.1%
O&M and Equipment	$ 132	$ 358	$ 134	$ (224)	(62.6%)
Debt Service	$ 2,815	$ 2,891	$ 7,638	$ 4,747	164.2%
Total Expenses:	**$ 3,153**	**$ 3,444**	**$ 8,129**	**$ 4,685**	**136.0%**
Transfers					
From Designated Tuition and Fees	$ 1,000	$ 1,000			
From Housing Reserves			$ 4,000		
Total Transfers:	**$ 1,000**	**$ 1,000**	**$ 4,000**		
Net Income/(Loss)	**$ 983**	**$ 2,537**	**$ 1,622**		

Thank You!





TEXAS A&M UNIVERSITY SAN ANTONIO

Programmatic Budget Review FY 2026

Section I: Capital Plan & Deferred Maintenance

TEXAS A&M UNIVERSITY
SAN ANTONIO





Capital Plan

Approved: Project	Projected FY Start Date	Total Planning Amount	PUF Debt Proceeds	RFS Debt Proceeds	Other	Current Status	Gross Square Footage
Public Health & Education Building	Fall 2024	$ 54,922,833	$ 10,000,000	$ 44,922,833		Under Construction	56,000
Educare Building	Spring 2025	$ 21,690,000	$ 7,900,000	$ 9,860,405	$ 3,929,595	Under Construction	27,000
Multipurpose Field, Competition Track & Softball Field Upgrades	Spring 2025	$ 10,000,000		$ 7,500,000	$ 2,500,000	Under Construction	N/A
Student Housing Phase III & Dining Hall	2026	$ 80,000,000		$ 80,000,000		In Design	114,361
Physical Plant Projects / Acquisitions in Progress		$ 25,295,398	$ 19,799,398	$ 5,496,000		In Progress	N/A
Total Construction /Acquisitions in Progress		**$ 191,908,231**	**$ 37,699,398**	**$ 147,779,238**	**$ 6,429,595**		
PROPOSED: Project Name	**Projected FY Start Date**	**Total Planning Amount**	**PUF Debt Proceeds**	**RFS Debt Proceeds**	**Other**	**Current Status**	**Gross Square Footage**
*Health Science Building	2008	$ 80,000,000			$ 80,000,000		
Total Proposed		**$ 80,000,000**			**$ 80,000,000**		

Unfunded Capital Needs

UNFUNDED: Capital Needs	Total Planning Amount
Campus Utility Plant	$ 84,300,000
Biomedical Sciences Building	$ 120,000,000
Jaguar Dome / Hurricane Safe Room	$ 44,600,000
Student Union	$ 60,000,000
Campus-wide Storm Water Drainage	$ 20,000,000
Academic Building V / Data Center	$ 130,000,000
Student Housing Phase IV	$ 130,000,000
Total Unfunded Needs	**$ 588,900,000**

A&M-SA Key Statistics

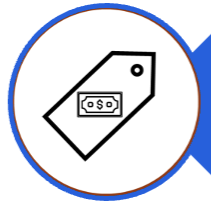


FY24 GSF: E&G 684K

***FY25 GSF: 706K| E&G (684K) | Aux (22K)**



FY24 Construction Age: E&G - 8.0



FY24 10 Year Needs ($ Millions):

Total Campus: $35.6 | E&G: $35.6 | Aux: $0



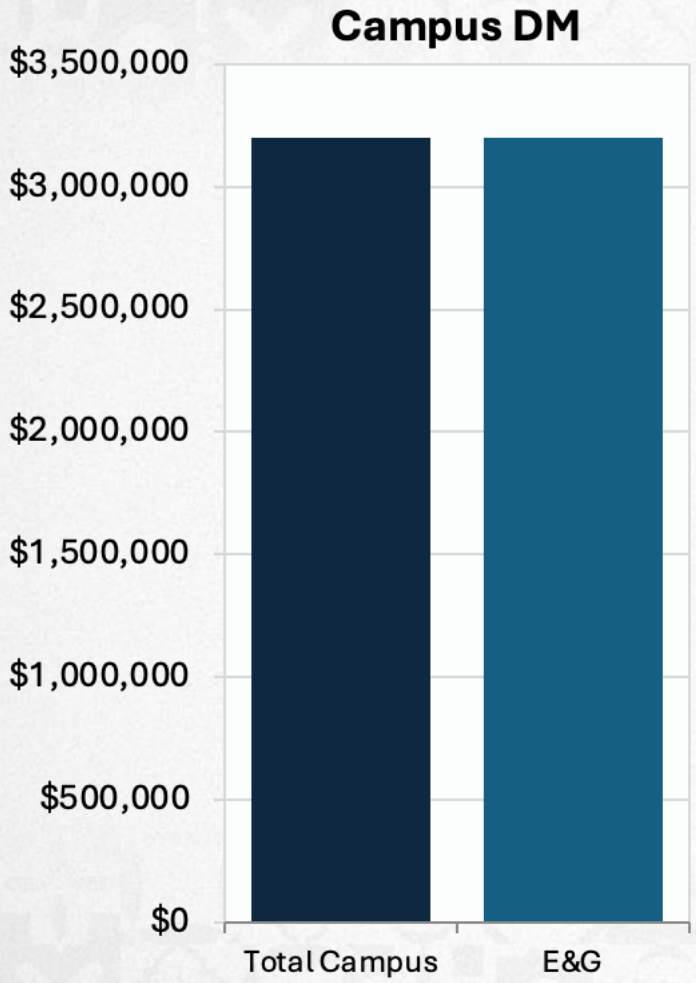
FY24 Deferred Maintenance ($ Millions):

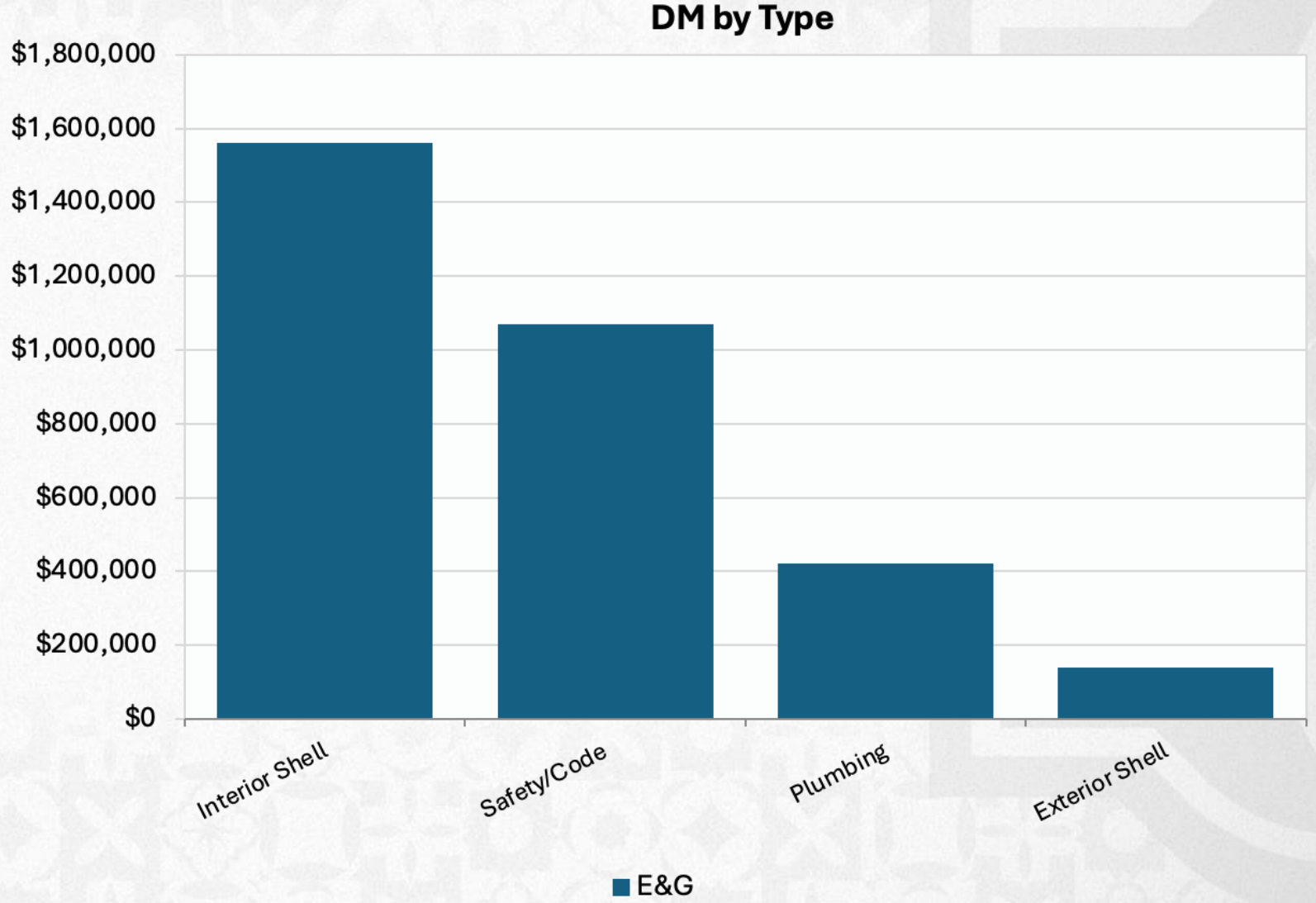
Total Campus: $3.2 | E&G: $3.2 | Aux: $0

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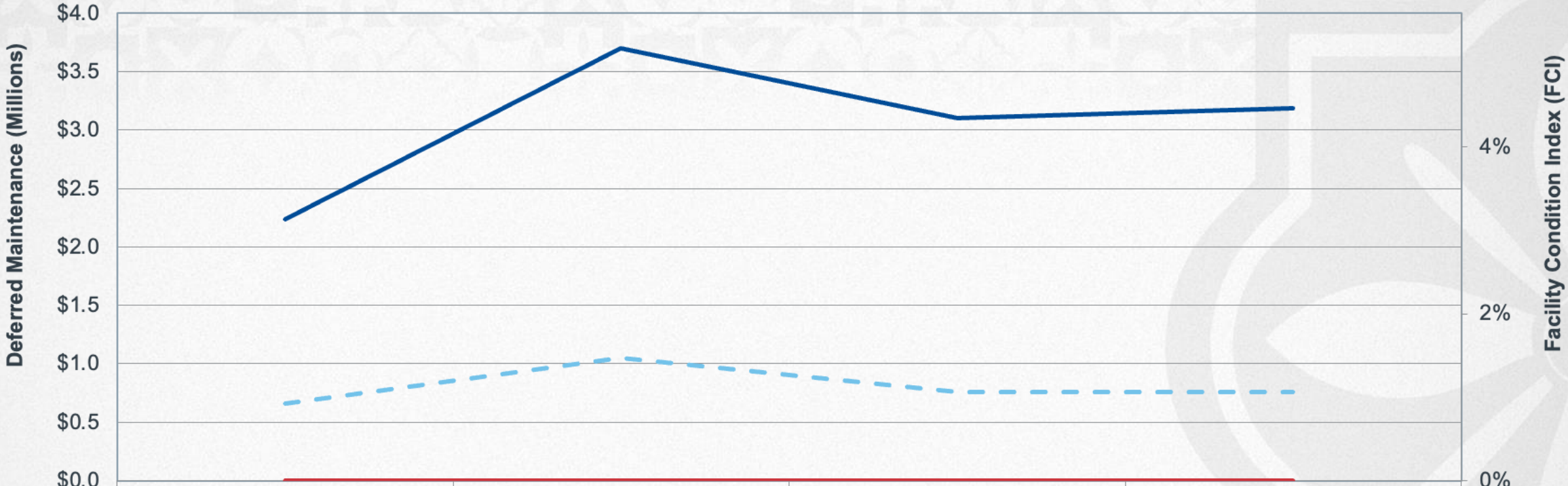
*Expected GSF for FY25 analysis. All presentation data is based on FY24 campus profile

FY24 Deferred Maintenance at A&M-SA





A&M-SA Facility Condition Index Trend



	FY21	FY22	FY23	FY24
E&G DM	$2,235,000.00	$3,700,851.00	$3,099,636.00	$3,188,760.88
Aux DM	$-	$-	$-	$-
E&G FCI	0.9%	1.5%	1.1%	1.1%
AUX FCI	0%	0%	0%	0%

0% - 5% *Capital Upkeep*

5% - 10% *Repair & Maintain*

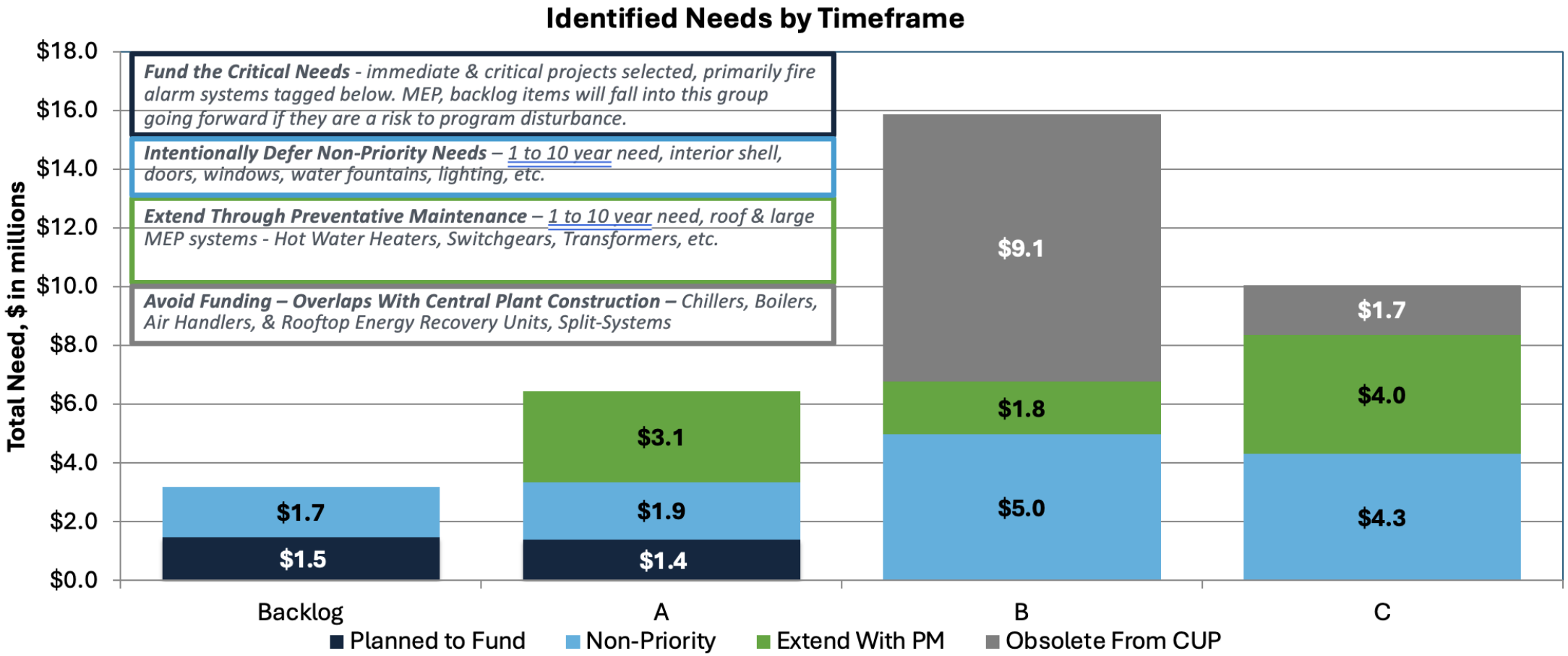
10% - 30% *Systemic Renovation*

> 30% *Renovation/Replacement*

*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

Strategic Funding Approach

10-Year plan to account for all needs and control deferred maintenance



These tables exclude modular and portable need

GORDIAN®

Thank You!



TEXAS A&M UNIVERSITY – KINGSVILLE

BUDGET NARRATIVE

Introduction:

Texas A&M University-Kingsville (TAMU-K) is submitting a balanced and strategically aligned budget for FY 2026. As the University continues to face inflationary pressures and rising operational costs, it has become necessary to strategically reallocate resources to ensure continued support for core academic, research, and student service priorities.

The FY 2026 revenue budget reflects enrollment shifts experienced during FY 2025, including a 7% increase in resident student enrollment and a 21% decline in non-resident enrollment. As a result, total tuition and fee revenues are budgeted with a decrease of $3.4 million (5%) compared to the previous budget. The University's targeted efforts to increase first time-in-college (FTIC) enrollment, along with ongoing strategic retention initiatives, have yielded positive results.

The University has been laser-focused on achieving enrollment growth. From Fall 2022 to Fall 2024, there has been a:

- 13% increase in enrollment headcount;
- 17% increase in First Time-in-College students (FTICs);
- 126% increase in dual enrollment students.

The percentage of Texas residents enrolled in Fall 2024 equaled 90.7%, with nearly 70% coming from South Texas.

Building on this momentum, we will continue to strengthen and expand these efforts moving forward.

In response to declining international student enrollment, which has created significant resource constraints, the University has taken strategic steps to ensure continued progress. In addition to reducing and reallocating resources toward areas critical for sustained growth, the university has conducted a thorough analysis of personnel costs to prioritize positions that are essential to advancing the University's mission.

A new state appropriation line, totaling $2.5 million for FY 2026, was provided this legislative session to support the development of a Rural Nursing and Health Professions Program.

Revenues:

Total Revenue is budgeted for $191 million which reflects an increase of $5.7 million compared to the FY 2025 budget due to the items below:

- State Appropriations are budgeted with an increase of $3.8 million (7%) due to receiving $2.5 million in funding for Rural Nursing & Health Professions, slight increases in formula funding and a small decrease of $310,000 in State Paid Benefits.

BUDGET NARRATIVE CONTINUED

- Higher Education Fund increased $1.3 million (15%) as compared to the FY 2025 allocation.
- Tuition & Fees are budgeted with a decrease of $3.4 million (5%) from the previous budget, considering a decrease in graduate enrollment projections as compared to FY 2025 estimates.
- Contracts & Grants for FY 2026 are budgeted with an increase of $4.6 million (25%) as compared to the FY 2025 budget to bring the budget in line with prior year actuals.
- Student Financial Assistance is budgeted with a $3.1 million (11%) increase due to a projected increase in Federal Pell Grants.
- Gifts for FY 2025 are budgeted with a slight decrease of $388,000 (4%) as compared to the FY 2025 estimates.
- Sales & Services revenues are budgeted with a slight decrease of $933,000 (4%) primarily due to decreases in international student insurance as compared to the FY 2025 estimates.
- Investment Earnings are budgeted with an increase of $2.5 million as compared to the FY 2025 budget to bring the budget in line with the prior year actuals.
- Discounts have increased $4.7 million (22%) due to the allocation method which is based on FY 2024 actuals applied to the projected Tuition and Fees and increased scholarship awards.

Expenses:

Total Expenses are budgeted for $185 million, which reflects a $1.4 million decrease compared to the FY 2025 budget:

- Personnel Costs include strategic reductions in salary and benefits totaling $6.2 million, a retention plan that aims to retain valued employees totaling $1.8 million, Tenure/Tenure-Track promotions of $120,000, net against benefit costs of $3.2 million and $1.6 million in restricted fund salary increases not included in the FY2025 Board version resulting in a net increase of $660,000.
- Utilities are budgeted to decrease $229,000 (5%) due to the demolition of two dorms to address critical deferred maintenance.
- Scholarships are budgeted to increase $4.2 million (12%) to ensure progress towards our enrollment growth.
- Discounts have increased $4.7 million (22%) due to the allocation method which is based on FY 2024 actuals applied to the projected Tuition and Fees and increased scholarship awards.
- Equipment is budgeted to decrease 390,000 (30%) as compared to the FY 2025 budget.
- Operations and Maintenance reflect a budgeted decrease of $267,000 (1%), due to strategic reductions totaling $2.4 million, an increase of $2.3 million funded via the new appropriation for Rural Nursing and Health Professions Program, and $167,000 in IT related costs.
- Debt Service decreased $691,000 (4%) due to retirement of legacy debt.

BUDGET NARRATIVE CONTINUED

Other Transfers:

- Other transfers to Plant funds increased $1.3 million due to the increase in HEF allocations.

Reserves:

- The University's FY 2024 Current Fund Reserve balance total equaled $27.2 million (2.4 months of reserves).
- The FY 2025 Current Funds Reserve balance is projected to equal $22 million (1.92 months of reserves) based on year-to-date planned spending levels and over-realized revenues.
- The University will maintain a level Current Fund Reserve balance for FY 2026 through carefully planned cost reductions and strategic reallocation of resources to ensure continued enrollment growth.

Capital Plan:

- New projects will enter the planning stage in FY 2026: the South Texas A&M Health Hub & Mesquite Village East (New Housing).



TEXAS A&M UNIVERSITY-KINGSVILLE

PROGRAMMATIC BUDGET REVIEW FY 2026

DR. ROBERT VELA
PRESIDENT
JULY 28, 2025

Mission

The founding public institution of higher education in South Texas, Texas A&M University-Kingsville transforms lives and creates well-rounded leaders through a commitment to excellence in teaching and learning and the pursuit of research and discovery. With a focus on student success, the university offers high-quality undergraduate, graduate, and doctoral education. Our graduates advance the vitality of their communities, both locally and globally, with courage and integrity.





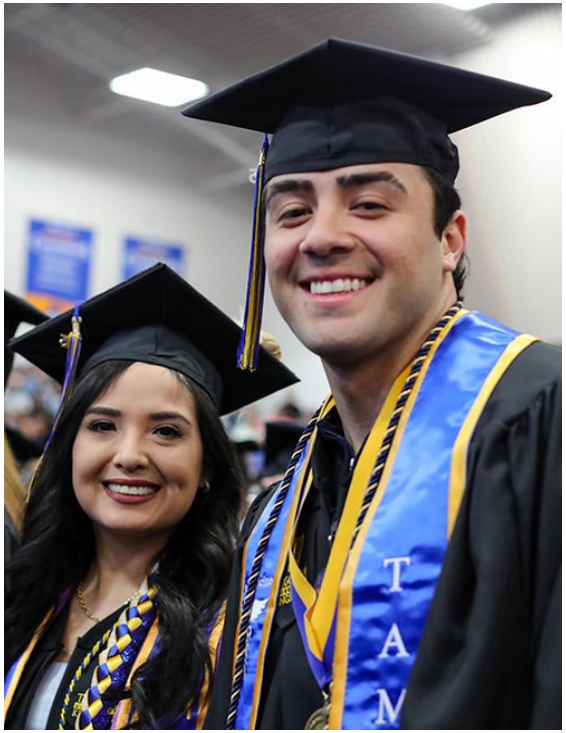
Points of Pride

- We rank among the top 20 public universities in Texas and are tied for 2nd among Texas A&M System schools, according to *U.S. News & World Report*. TAMUK also ranks 2nd in the System and 11th in Texas for social mobility, placing us in the top 6% nationwide.

- We rank 1st in South Texas and 5th among Texas public universities for graduate salary potential, according to *Payscale*. Over one-third of our degrees are in STEM, placing us among the top three public Texas schools for STEM graduates.

- We are leveraging partnerships with a regional community college and local health systems in the development of a **BSN in Rural Nursing** to meet the critical need in South Texas and promote access to quality healthcare in rural communities.

- The **Institute for Rural Mental Health Initiatives** addresses critical issues related to mental health in rural areas of South Texas and throughout the state. It is a clearinghouse for mental health-related research, funding opportunities, and academic resources, aimed at enhancing the mental well-being of rural communities across Texas.



Points of Pride

- **The Caesar Kleberg Wildlife Research Institute** (CKWRI) delivers science-based insights to support Texas wildlife conservation, focusing on species like deer, quail, and waterfowl. In 2024, CKWRI and the East Foundation broke ground on a $20 million Ocelot Conservation Facility to study ocelot behavior, breeding, and re-wilding.

- The **National Natural Toxins Research Center** is the only federally-funded venom research facility in the U.S., specializing in the discovery, isolation, and characterization of animal toxins for therapeutic and diagnostic applications.

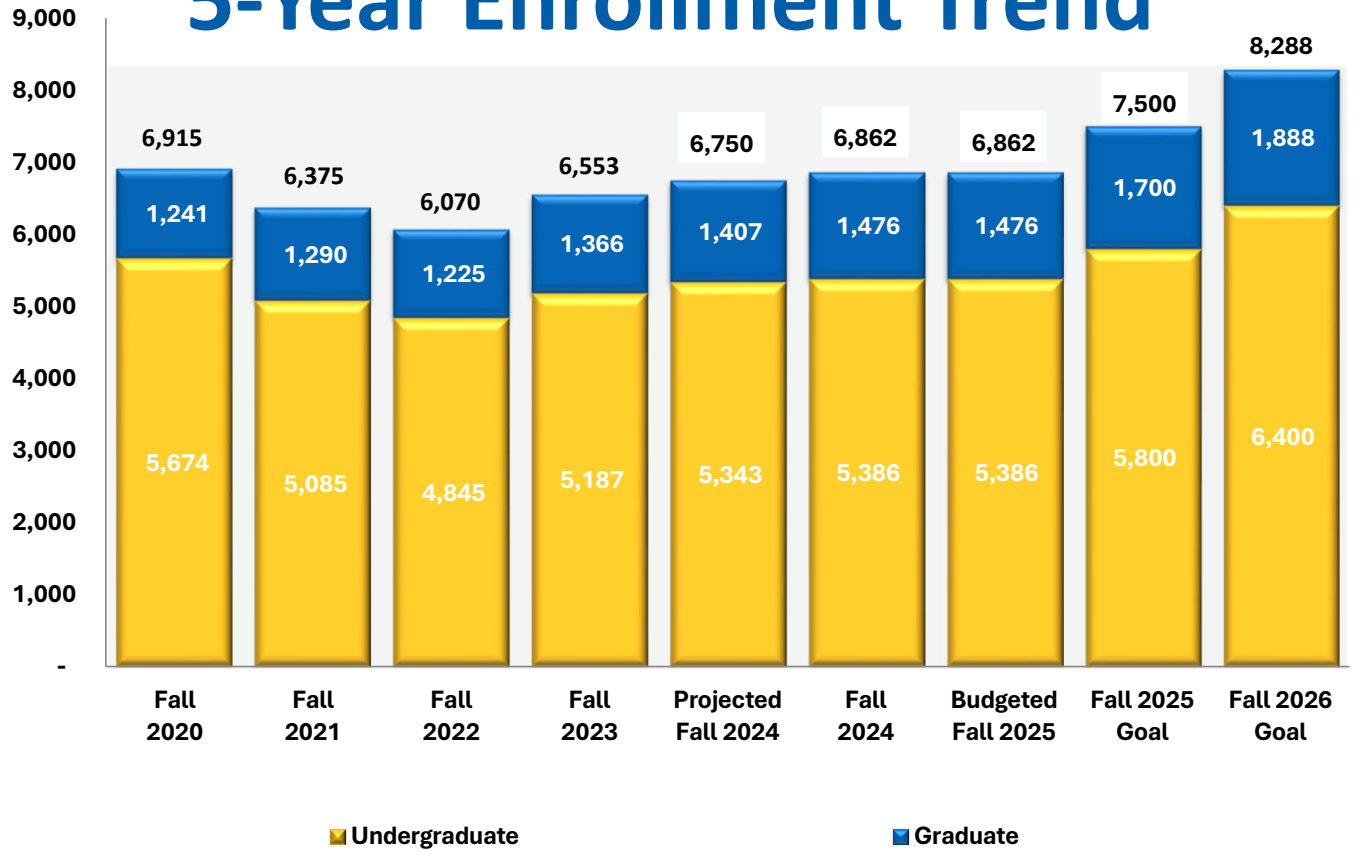
- For nearly 75 years, the University's **Citrus Center** has supported the state's $500M citrus industry by developing adapted & sustainable solutions to the many biotic & abiotic constraints to citrus production.

- The **Office of Workforce Development** will launch Credit for Prior Learning (CPL) pathways, enabling adult learners to earn academic credit for relevant work experience and industry certifications. Additionally, the department is partnering with academic colleges to design stackable, non-credit, and for-credit microcredentials tied to regional workforce demand.

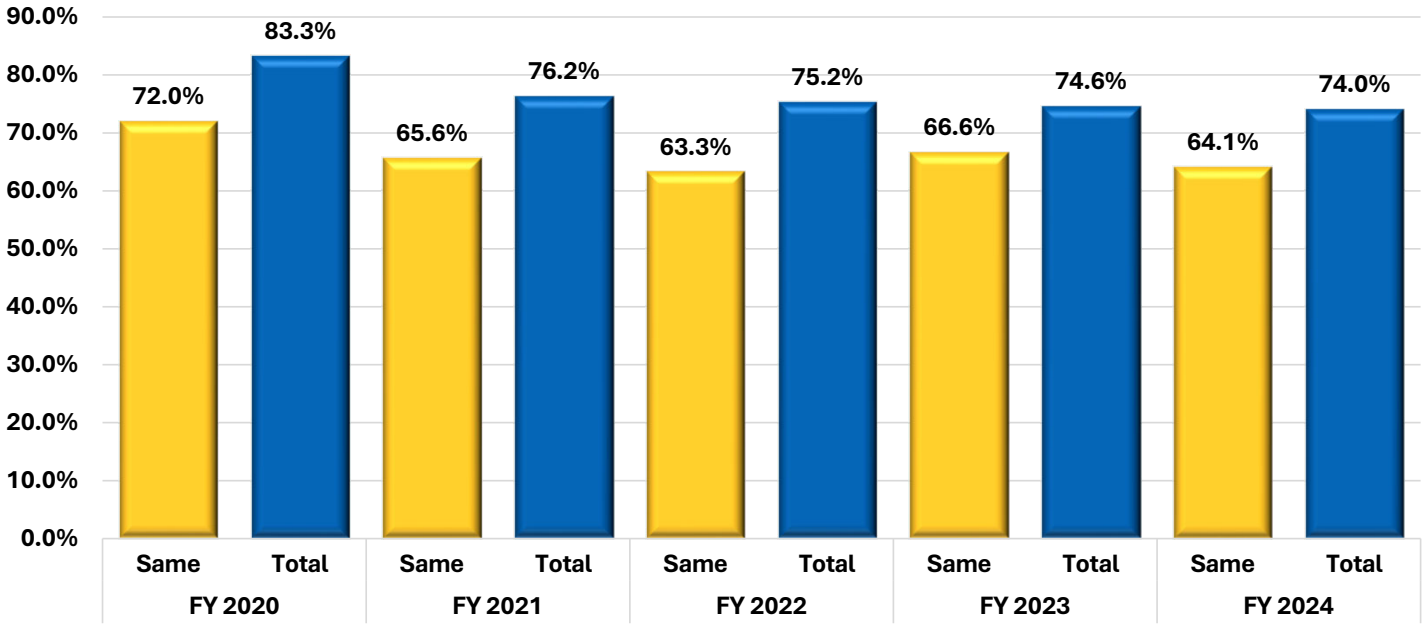
- The new **Javelina Skilled Trades Academy** in collaboration with Kleberg County, offers NCCER Core, OSHA 10, Essential Skills, and Level 1 certifications in electrical, carpentry, and pipe fitting. Supports regional infrastructure projects, including **Oxy/1PointFive's $40B carbon capture initiative**.


ACADEMIC METRICS

5-Year Enrollment Trend

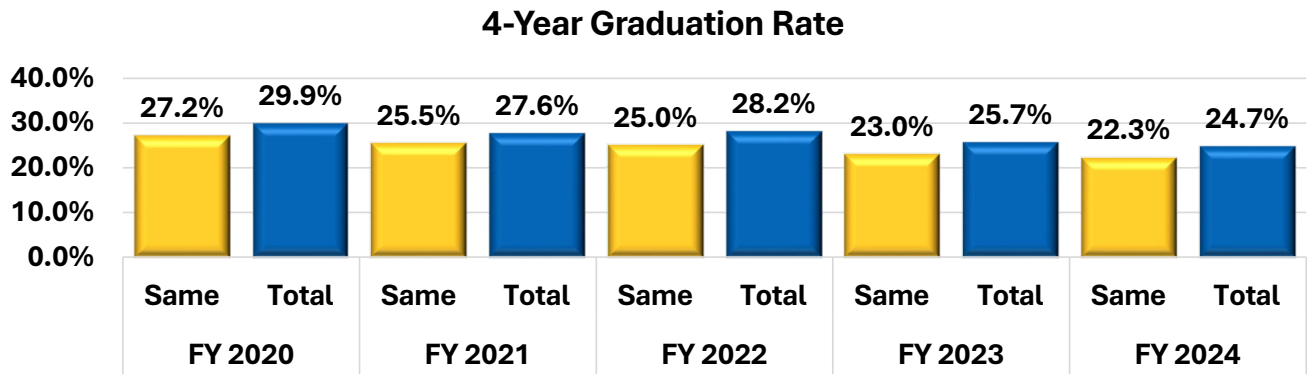


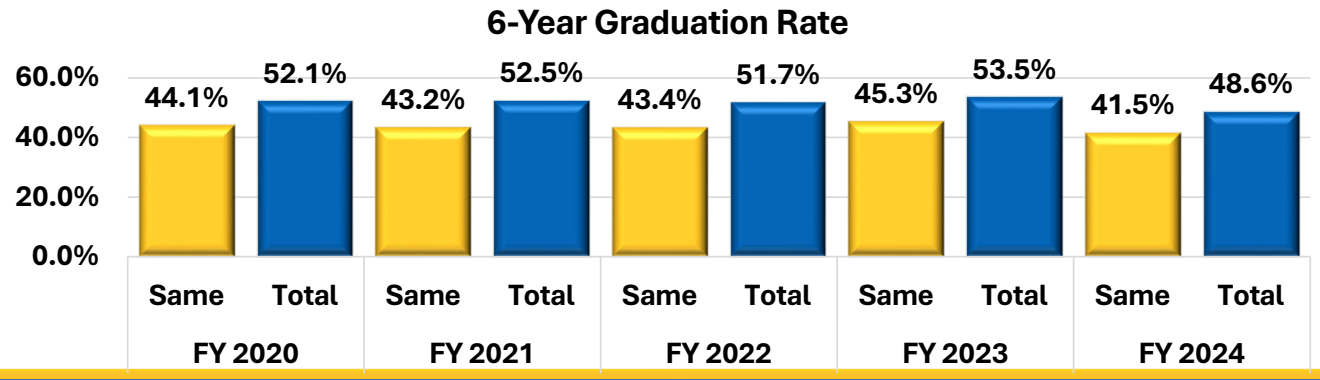
First-Year Persistence Rate



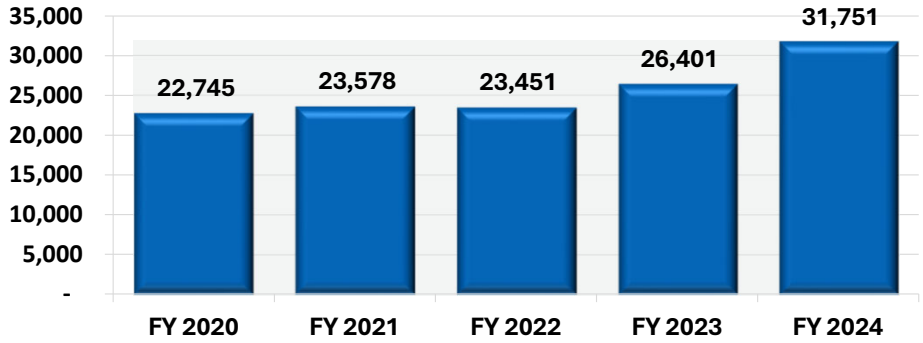
Source: THECB Accountability System, Interactive, Persistence Rates

4-Year and 6-Year Graduation Rates





Research Expenditures Reported to NSF (in thousands)



TARGET #1-Access TUF		
Criteria	**TAMUK**	**TUF TARGET**
Fed & Private Research Exp	$17M 3-yr Average	$20M 3-yr Average
Annual Doctorates Awarded	26	45

*Texas University Fund (TUF) distributes $240B each biennium to eligible institutions.

TARGET #2-Achieve R1 Status		
Criteria	**TAMUK**	**R1 TARGET**
Total Research Expenditures	$32M	$50M
Annual Doctorates Awarded	26	70



FINANCIAL METRICS

Legislative Update

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
Instruction & Operations Formula	$ 16,266	$ 17,922	$ 1,656
Small School Supplement	$ 1,035	$ 826	$ (209)
Comprehensive Regional University Funding	$ 1,060	$ 936	$ (124)
Capital Construction Assistance Projects Revenue Bonds	$ 9,323	$ 9,324	$ 1
Comprehensive Research Fund	$ 2,487	$ 2,856	$ 369
Higher Education Group Insurance	$ 5,561	$ 5,712	$ 151
Hazlewood	$ 1,024	$ 924	$ (100)
Subtotal	**$ 36,756**	**$ 38,500**	**$ 1,744**
Exceptional Items			
Rural Nursing & Health Professions	$ -	$ 2,500	$ 2,500
Other Non-Formula Support	$ 12,115	$ 12,115	$ -
Subtotal	**$ 12,115**	**$ 14,615**	**$ 2,500**
Estimated State Paid Benefits	**$ 5,148**	**$ 4,686**	**$ (462)**
State Appropriations Total:	**$ 54,019**	**$ 57,801**	**$ 3,782**

Higher Education Fund (HEF)

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
HEF	**$ 9,125**	**$ 10,453**	**$ 1,328**
HEF Allocation:			
Debt Service	$ 1,627	$ 927	$ (700)
Strategic Departmental Allocations	$ 1,000	$ 1,000	$ -
ITS DM & Infrastructure	$ 1,400	$ 2,000	$ 600
Annual DM Allocation	$ 2,000	$ 3,000	$ 1,000
Swine Facility	$ 500	$ -	$ (500)
New Project Development	$ 1,706	$ 689	$ (1,017)
MSUB Fire Deductible		$ 1,000	$ 1,000
Baffin Bay Development	$ -	$ 1,000	$ 1,000
Emergency Contingency Fund	$ 892	$ 837	$ (55)
Subtotal	**$ 9,125**	**$ 10,453**	**$ 1,328**

*HEF 2025 Ending Balance Estimated-$9.8M

Proposed Student Fee Referendum-Athletic Fee

- Increase from $20/SCH to $35/SCH
- Fee was last increased in Fall 2014
- $10.4M Athletic Operating Budget Support
- Lone Star Conference and Member Schools range from $12-$37/SCH

Fall 2025 (FY 2026 Tuition and Fee Rates) for Graduate Students
(enrolled in 9 SCHs)

Increase of 10% in Total Graduate Tuition and Fees
Last increase-Fall 2021

Program (w/10% and Athletic Fee Increase)	Fall 2024	Fall 2025
Graduate Resident	$3,078	$3,521
Graduate Non-Resident	$7,190	$8,044

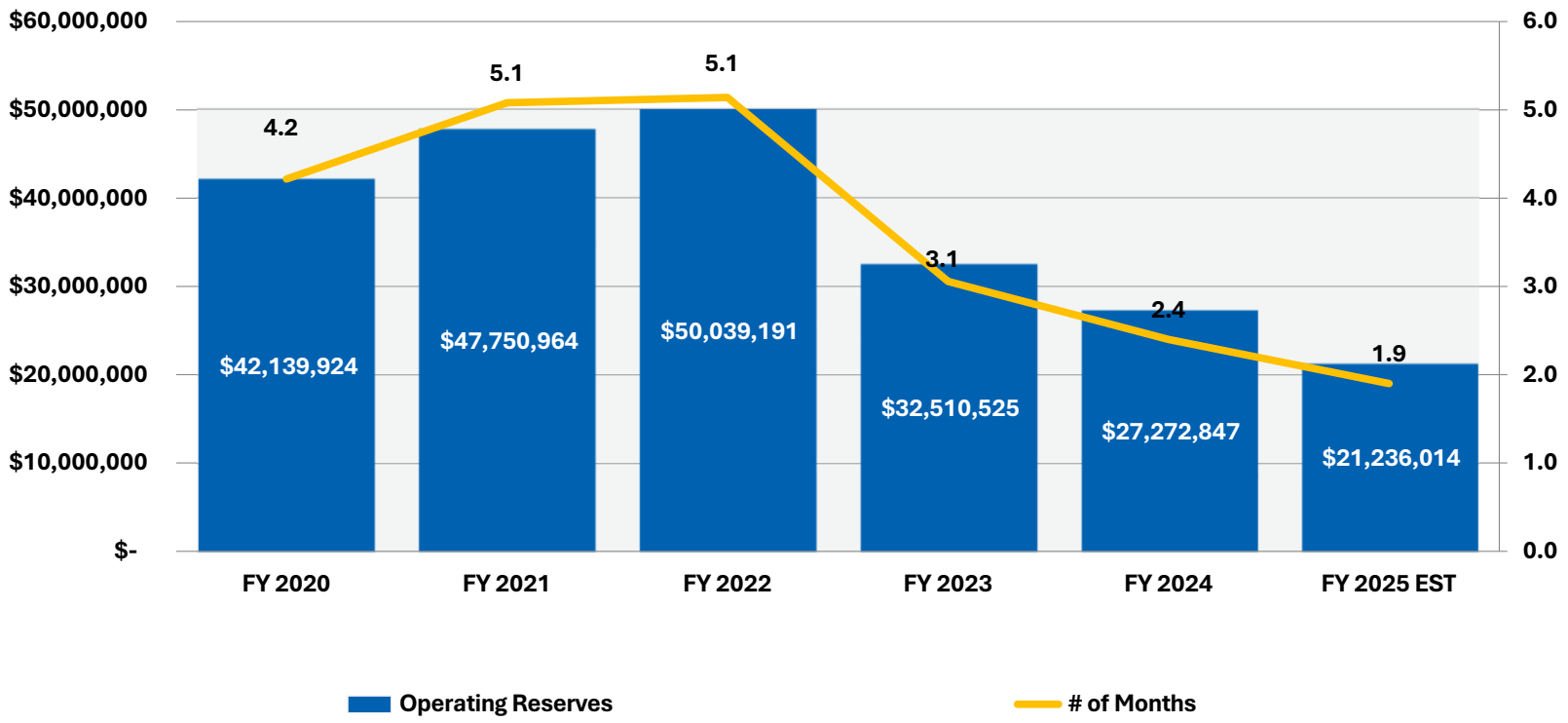
FY 2026 Proposed Revenue Budget

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 54,019	$ 57,801	$ 3,782	7.0%
Higher Education Fund	9,125	10,453	1,328	14.6%
Tuition and Fees	62,676	59,262	(3,414)	-5.4%
Contracts and Grants	18,591	23,150	4,559	24.5%
Student Financial Assistance	27,326	30,444	3,118	11.4%
Gifts	9,379	8,991	(388)	-4.1%
Sales and Services	21,521	20,589	(932)	-4.3%
Investment Income	3,523	5,974	2,450	69.5%
Other Income	492	392	(101)	-20.4%
Discounts	(21,492)	(26,155)	(4,663)	21.7%
TOTAL REVENUES:	**$ 185,161**	**$ 190,900**	**$ 5,740**	**3%**

FY 2026 Proposed Expense Budget

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$185,161**	**$190,900**		
Expenses:				
Salaries - Faculty	$ 31,756	$ 29,153	$(2,604)	-8.2%
Salaries - Non-Faculty	41,223	43,318	2,096	5.1%
Wages	4,534	3,654	(879)	-19.4%
Benefits	24,872	26,919	2,047	8.2%
Personnel Costs	**$ 102,384**	**$ 103,044**	**$ 660**	**0.6%**
Utilities	4,306	4,077	(229)	-5.3%
Scholarships	35,696	39,858	4,162	11.7%
Discounts	(21,492)	(26,155)	(4,663)	21.7%
Equipment	1,298	908	(390)	-30.0%
Operations and Maintenance (Net)	47,113	46,846	(267)	-0.6%
Debt Service	16,719	16,028	(691)	-4.1%
TOTAL EXPENDITURES:	**$ 186,025**	**$ 184,607**	**$ (1,418)**	**-0.8%**
Other Transfers:	(4,948)	(6,293)		
CHANGE IN NET POSITION (Rev+Exp+Transfer):	**$ (5,812)**	**$ 0**		

Operating Reserves and Months of Reserves

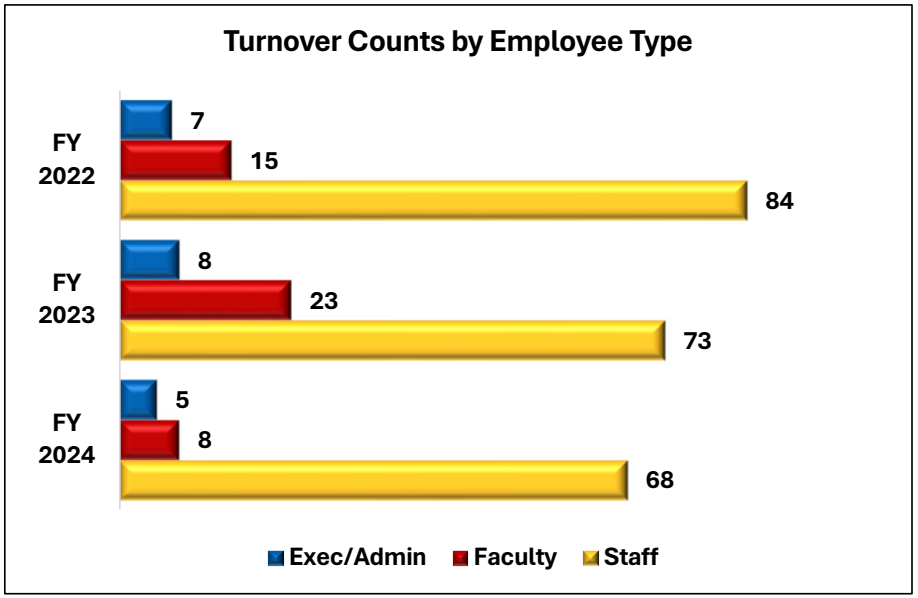


FY 2026 Employee Retention Plan

Plan Description	Faculty	Staff	Total
Performance Based Pool	750,000	750,000	1,500,000
Promotions	120,000	-	120,000
Market Adjustments	-	-	-
Benefits	*161,000*	*138,800*	*299,800*
Total:	**$ 1,031,000**	**$ 888,800**	**$ 1,919,800**

Employee Turnover Rates

	Exec/Admin		Faculty		Staff		Total	
Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*7*	*7.8%*	*15*	*4.8%*	*84*	*19.4%*	*106*	*12.7%*
FY 2023	*8*	*7.5%*	*23*	*7.4%*	*73*	*16.2%*	*104*	*11.9%*
FY 2024	*5*	*4.4%*	*8*	*2.6%*	*68*	*14.0%*	*81*	*9.0%*





AUXILIARY OPERATIONS

Athletics

(in thousands)	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Sales and Services	$ 333	$ 406	$ 390	$ (16)	-3.9%
Fees	2,620	2,738	2,703	$ (35)	-1.3%
Other	51	-	-	$ -	0.0%
Total Revenues:	**$ 3,004**	**$ 3,144**	**$ 3,093**	**$ (51)**	**-1.6%**
Expenses					
Personnel Costs:	$ 3,505	$ 3,468	$ 3,830	$ 362	10.4%
Utilities	211	221	211	(10)	-4.5%
O&M and Equipment	4,171	2,831	3,913	1,082	38.2%
Scholarships & Grants	2,550	2,167	2,189	22	1.0%
Debt Service (includes RFS Transfer)	282	282	282	-	0.0%
Total Expenses:	**$ 10,718**	**$ 8,969**	**$ 10,425**	**$ 1,456**	**16.2%**
Transfers					
From Designated Tuition and Fees	$ 6,176	$ 2,822	$ 3,228		
From Auxiliary Operations			75		
From Investment Earnings	2,320	1,500	4,100		
Total Transfers:	**$ 8,496**	**$ 4,322**	**$ 7,403**		
Net Income/(Loss)	**$ 781**	**$ (1,503)**	**$ 71**		

Residence Life

(in thousands)	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Sales and Services	$ 8,258	$ 8,552	$ 8,817	$ 265	3.1%
Other	56	43	33	(10)	-23.3%
Total Revenues:	**$ 8,314**	**$ 8,595**	**$ 8,850**	**$ 255**	**3.0%**
Expenses					
Personnel Costs:	$ 1,019	$ 977	$ 1,012	$ 35	3.6%
Utilities	1,137	871	814	(57)	-6.5%
O&M and Equipment	2,021	2,166	2,072	(94)	-4.3%
Scholarships	27	107	107	-	0.0%
Debt Service (includes RFS Transfer)	3,495	3,486	3,492	6	0.2%
Total Expenses:	**$ 7,699**	**$ 7,607**	**$ 7,497**	**$ (110)**	**-1.4%**
Transfers					
Total Transfers:	**$ -**	**$ -**	**$ -**		
Net Income/(Loss)	**$ 615**	**$ 988**	**$ 1,353**		

Campus Food Service

(in thousands)	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Sales and Services	$ 4,537	$ 4,500	$ 4,998	$ 498	11.1%
Commissions & Other	895	1,000	950	(50)	-5.0%
Total Revenues:	**$ 5,432**	**$ 5,500**	**$ 5,948**	**$ 448**	**8.1%**
Expenses					
Utilities	$ 122	$ 131	$ 123	$ (8)	-6.1%
O&M and Equipment	4,763	4,740	5,438	698	14.7%
Debt Service (includes RFS Transfer)	361	363	368	5	1.4%
Total Expenses:	**$ 5,246**	**$ 5,234**	**$ 5,929**	**$ 695**	**13.3%**
Transfers					
Total Transfers:	**$ -**	**$ -**	**$ -**		
Net Income/(Loss)	**$ 186**	**$ 266**	**$ 19**		

Thank You



TEXAS A&M UNIVERSITY-KINGSVILLE

CAPITAL PLAN & DM UPDATE FY 2026

DR. ROBERT VELA
PRESIDENT
JULY 29, 2025

Campus Master Plan FY23 - FY33



Campus Master Plan – Status Update

1. Ocelot Conservation and Re-Wilding Research Facility $20M (Currently under construction)
2. South Texas Health Hub (Plan to use Debt Financing) $60M
3. Mesquite Village East Dorm (Plan to use Debt Financing) $60M
4. STEM Building* $90M
5. College of Agriculture & Natural Resources Complex* $90M
6. Student Commons Building & Stadium Complex* $135M

Total Square Footage: ~540,000 GSF

Anticipated changes to Campus Master Plan:

1. Relocation of Santa Gertrudis High School – Tentative FY27

*Plan to fund projects with FY26 LAR Funding Requests, Local Funds and Debt Financing

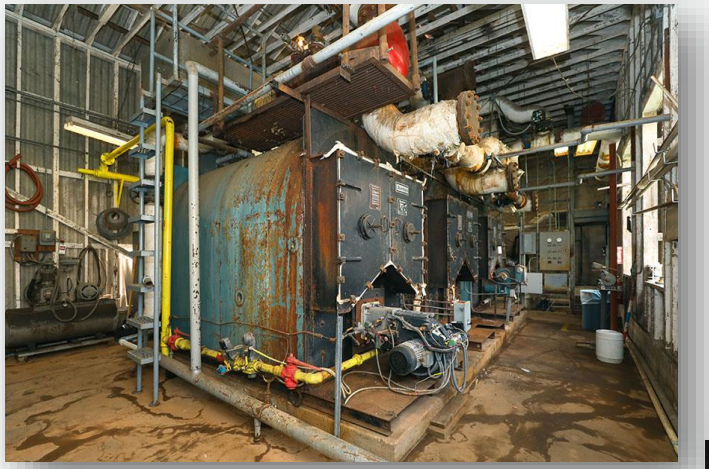
Capital Plan Overview

APPROVED		Total Planning Amount (In K)	Funding Source (In K) RFS Debt Proceeds	Other
CCAP Deferred Maintenance		$ 45,173	$ 44,923	$ 250
Unfunded Capital Needs	**FY Start Date**	**Total Planning Amount (In K)**		
South Texas A&M Health Hub	**2027**	$ 60,000		
Mesquite Village East	**2027**	$ 60,000		
Mesquite Grove Pavillion	2028	$ 4,000		
Campus Parking & Pavement Upgrades	2028	$ 5,000		
IT Infrastructure	2028	$ 20,000		
Science, Technology & Engineering Complex	2028	$ 90,000		
Deferred Maintenance	2029	$ 90,000		
College Of Agriculture & Natural Resources Academic Building	2029	$ 90,000		
Student Commons Building & Stadium Complex Renovations	2029	$ 135,000		
University Farm Improvements	2030	$ 100,000		
Citrus Center Student Housing & Academic Classroom Building	2030	$ 20,000		
South Texas Baffin Bay Research Station	2030	$ 40,000		

CCAP Funded $45 Million FY 2024-2026

Completed to Date

- Central Plant 1 – New Cooling Tower
- Central Plant 1 Annex – Boiler Install
- Nierman Hall - Fume Hood Replacements
- Nierman Hall - Outside Air Makeup for Hoods
- Fire Alarm System – Health and Recreation
- Fire Alarm System – Jernigan Library
- Fire Alarm System – Eckhardt Hall
- Outside Lighting Retrofit to LEDs
- Eckhardt Hall Refresh





Central Plant 1, Boiler Room
Before & After

CCAP Funded $45 Million FY 2024-2026

Ongoing Projects

- Chill Water Loop Replacement and Expansion
- Central Plant 2 – New Cooling Tower
- Nierman Hall – Roof Replacement
- Kleberg Hall – Flat Roof Replacement
- Steinke Building – Flat Roof Replacements





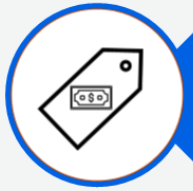
Key Statistics



Total GSF: 3.7M | E&G (1.3M) | Aux (2.4M)



Construction Age: 40.6 | E&G: 51.6| Aux: 33.4



10 Year Needs ($ Millions):

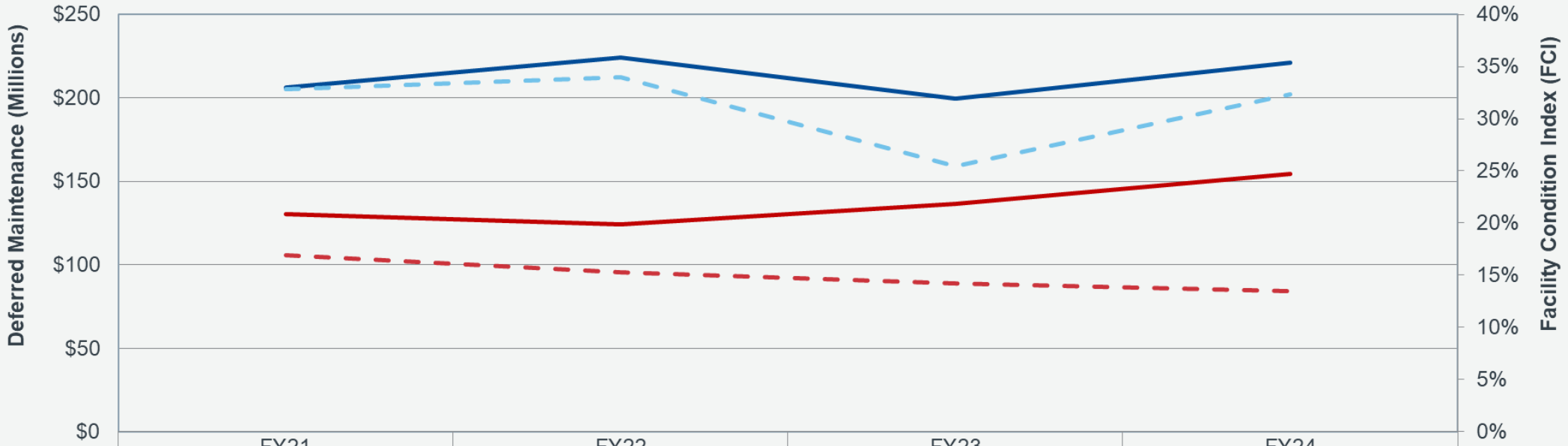
Total Campus: $525 | E&G: $288 | Aux: $236



Deferred Maintenance ($ Millions):

Total Campus: $375.7 | E&G: $221.1 | Aux: $154.6

Facilities Condition Index



	FY21	FY22	FY23	FY24
E&G DM	$206,094,000.00	$224,394,000.00	$199,532,962.99	$221,076,920.75
Auxiliary DM	$130,394,300	$124,017,000	$136,758,126	$154,602,372
E&G FCI	32.8%	34.0%	25.4%	32.4%
Auxiliary FCI	16.9%	15.3%	14.2%	13.4%

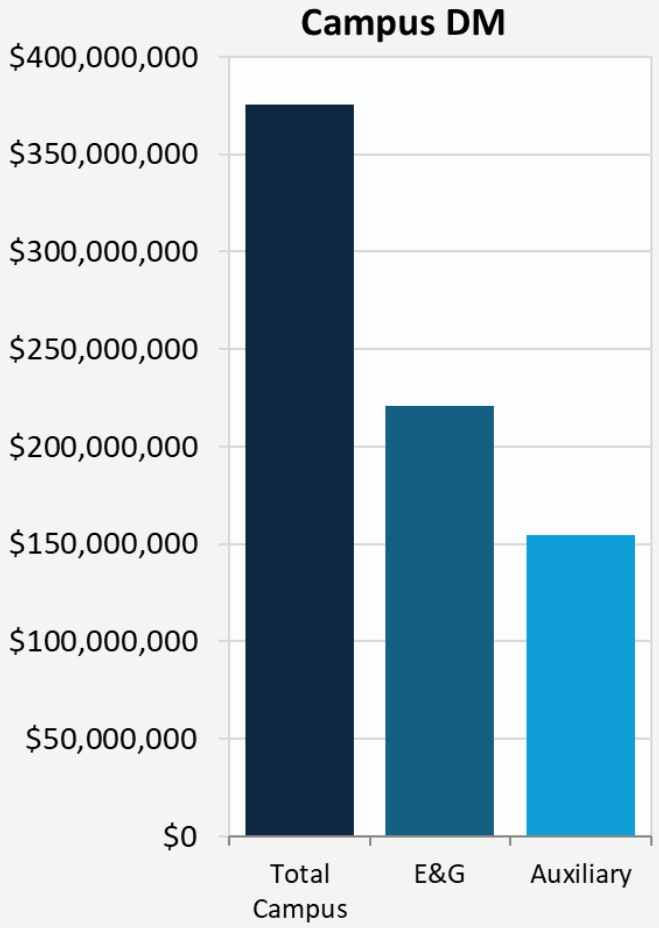
0% - 5% *Capital Upkeep*

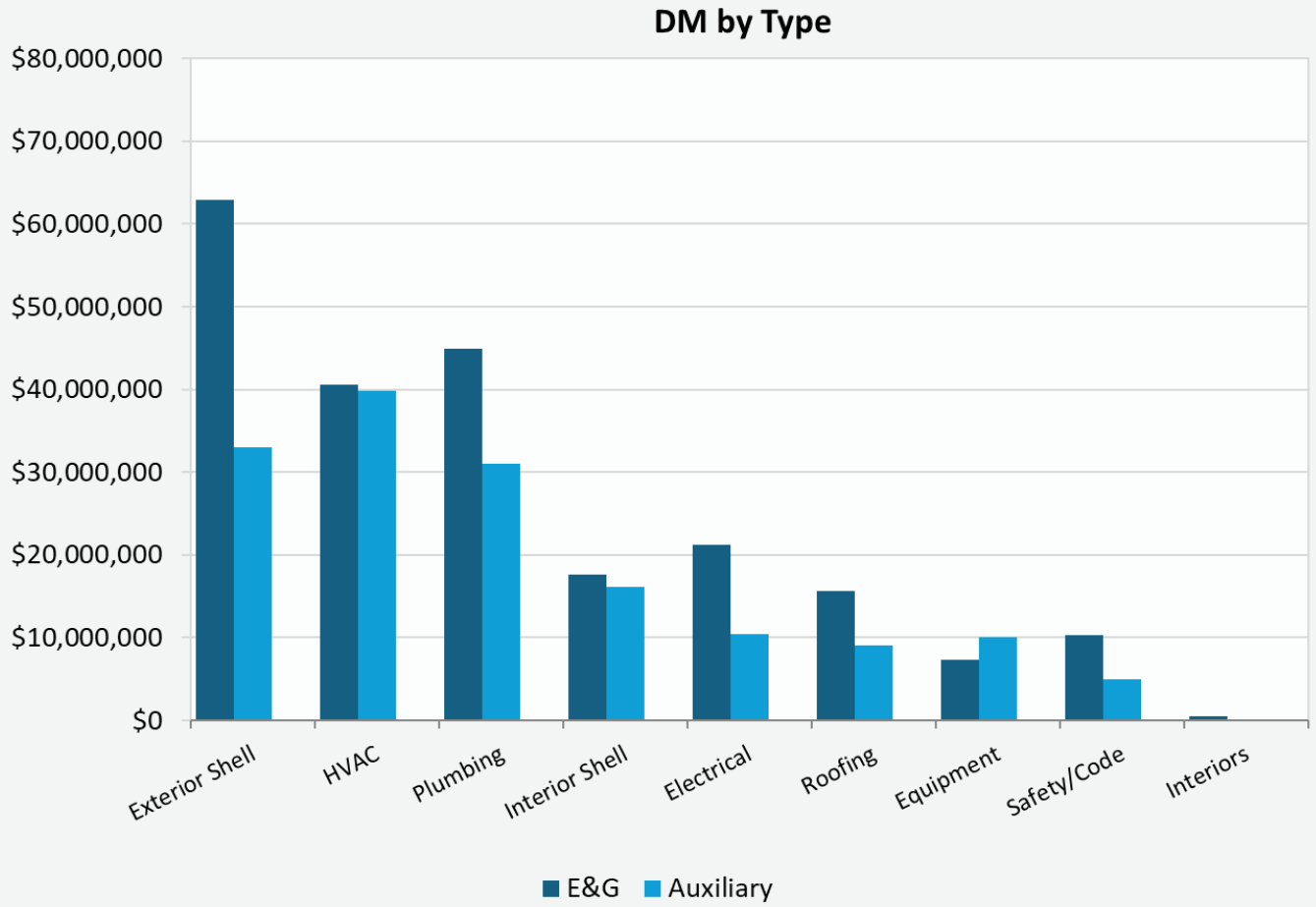
5% - 10% *Repair & Maintain*

10% - 30% *Systemic Renovation*

> 30% *Renovation/Replacement*

Outstanding DM Categories





Strategic 10-Year Divestment Opportunities

Building Name	GSF	Construction Year	Deferred Maintenance	Estimated Demolition Cost
J L BELLAMAH MUSIC BUILDING	27,929	1960	$7,372,022	$1,256,805
JAVELINA HOUSE	1,659	1935	$688,559	$74,655
PERKS BUILDING	3,257	2010	$779,080	$146,565
LOFTIN HALL - CONNER MUSEUM	13,111	1935	$4,047,371	$589,995
ROBERT B. COUSINS HALL	23,808	1935	$6,396,409	$1,071,360
ERNEST H. POTEET HALL	71,648	1960	$15,480,619	$3,224,160
HEALTH AND RECREATION BUILDING	32,436	1931	$8,652,220	$1,459,620
LON C. HILL HALL	24,223	1960	$5,865,714	$1,090,035
SAM FORE JR. HALL	23,312	1965	$6,678,959	$1,049,040
A L GROSS INDUSTRY & TECHNOLOGY	21,469	1970	$3,160,325	$966,105
J W HOWE AGRICULTURE LAB CENTER	21,913	1977	$6,332,931	$986,085
KLEBERG BUILDING	21,203	1959	$3,901,119	$954,135
LORINE J. LEWIS HALL*	60,064	1956	$14,261,083	$2,702,880
J. C. MARTIN HALL	87,650	1966	$23,554,378	$3,944,250
PHYSICAL PLANT-SHOP BUILDING	11,301	1975	$1,516,965	$508,545
PHYSICAL PLANT BUILDING	12,800	1974	$1,238,561	$576,000

Total DM Removed Through Demolitions:

$109,926,315

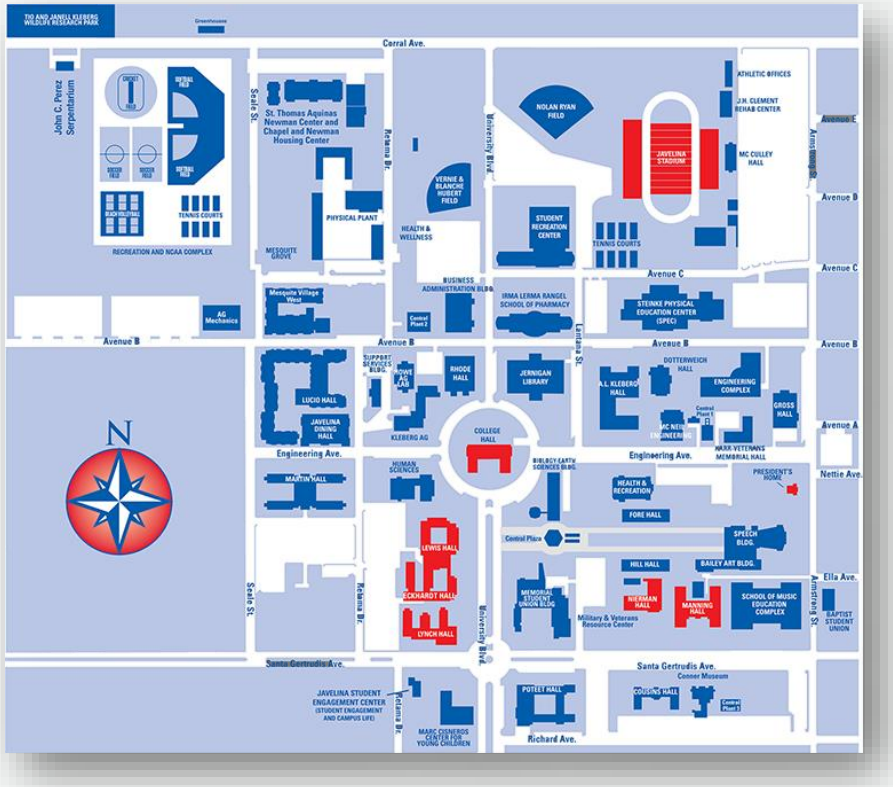
Total Estimated Cost of Demolitions:

$20,600,235

Contributors to Deferred Maintenance: Historical Buildings

Building	Construction Year	DM Value
Manning Hall	1925	$11,195,964
President's Home	1925	$1,101,695
Nierman Hall	1938	$12,523,570
College Hall	1949	$9,290,467
Javelina Stadium Complex	1950-51	$5,685,220
Lewis Hall	1956	$10,648,879
Eckhardt Hall	1956	$9,559,130
Lynch Hall	1963	$8,605,523
Total		**$68,610,447**





Future Facilities Maintenance Funding

- Annual Higher Education Funding Appropriations (HEF)
- Biennium Legislative Appropriation Requests (LAR)
- Annual Budget Allocations
- Capital Construction Appropriation Requests (CCAP)
- Debt (RFS) - As needed
- Campus Operating Reserves
- Strategic Demolitions

Higher Education Fund (HEF)

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
HEF	**$ 9,125.00**	**$ 10,453.00**	**$ 1,328.00**
HEF Allocation:			
Debt Service	$ 1,627.00	$ 923.00	$ (704.00)
Strategic Departmental Allocations	$ 1,000.00	$ 1,000.00	$ -
ITS DM & Infrastructure	$ 1,400.00	$ 2,000.00	$ 600.00
Annual DM Allocation	$ 2,000.00	$ 3,000.00	$ 1,000.00
Swine Facility	$ 500.00	$ -	$ (500.00)
NewProject Development	$ 1,706.00	$ 693.00	$ (1,013.00)
MSUB Fire Deductible		$ 1,000.00	$ 1,000.00
Baffin Bay Development	$ -	$ 1,000.00	$ 1,000.00
Emergency Contingency Fund	$ 892.00	$ 837.00	$ (55.00)
Subtotal	**$ 9,125.00**	**$ 10,453.00**	**$ 1,328.00**

*HEF 2025 Ending Balance Estimated-$9.8M

Q&A

BUDGET NARRATIVE

Introduction

As the university of choice for Laredo and the surrounding region, Texas A&M International University plays a transformational role—changing lives, fulfilling dreams, and creating brighter futures. This impact, however, is only possible through the State's pivotal investment in our institution, and that is why we were so pleased with the outcome of the 89th Legislative Session.

With an $8.8 million increase, we achieved the highest biennial growth in Net General Revenue (GR) among all regional universities in the System. This was largely driven by our strong growth in enrollment and, more importantly, in semester credit hour production, which contributed to an increase in formula funding. In addition, steady gains in our number of graduates led to a modest boost in Comprehensive Regional University (CRU) funding. We were also fortunate to receive $3 million in supplemental, non-formula funding to support the launch of new programs in Civil Engineering and Computer Science.

We often speak with pride about our affordability, accessibility, and exceptionality. The continued investment from the State allows us to uphold these commitments and ensure the success of our students.

Revenues

Total Revenues for FY 2026 are budgeted to increase $16.1 million (10%) compared to the FY 2025 budget. This is primarily a result of increases in State Appropriations, Higher Education Funds (HEF), and Student Financial Assistance revenue.

- State Appropriations have increased by $4.9 million (9%) due to an increase in formula funding, the newly appropriated non-formula item, *Civil Engineering and Computer Science: Addressing Texas' Transportation Infrastructure*, and an increase in state-paid benefits.
- Higher Education Funds (HEF) have increased by $4.0 million (52%).
- Tuition and Fees are projected to increase by $3.8 million (6%) based on conservative enrollment projections.
- Student Financial Assistance is expected to increase by $3.3 million (8%) due to increases in Texas Grant, PELL Grant and federal work-study allocations.
- Sales and Services, Contracts and Grants, Investment Income, Other Income, and Gifts are collectively projected to modestly increase by $426,000.

BUDGET NARRATIVE CONTINUED

Expenditures

Total Expenditures for FY 2026 are budgeted to increase by $16.1 million (10%), compared to FY 2025 budgeted expenditures. This is primarily due to increases in Personnel Costs, Scholarships, Equipment, and Operations and Maintenance.

- Salaries and wages are expected to increase by $3.5 million resulting from:
  - a 1%-3% performance pool (contingent on fall enrollment),
  - $101,147 in faculty promotions,
  - $227,000 in wages due to an increase in work-study funding and grants,
  - $1.7 million in new positions, including for the new Civil Engineering and Computer Science programs.
- Benefits are projected to increase by $3.0 million (18%) due to salary changes, new positions, and an increase in state-paid benefits.
- Scholarships are projected to increase by $5.2 million (10%), because of increases in Texas Grant, PELL Grant, and enrollment growth.
- Utility expenditures are budgeted to increase by $236,000 (11%) due to new construction coming online.
- Equipment (Capitalized) expenses are projected to increase by $2.7 million (27%) due to the increase in Higher Education Funds (HEF) and equipment costs related to deferred maintenance and the new Civil Engineering and Computer Science Programs.
- Operations and Maintenance (net) expenses are projected to increase by $3.4 million (11%) for costs associated with research, operations, instruction, student support, and deferred maintenance.
- Debt Service is budgeted at $11.8 million for capital projects funded with general revenue ($10.2 million) and fees ($1.6 million). This includes $6.3 million for prior construction of the University Success Center and associated road extensions and parking lots, the Fine Arts Building and Theater, Science Building, Kinesiology Building, Academic Innovation Center and Support Services Building, and $3.9 million for the Health Sciences Education and Research Center and Western Hemispheric Trade Center Expansion. It also includes $1.6 million for renovations to the Student Center and Recreational Sports Center, and the ESCO Utility Project.

Reserves

- FY 2024 reserve balance was $35.7 million, or 3.4 months.
- FY 2025 reserves are expected to be between 3 and 3.5 months.
- FY 2026 reserves are expected to remain relatively flat at a projected 3 – 3.5 months.

Capital Plan

- Current projects include capital construction assistance projects—the Health Sciences Education and Research Center and the Western Hemispheric Trade Center Expansion.

TEXAS A&M INTERNATIONAL UNIVERSITY

Programmatic Budget Review

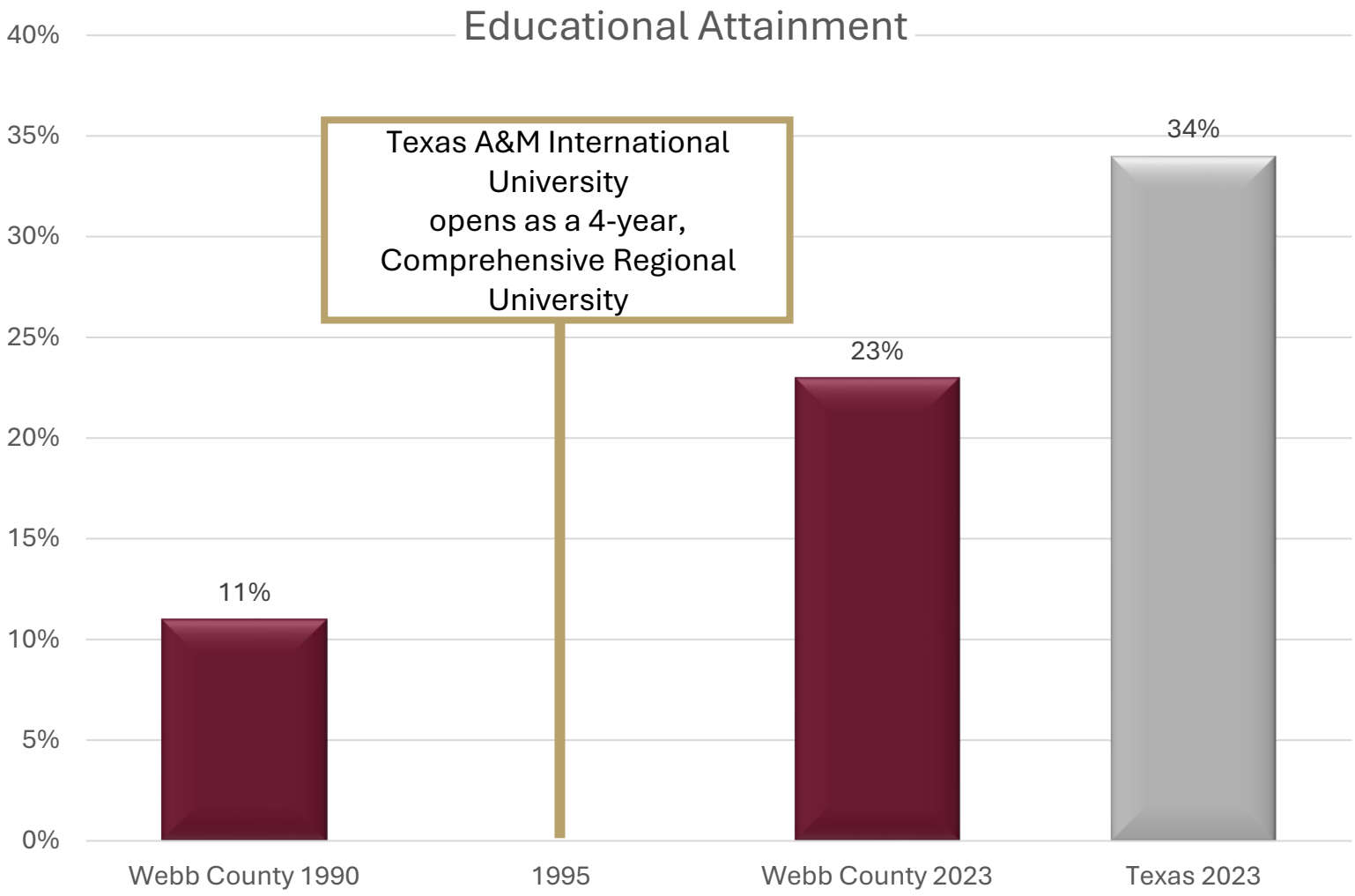


Juan J. Castillo
July 28, 2025

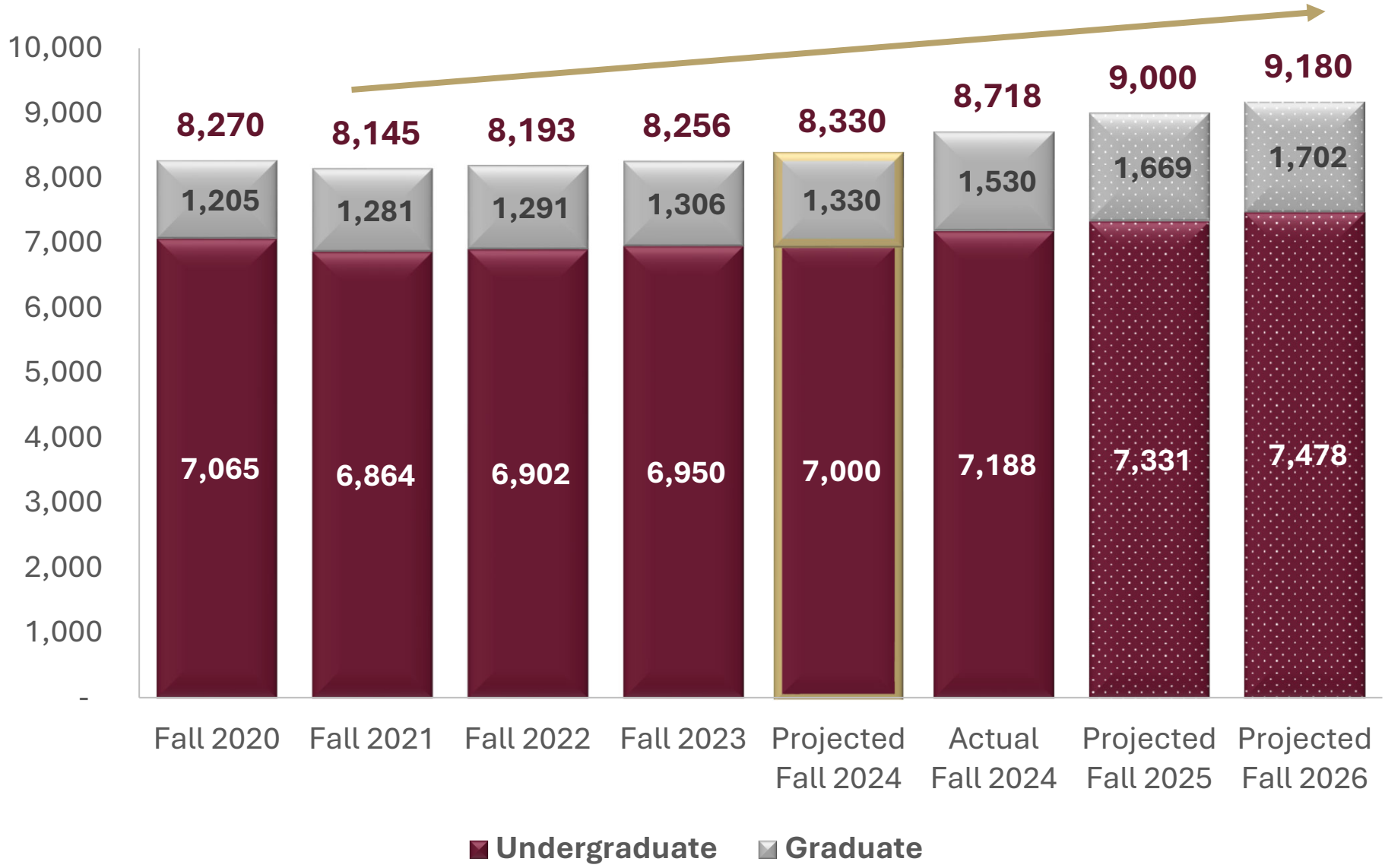
Our Mission

Texas A&M International University (TAMIU) nurtures its students' academic and social development through instruction, research, and service to be responsible and productive members of our global society.

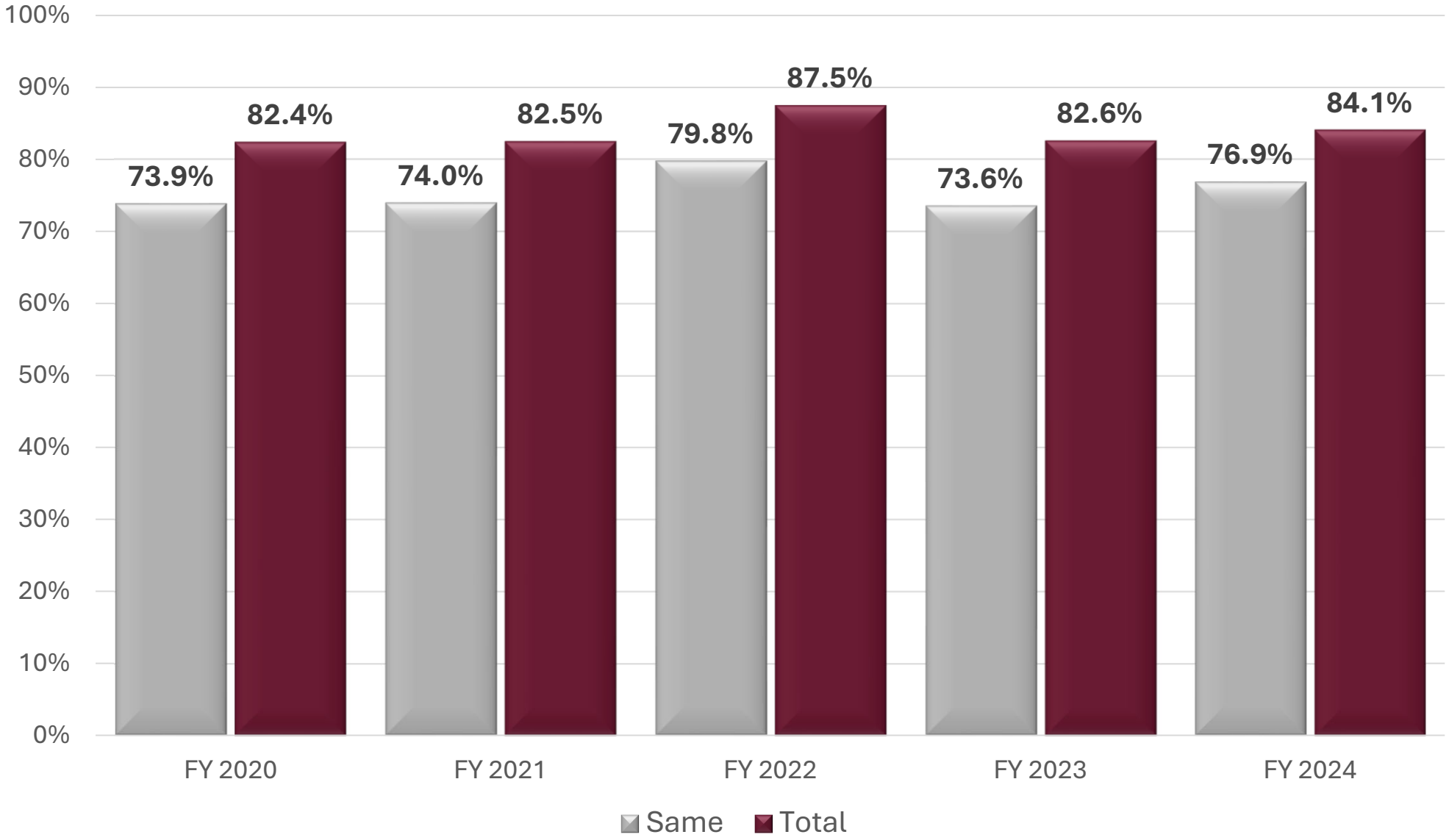
Our Mission Realized



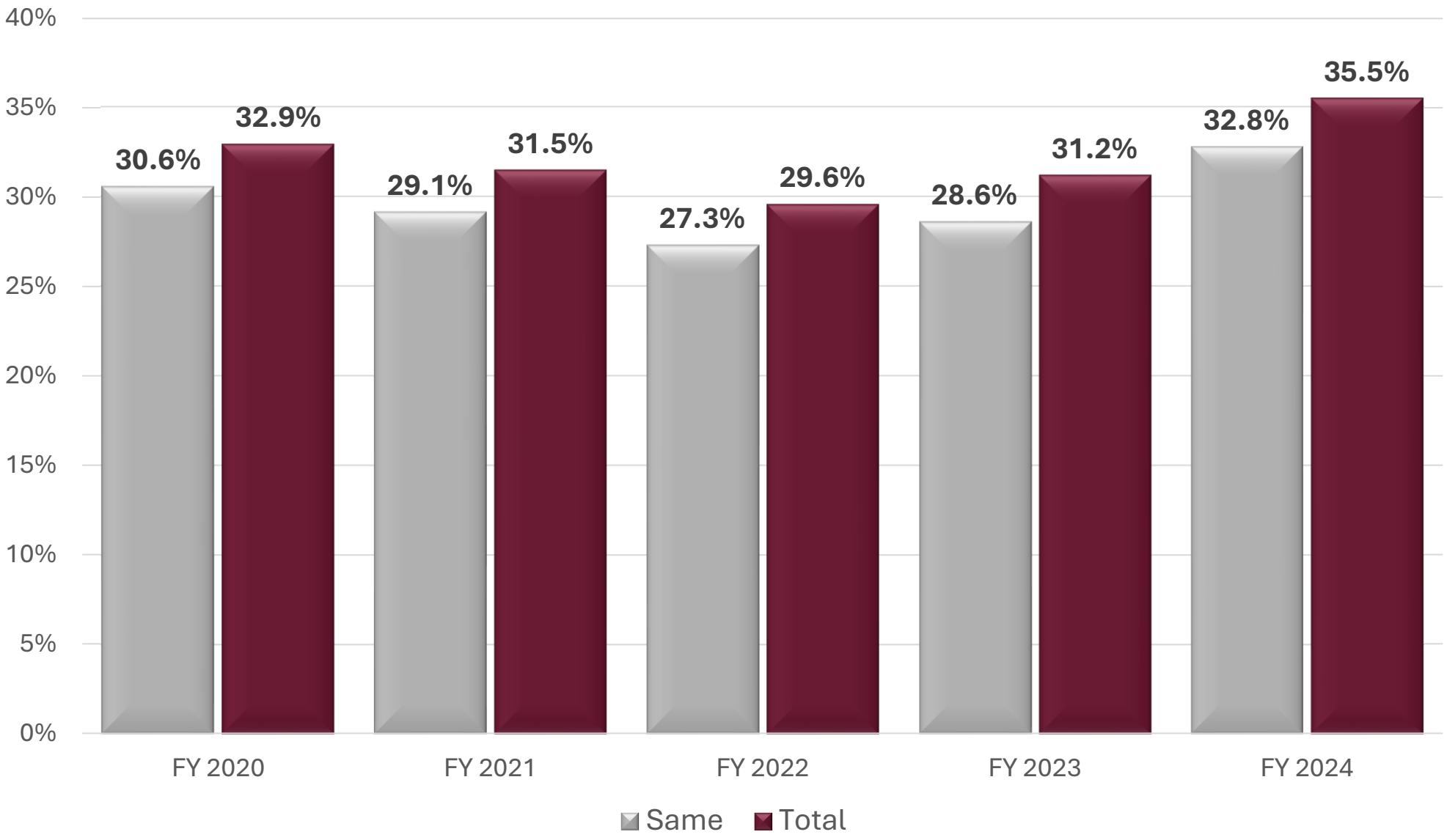
5-Year Enrollment Trend



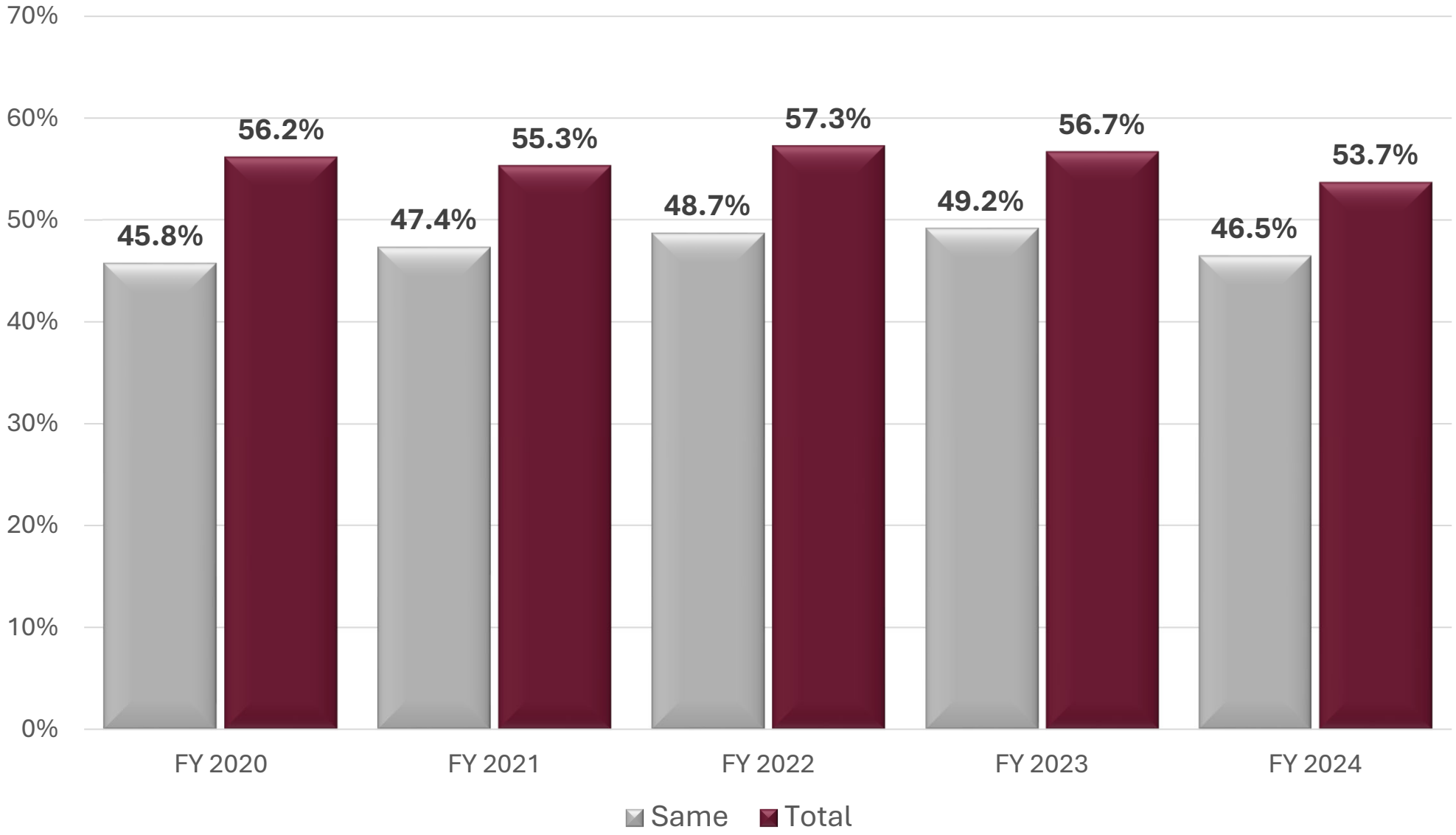
First-Year Persistence Rates



4-Year Graduation Rates

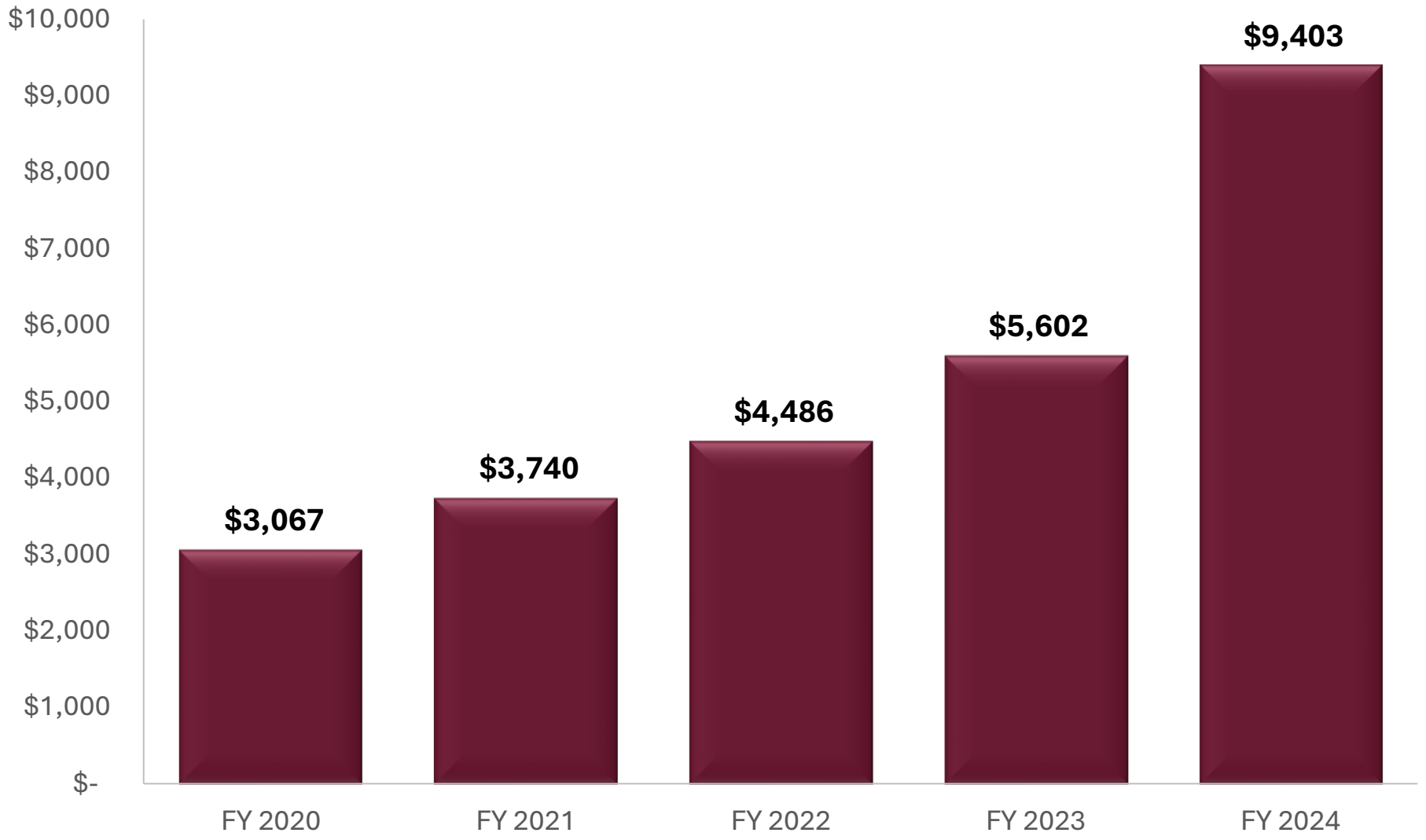


6-Year Graduation Rates



Research Expenditures

Reported to NSF (in thousands)

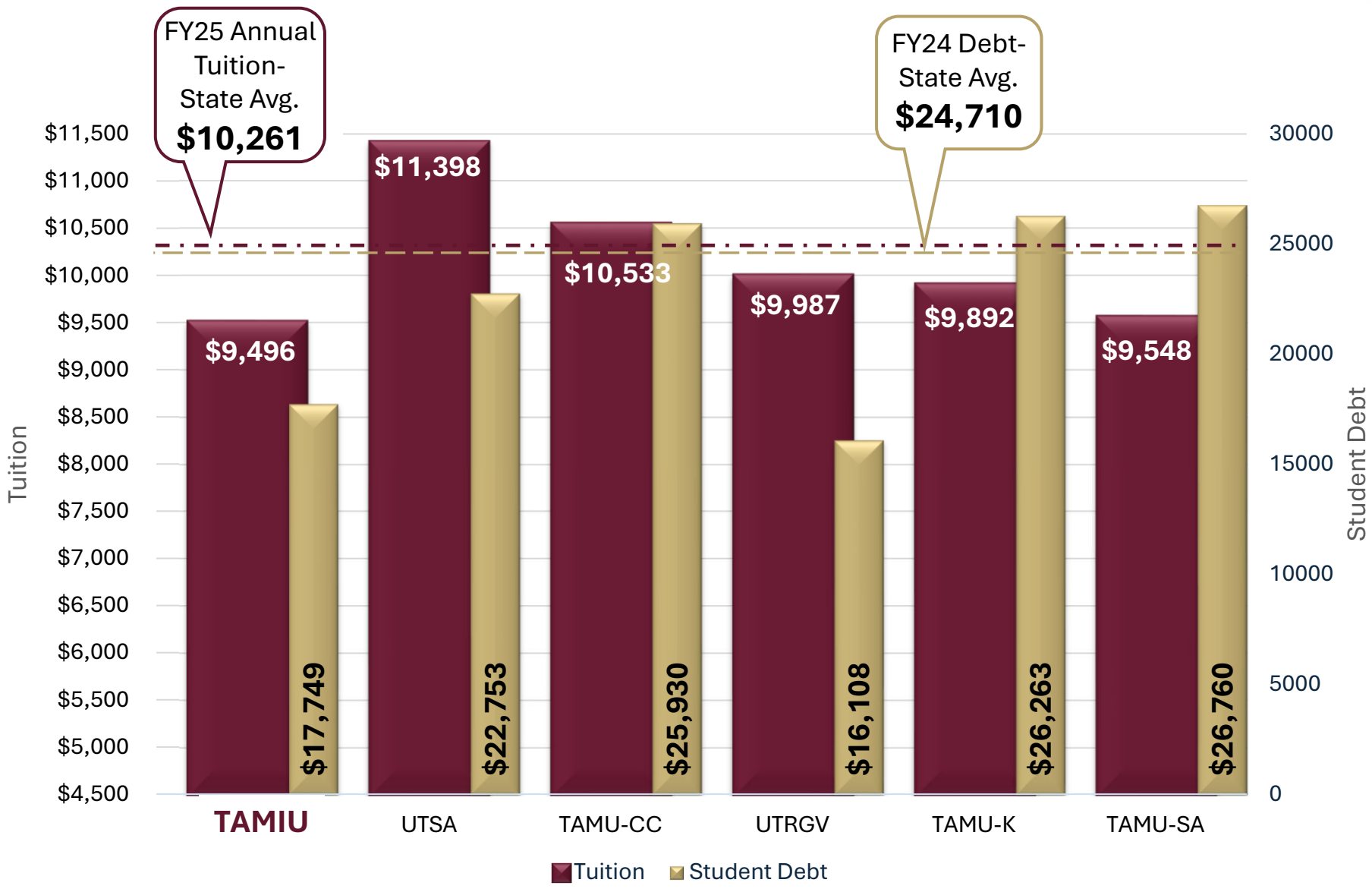


Legislative Successes

Legislative Item	FY 2025	FY 2026	Variance
Formula Funding	$ 21,970,600	$ 24,592,249	$ 2,621,649
Comprehensive Regional University (CRU)	$ 1,307,827	$ 1,326,573	$ 18,746
Comprehensive Research Fund	$ 345,625	$ 576,138	$ 230,513
Non-Formula Support	$ 10,829,042	$ 12,329,042	$ 1,500,000
Capital Construction Assistance Projects (CCAP)	$ 10,886,407	$ 10,165,115	$ (721,292)
Hazlewood	$ 617,979	$ 551,037	$ (66,942)
Subtotal – State Appropriations GR	**$ 45,957,480**	**$ 49,540,154**	**$ 3,582,674**
Higher Education Group Insurance (HEGI)	$ 3,484,739	$ 4,180,607	$ 695,868
Estimated State Paid Benefits	$ 3,611,018	$ 4,236,506	$ 625,488
Subtotal—State Appropriations Benefits	**$ 7,095,757**	**$ 8,417,113**	**$ 1,321,356**
Total State Appropriations	**$ 53,053,237**	**$ 57,957,267**	**$ 4,904,030**
Higher Education Funds (HEF)	$ 7,687,534	$ 11,686,588	$ 3,999,054
Subtotal—Higher Education Funds	**$ 7,687,534**	**$ 11,686,588**	**$ 3,999,054**
Total State Appropriations + HEF	**$ 60,740,771**	**$ 69,643,855**	**$ 8,903,084**

Tuition and Fees

Lowest in South Texas; second lowest average debt



FY 26 Proposed Revenue Budget

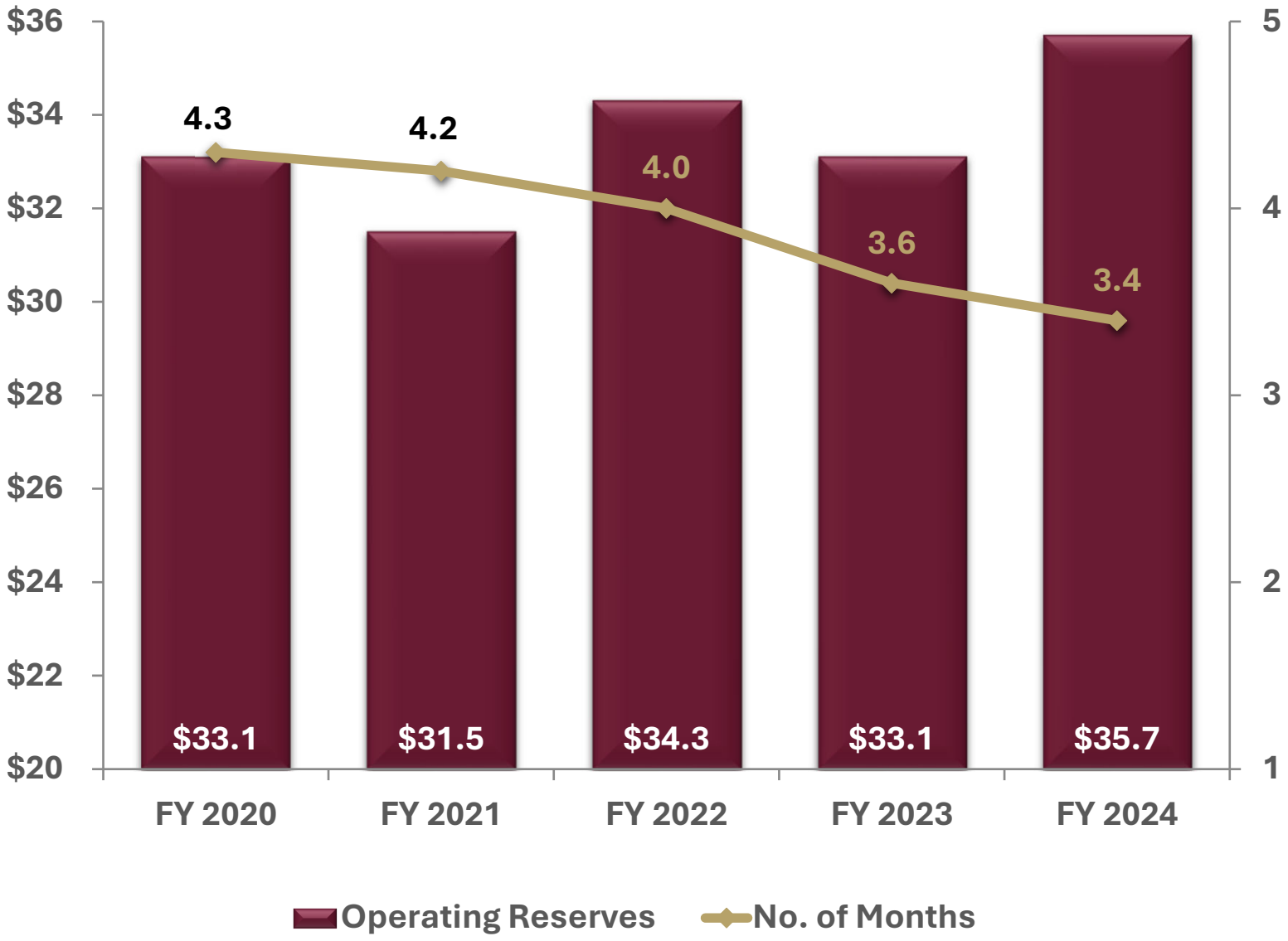
Revenues (in thousands)	Budget		Variance	
	FY 2025	FY 2026	Amount	Percent
State Appropriations	$53,053	$57,597	$4,904	9%
Federal Appropriations	$0	$0	$0	-
Higher Education Fund	$7,688	$11,687	$3,999	52%
Tuition and Fees (Gross)	$64,726	$68,555	$3,829	6%
Contracts and Grants	$8,987	$9,036	$49	1%
Student Financial Assistance	$39,972	$43,291	$3,319	8%
Gifts	$3,399	$3,433	$34	1%
Sales and Services	$10,483	$10,571	$88	1%
Investment Income	$5,479	$5,730	$251	5%
Other Income	$327	$332	$4	1%
Discounts	($38,000)	($38,336)	($336)	1%
Total Revenues	**$156,115**	**$172,256**	**$16,141**	**10%**

FY 26 Proposed Expense Budget

	Budget		Variance	
	FY 2025	FY 2026	Amount	Percent
Total Revenues	**$156,115**	**$156,115**		
Expenses (in thousands)				
Faculty Salaries	$29,204	$30,897	$1,692	6%
Non-faculty Salaries	$32,857	$34,463	$1,607	5%
Wages	$5,049	$5,276	$227	5%
Benefits	$17,048	$20,041	$2,993	18%
Total Personnel Costs	$84,158	$90,678	$6,519	8%
Utilities	$2,234	$2,470	$236	11%
Scholarships	$52,386	$57,620	$5,234	10%
Discounts	($38,000)	($38,336)	($336)	1%
Equipment	$9,945	$12,676	$2,731	27%
Operations & Maintenance (Net)	$31,905	$35,326	$3,421	11%
Debt Service	$13,487	$11,822	($1,665)	(12%)
Total Expenses	**$156,115**	**$172,256**	**$16,141**	**10%**
Net Position Change	**$0**	**$0**		

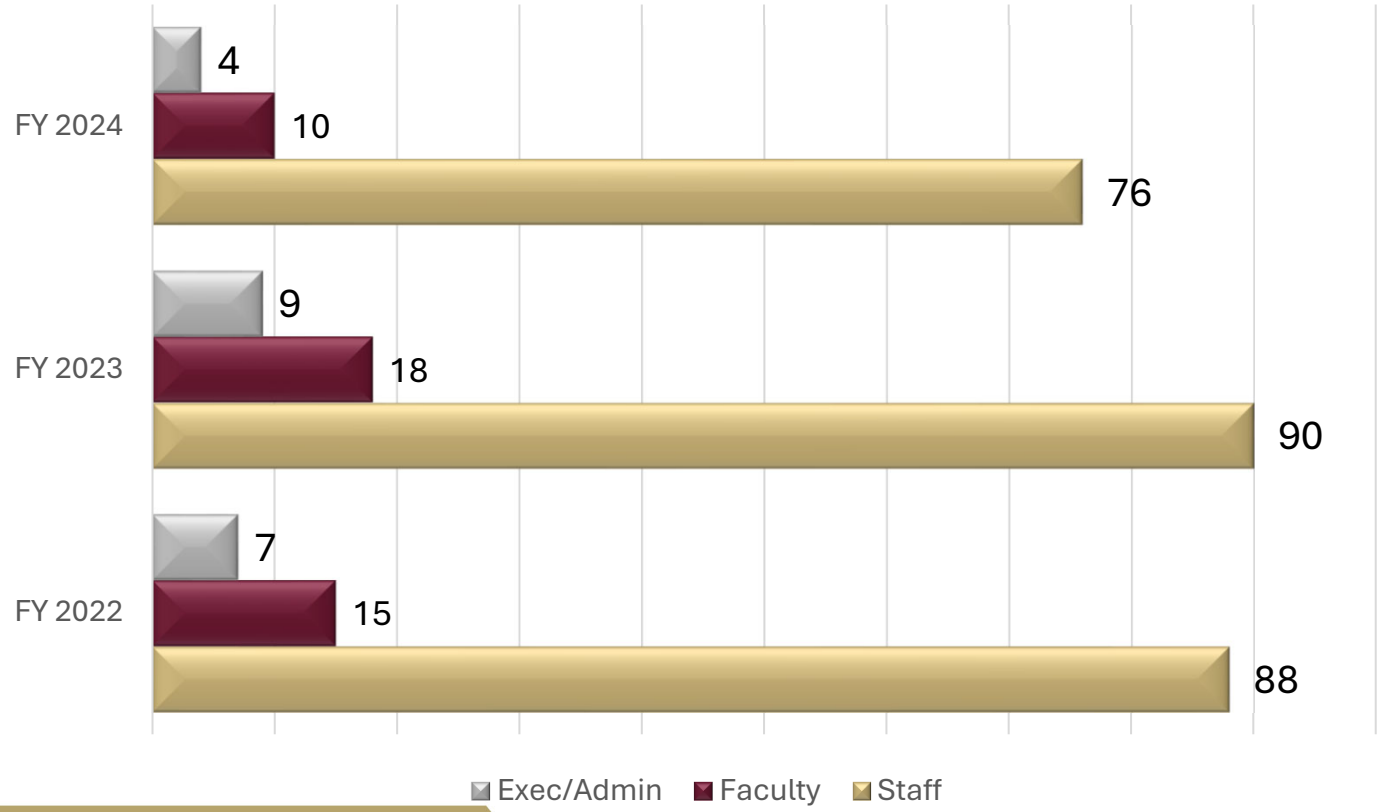
Operating Reserves

With Months of Reserves



Turnover by Employee Type

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2024	4	5.1%	10	4.0%	76	17.7%	90	11.9%
FY 2023	9	12.0%	18	7.5%	90	22.0%	117	16.2%
FY 2022	7	9.2%	15	6.3%	88	23.3%	110	15.9%



FY 26 Employee Retention Plan

FY 2026 Retention Plan	Amount
Faculty:	
1 - 3% Performance Pool*	$649,500
Promotions	$101,200
Benefits	$138,900
Faculty Subtotal:	$889,600
Staff:	
1 - 3% Performance Pool*	$829,600
Benefits	$153,500
Staff Subtotal:	$983,100
Total:	**$1,872,700**

*Contingent on fall enrollment

Auxiliary Operations

(in thousands)	Actuals	Budget			Budget Variance	
	FY 2024	FY 2025	FY 2026		Amount	Percent
Athletics						
Revenue – Athletic Fee	$ 3,865	$ 3,807	$ 3,917		$ 110	2.9%
Personnel Costs	$ 2,299	$ 2,422	$ 2,495		$ 73	3.0%
O&M and Travel	$ 1,766	$ 1,385	$ 1,422		$ 37	2.7%
Transfer from Designated Tuition & Fees	$ 200	$ -	$ -		$ -	0.0%
Net Income (loss)	**$ -**	**$ -**	**$ -**		**$ -**	
Residential Life & Food Services						
Revenue	$ 2,510	$ 2,178	$ 2,385		$ 207	9.5%
O&M and Management Fee	$ 1,555	$ 1,233	$ 2,385		$ 1,152	93.4%
Debt Service	$ 947	$ 945	$ -		$ (945)	(100%)
Net Income (loss)	**$ 8**	**$ -**	**$ -**		**$ -**	
Recreational Sports						
Revenue – Rec Fee	$ 1,200	$ 1,188	$ 1,203		$ 15	1.3%
Personnel Costs	$ 819	$ 830	$ 840		$ 10	1.2%
O&M and Equipment	$ 87	$ 83	$ 88		$ 5	6.0%
Debt Service	$ 275	$ 275	$ 275		$ -	0.0%
Net Income (loss)	**$ 19**	**$ -**	**$ -**		**$ -**	

Accolades

1ST IN TEXAS
AND FOURTH IN THE NATION FOR ENHANCED GRADUATE INCOME MOBILITY
THIRD WAY

2ND LOWEST AVG STUDENT LOAN DEBT IN SOUTH TEXAS
$17.7K
($7K LESS THAN STATE AVERAGE)
TEXAS HIGHER EDUCATION COORDINATING BOARD

RANKED 5TH BEST BANG FOR THE BUCK AMONG SOUTHERN COLLEGES
2024 WASHINGTON MONTHLY COLLEGE GUIDE

79% GAINFUL EMPLOYMENT RATE
TEXAS HIGHER EDUCATION COORDINATING BOARD

TAMIU BOOKS IncludED $1,900 AVG SAVINGS EACH SEMESTER

TEXAS A&M INTERNATIONAL UNIVERSITY

Programmatic Budget Review



Juan J. Castillo
July 29, 2025

Capital Plan

Projects	Planning Amount	RFS Debt Proceeds	Other
Health Sciences Education & Research Center; Western Hemispheric Trade Center Expansion	$ 71,200,000	$ 44,922,833	$ 26,277,167

*Existing Capital Construction Assistance Projects

Health Sciences Education & Research Center – 59,650 GSF
Western Hemispheric Trade Center Expansion – 27,275 GSF

Substantial Completion: Early Spring 2026

Clinical Health Sciences Center



Clinical Health Sciences Center



Clinical Health Sciences Center



WHTC Expansion



WHTC Expansion



Key Statistics

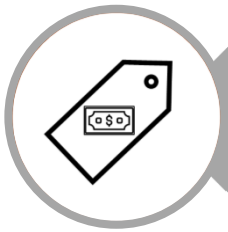


Total GSF: 1.2M | E&G: 949K | Aux: 228K



Construction Average Age: 19.8 years

E&G: 21 | Aux: 18.3



10 Year Needs ($ Millions):

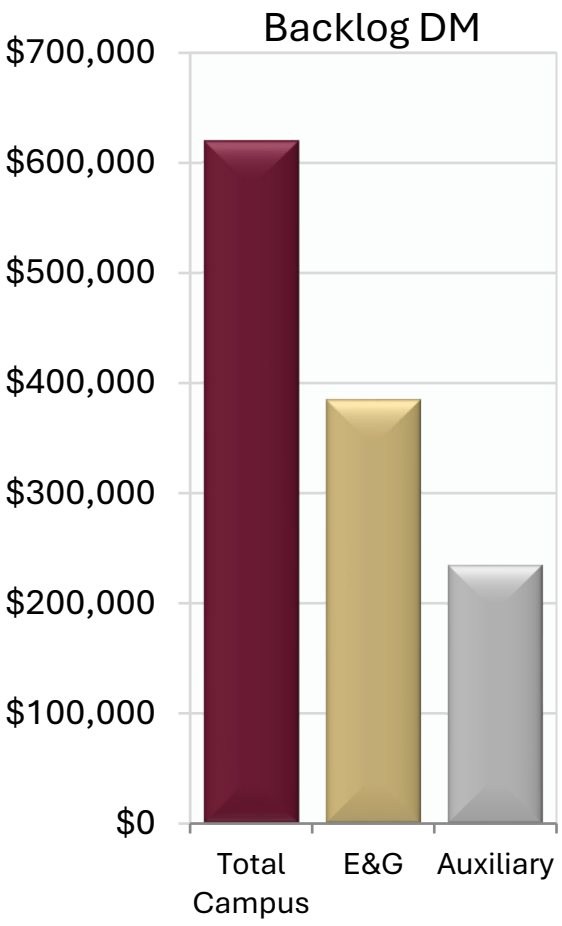
Total Campus: $49 E&G: $32.5 | Aux: $16.5

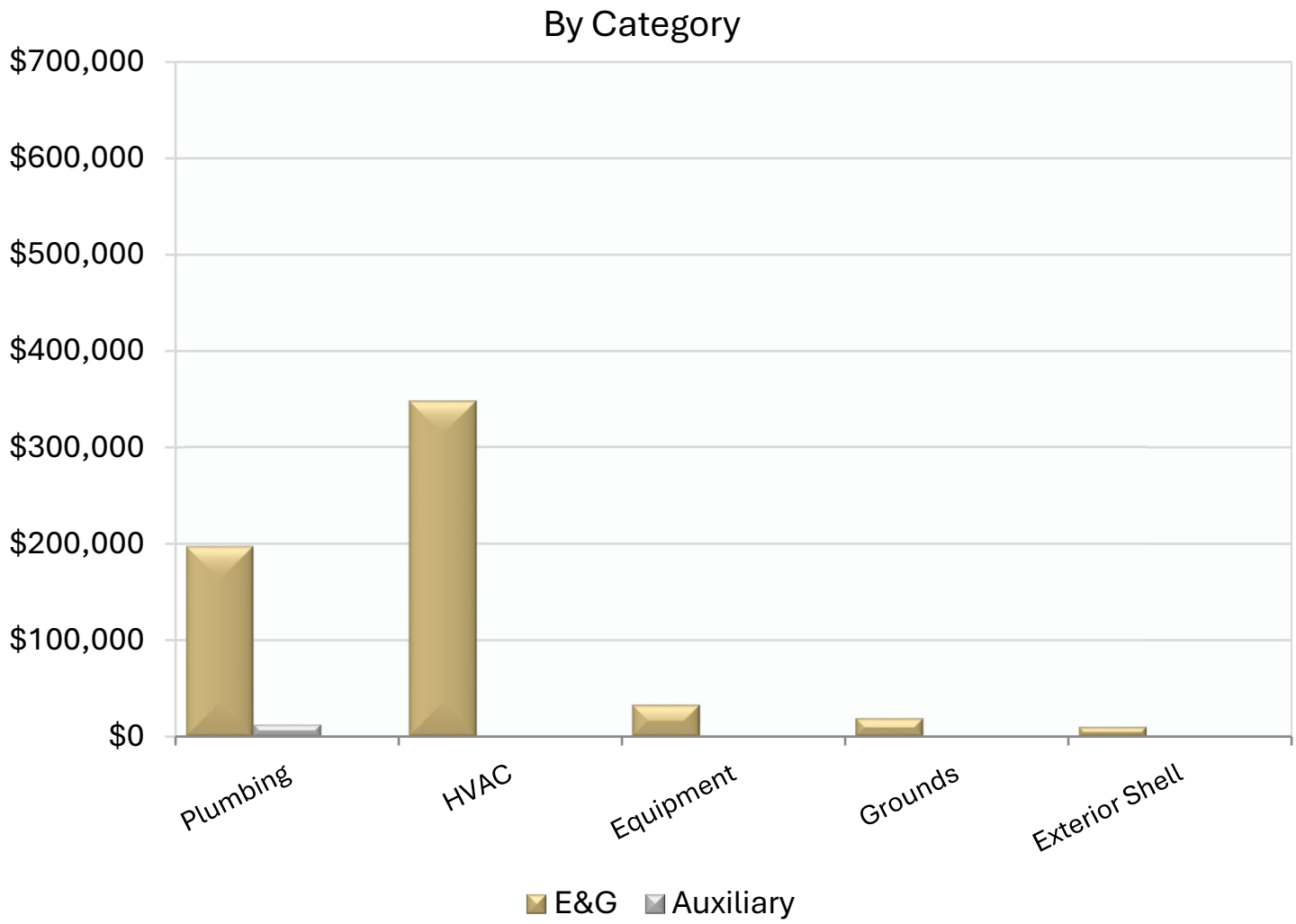


Deferred Maintenance ($ Millions):

Total Campus: $0.6 E&G: $0.4 | Aux: $0.2

Backlogged Deferred Maintenance





Facility Condition Index

FCI = $\frac{\text{Sum of Deferred Needs}}{\text{Current Replacement Value}}$

Capital Upkeep Stage:
Primarily new or recently renovated buildings w/ sporadic building repair & life cycle needs; "You pick the projects"
(0% - 5%)

Repair and Maintain Stage:
Buildings are beginning to show their age and may require more significant investment on a case-by-case basis
(5% - 10%)

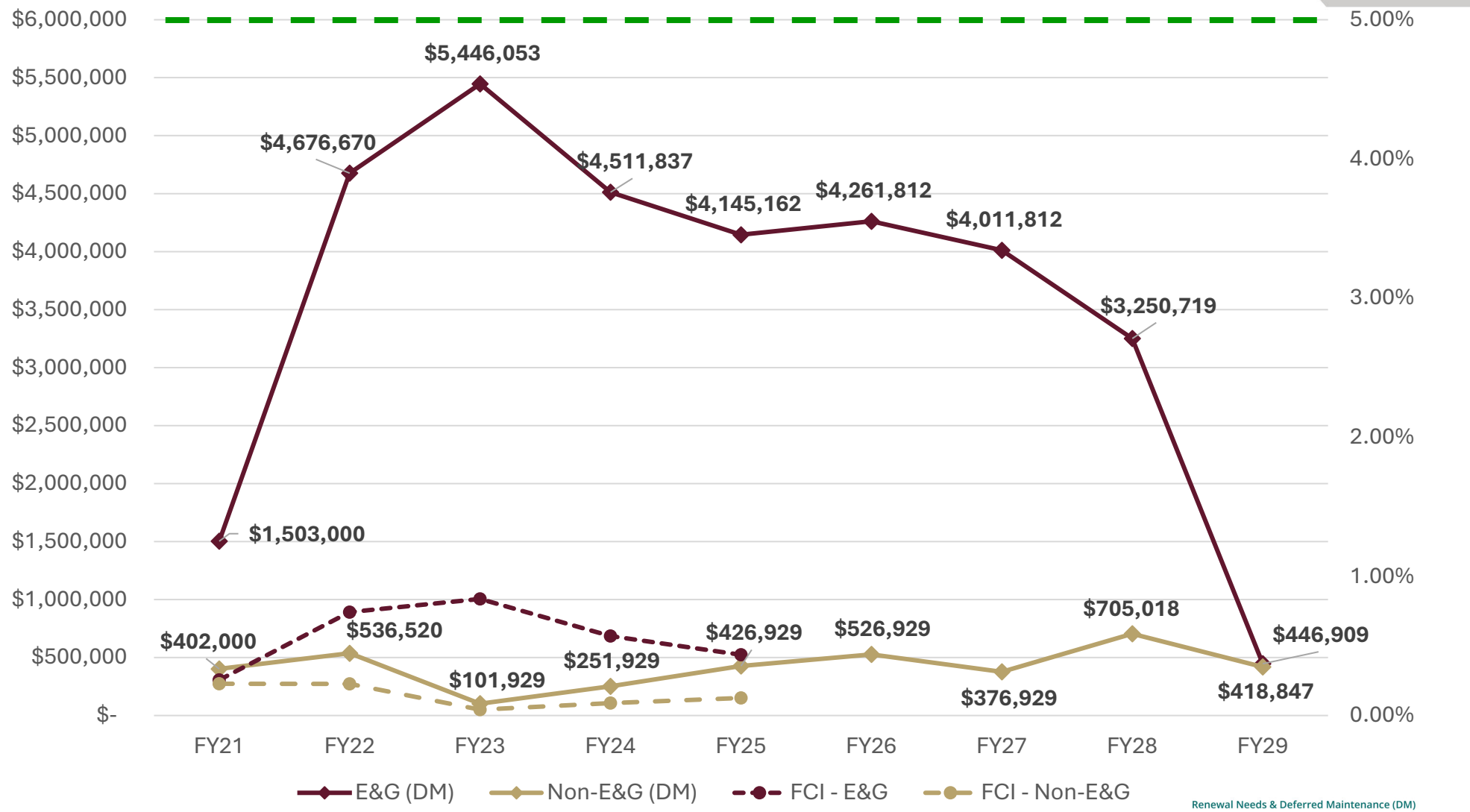
Systemic Renovation Stage:
Buildings may require more significant repairs ; large-scale capital infusions/ renovations are inevitable
(10% - 30%)

Replacement Stage:
Major buildings components are in jeopardy of complete failure. Reliability issues are widespread throughout the building.
(Over 30%)

0% - 5% *Capital Upkeep* → **5% - 10%** *Repair & Maintain* → **10% - 30%** *Systemic Renovation* → **> 30%** *Renovation/Replacement*

*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

Facilities Index



FCI = Renewal Needs & Deferred Maintenance (DM) / Current Replacement Value (CRV) x 100

Good	Fair	Poor			Critical	
5%	10%	Greater than 10%			Greate than 30%	

Core Observations

- TAMIU is a relatively young institution, preparing to celebrate its 30th anniversary on the existing campus.
- The campus's cohesive construction strategy, outlined in the master plan, has not only given the campus an aesthetically pleasing look, but enables improved long-term maintenance (e.g., consistent brick and tile roofs).
- This philosophy has been carried forward to facility renewals (e.g., standard paint, furniture, and flooring products).
- Deferred maintenance is not blindly addressed at an asset's end of life; the asset's condition is evaluated, and if still operational, a decision to deliberately defer the replacement may be made.
- Deferred maintenance prioritizes the student experience (e.g., dorm renewals and classroom upgrades/comfort).

Core Strategies for Addressing DM

SECO State Energy Conservation Office

Budget Neutral Requirements

THE INTERNATIONAL

TEXAS A&M INTERNATIONAL UNIVERSITY

Budget Positive Requirements

Core Strategies for Addressing DM

Our facilities and utilities management philosophy:

- Control costs
- Ensure reliability
- Prepare our facilities for the future
- Assist ERCOT through demand response events
- Are there unexpected benefits?

Some of our Utility Projects

2018-19:
- Lighting upgrades
- Water conservation
- Elect. Metering
- HVAC improvements
- AC replacements in dorms (FCU)

2021-23:
- Chiller replacement (2) and optimization
- Bldg. automation system (BAS) optimization
- Gym HVAC replacement
- Lab hood upgrades
- AHU updates

2024:
- EMaaS
- Efficiency monitoring software addresses energy efficiency and operational issues proactively.
- OMR&R

Total guaranteed savings $24.4M over 20 years.

Comprehensive Results

Financial

Pre: $2,142,160 (2015 baseline)

Post: $1,444,914

33% savings

Service Order Requests

Pre: 710 per month (August 2024 baseline)

Post: 107 per month

85% decrease

Electric Utility

Pre: 20,642,481 kWh (2015 baseline)

Post: 14,566,543 kWh

29% savings

Water Utility

Pre: 91,524,000 gal/year (2015 baseline)

Post: 63,076,000 gal/year

31% savings

Indoor and outdoor lighting have been updated, failing or end-of-life mechanical equipment has been replaced, building automation systems have been improved, and energy savings continue to be achieved, offsetting implementation costs.

Tangible Results

Following replacement of all bulbs and exterior light fixtures on campus, two new buildings came online in 2019…

Academic Innovation Center



University Police Department



…with no increase in electricity kWh consumption.

Master Plan – 1990's



Our Campus in 2022



Our Campus Today



Our Campus Vision



TEXAS A&M UNIVERSITY – TEXARKANA

BUDGET NARRATIVE

Introduction:

Texas A&M University-Texarkana (TAMU-T) remains committed to fiscal responsibility while continuing to pursue strategic growth. Through careful budgeting, prudent financial management, and targeted investments, we are strengthening our financial position and expanding our programs and infrastructure to meet the evolving needs of our students and community.

Revenues:

Total Revenue is budgeted at $81.9 million, which is a $16.7 million (26%) increase when compared to the FY 2025 budget:

- Tuition and fees are budgeted to increase $6.9 million (40%) from the previous budget, considering a conservative 20% increase in enrollment projections, which is in line with fiscal year 2025 actuals.
- Contracts and Grants are budgeted to increase $655,000 (54%) due to new grant funding.
- Gifts are budgeted to increase by $835,000 (53%) due to $2.4 million in gifts for the Red River Credit Union (RRCU) Athletic Complex.
- Sales and Services are budgeted to increase $817,000 (32%) due to the increase in non-credit course sales and the addition of Eagle Landing I and Eagle Landing II on-campus student housing officially opening Fall 2025.
- Discounts have decreased due to a change in financial aid disbursement Fall 2023. The new methodology produces estimates that are more in line with prior year's actuals.

Expenses:

Total Expenses are budgeted at $81.4 million, which is a $15.7 million (24%) increase over the FY 2025 budget:

- Personnel Costs are budgeted to increase $6.5 million (20%)
  - FY 2026 budgeted increase in salaries and associated benefit costs:
    - FY 2025 employee retention plan of 5% market adjustments for eligible faculty and staff of $854,000.
    - Net growth in full-time equivalents to support foundational staffing for the creation of two new colleges: the College of Engineering and the College of Business, the reorganization of Academic Affairs from one division into three: Academic Affairs, Enrollment Management and Student Life, 3 new sports and transition to NCAA Division II, and the additional faculty and staff needed to support the projected enrollment growth and expanding course offerings.

BUDGET NARRATIVE CONTINUED

  - FY 2026 Employee Retention Plan:
    - Budgeted faculty tenure and promotions - $12,000
    - Market adjustment 0-5% pool of $ 1.5 million – not included in the FY 2026 budget and is contingent upon enrollment.
- Utilities are budgeted to increase $200,000 (18%) due to construction related utilities for the new Business, Engineering, and Technology building projected completion by Fall 2026 and two new student housing complexes opening Fall 2025.
- With TAMU-T receiving an additional $2.6 million in HEF funding, the Capitalized Equipment budget increases by $3.5 million (87%). This funding supports the university's ongoing investment in capital assets essential to instructional and operational effectiveness.
- Operations and Maintenance are budgeted to increase $1.4 million (12%) due to focusing on campus wide operational efficiencies and increasing fund balances while investing in personnel through the year 2025 market adjustments and 5% retention plan increases offset by the increases tied to the expansion of Athletics and move to NCAA and Fall 2025 opening of new student housing: Eagle Landing I & II.
- Debt Service expenses are supporting the following capital projects:
  - $4.6 million – Library and Central Plant Remodel
  - $3.9 million – James C. Morriss Business, Engineering, and Technology Building projected opening Fall 2026
  - $2.6 million – Academic and Student Service Building
  - $1.1 million – Student Housing (Bringle Lake Village)
  - $349,000 – Science and Technology Building

Reserves:

- FY 2024 Projected Reserve balance is $17.9 million (4.1 months).
- FY 2025 Projected Reserve balance is projected to be $11.2 million (2.5 months) based on current spending levels.
- FY 2026 Projected Reserve balance is projected to be $11.5 million (2.4 months) based on planned spending levels.

BUDGET NARRATIVE CONTINUED

Capital Plan:

- The following projects have been approved:
  - The James C. Morriss Business, Engineering, and Technology Building project remains on the Capital Plan, funded with $45 million CCAP funding. This project will include classrooms, teaching/research labs, and faculty and staff offices. The project is underway with scheduled completion by Fall 2026.
  - The RRCU Athletic Complex, projected completion in FY 2027, will be partially funded with $15 million in gifts.
  - Patterson Student Center Building Purchase $5.3 million.
- The following proposed projects will seek construction approval for FY 2026/2027: Storm Shelter/Safe Room and Eagle Landing Phase 3.
- The following projects are being reviewed for future design and funding identification: Health and Human Services Building, Eagle Landing Phase 4, Eagle Landing Phase 5, and Dining Hall.

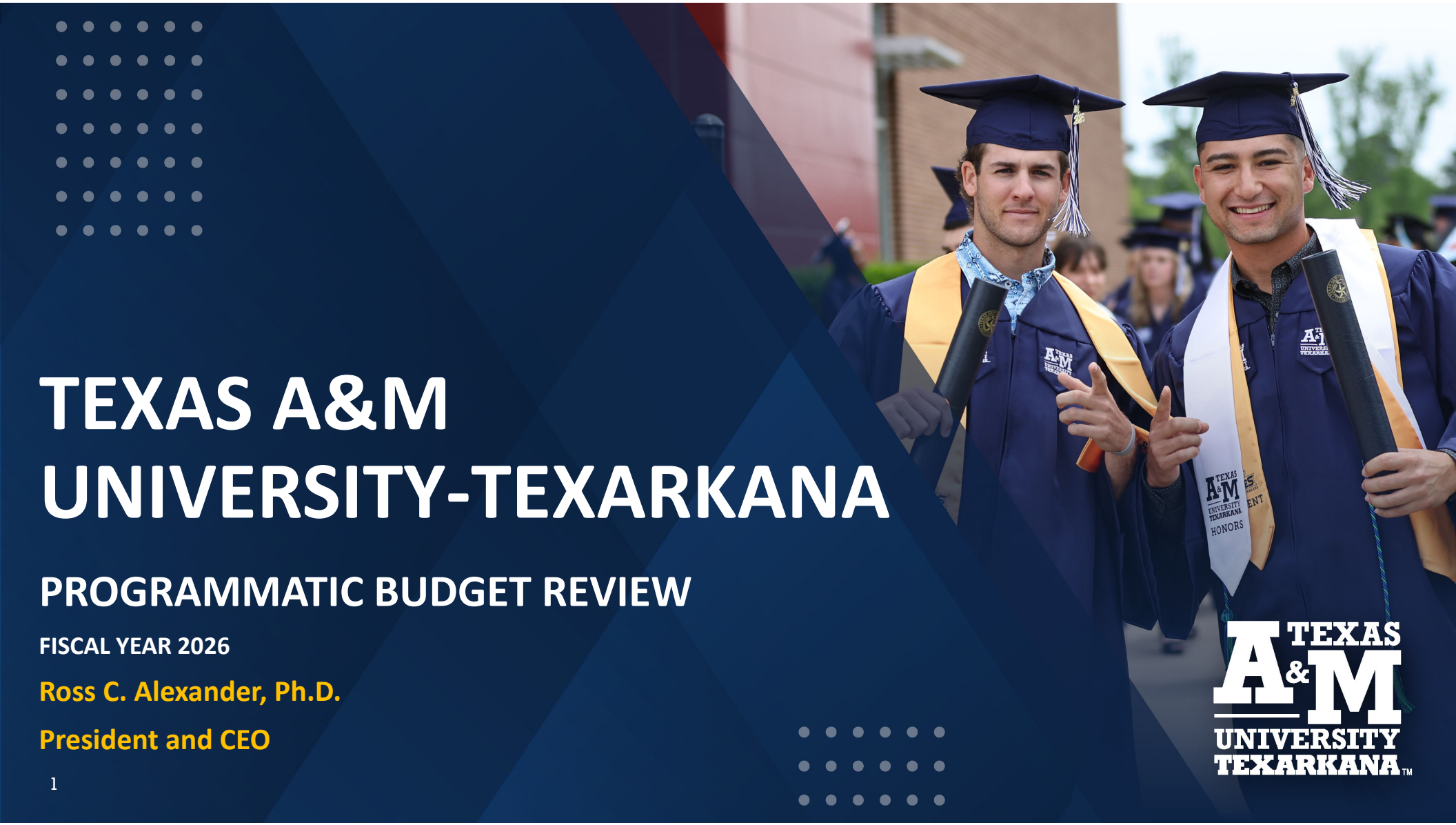
TEXAS A&M UNIVERSITY-TEXARKANA

PROGRAMMATIC BUDGET REVIEW

FISCAL YEAR 2026

Ross C. Alexander, Ph.D.

President and CEO



TEXAS A&M UNIVERSITY TEXARKANA™



OVERVIEW

SECTION I



Our Mission:
To be the university of choice for learners across a career and throughout a lifetime

- Degrees that lead directly to high paying jobs in our region
- Healthcare, Technology, Advanced Manufacturing, Engineering, Financial Services
- Workforce-focused and workforce-aligned

Local Focus “100 Mile Strategy”

Local student, pathway to an A&M degree with little or no debt; high-paying job locally upon graduation

Flexible. Reputable. Attainable.

On-campus and online

Meet students where they are

Corporate and community partnerships focused on the adult and executive learner

150+ partnerships developed in 18 months



STRATEGIC PRIORITIES

Enrollment – Grow to 5,000 students by Fall 2027

Retention – TAMUT as a “destination” campus for students and employees alike

Curriculum – Launch 25+ workforce-focused degree programs in high-demand fields

Athletics – Successful transition to NCAA Division II by Fall 2027, plus the addition of several new sports (incl. Football)

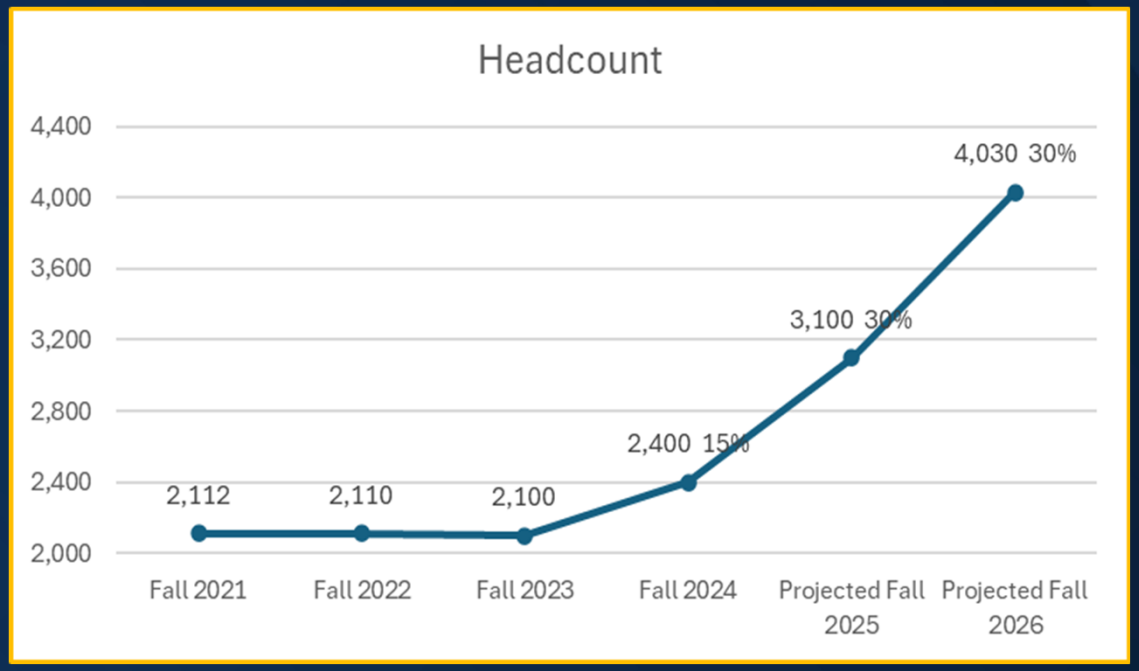
Major Capital Investments – Academic, Athletic, Housing

Economic and Community Development – Leading economic development initiatives for the community, state, and region while maintaining momentum within TAMUS

ENROLLMENT GROWTH

45% Increase in Past Two Years

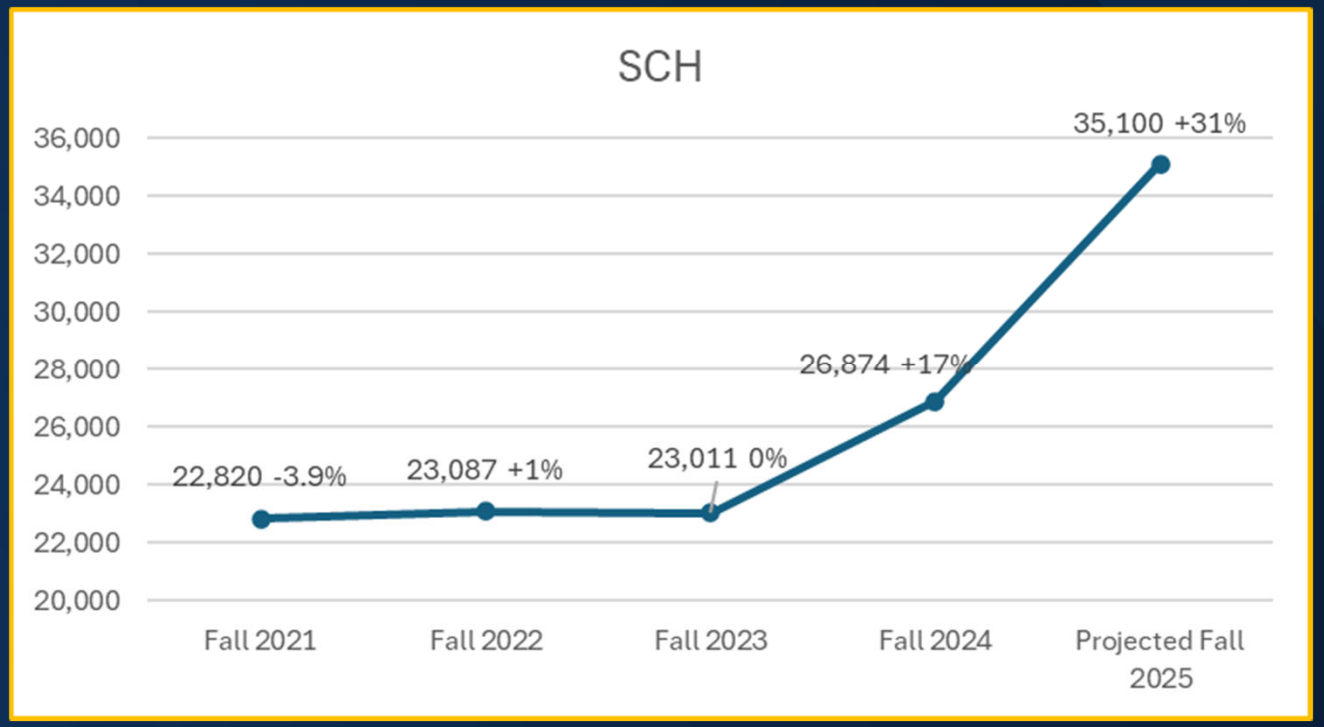
Fastest growing university in A&M System
and among the fastest growing in Texas and the nation



*A&M-Texarkana does not provide any dual credit courses

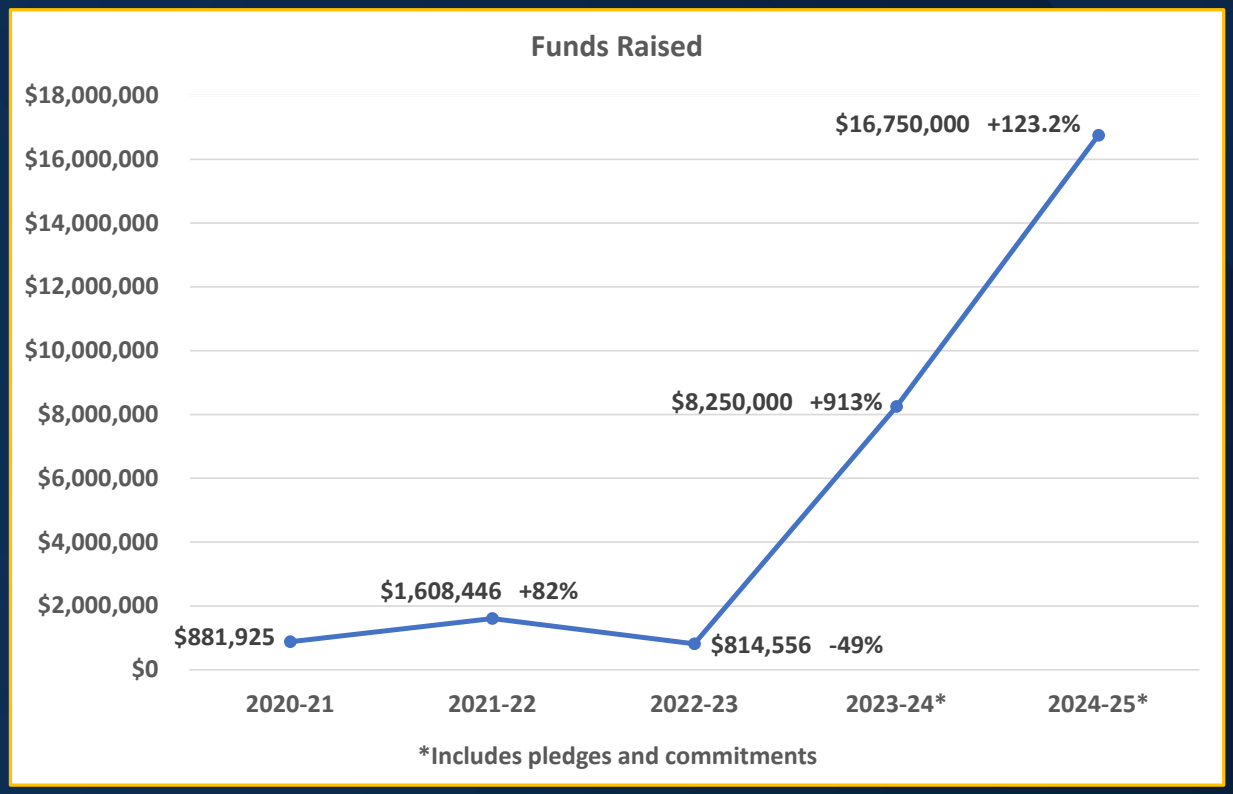
SEMESTER CREDIT HOURS

48% Increase in Past Two Years

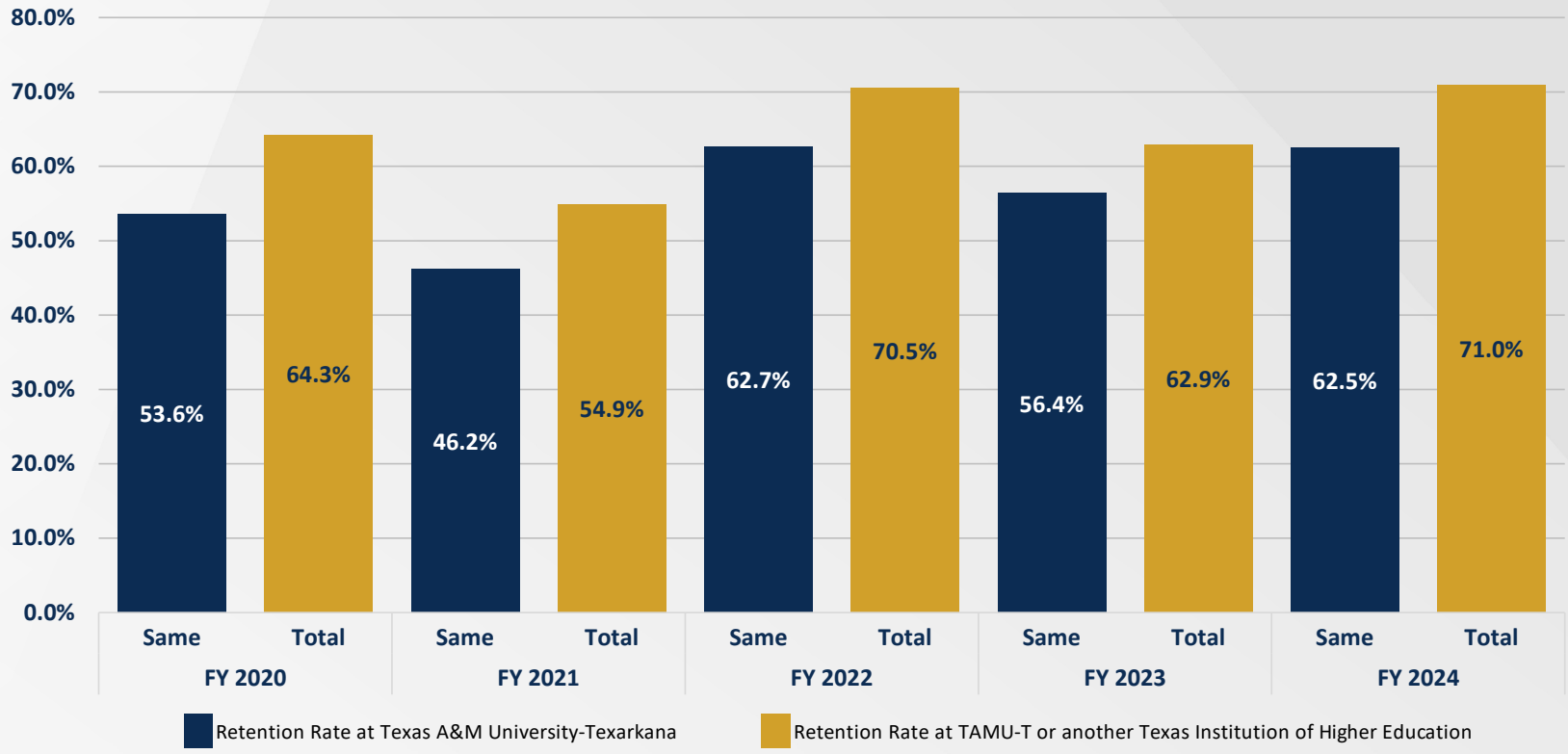


RECORD FUNDRAISING - $25M in 2 Years

1,800% Increase



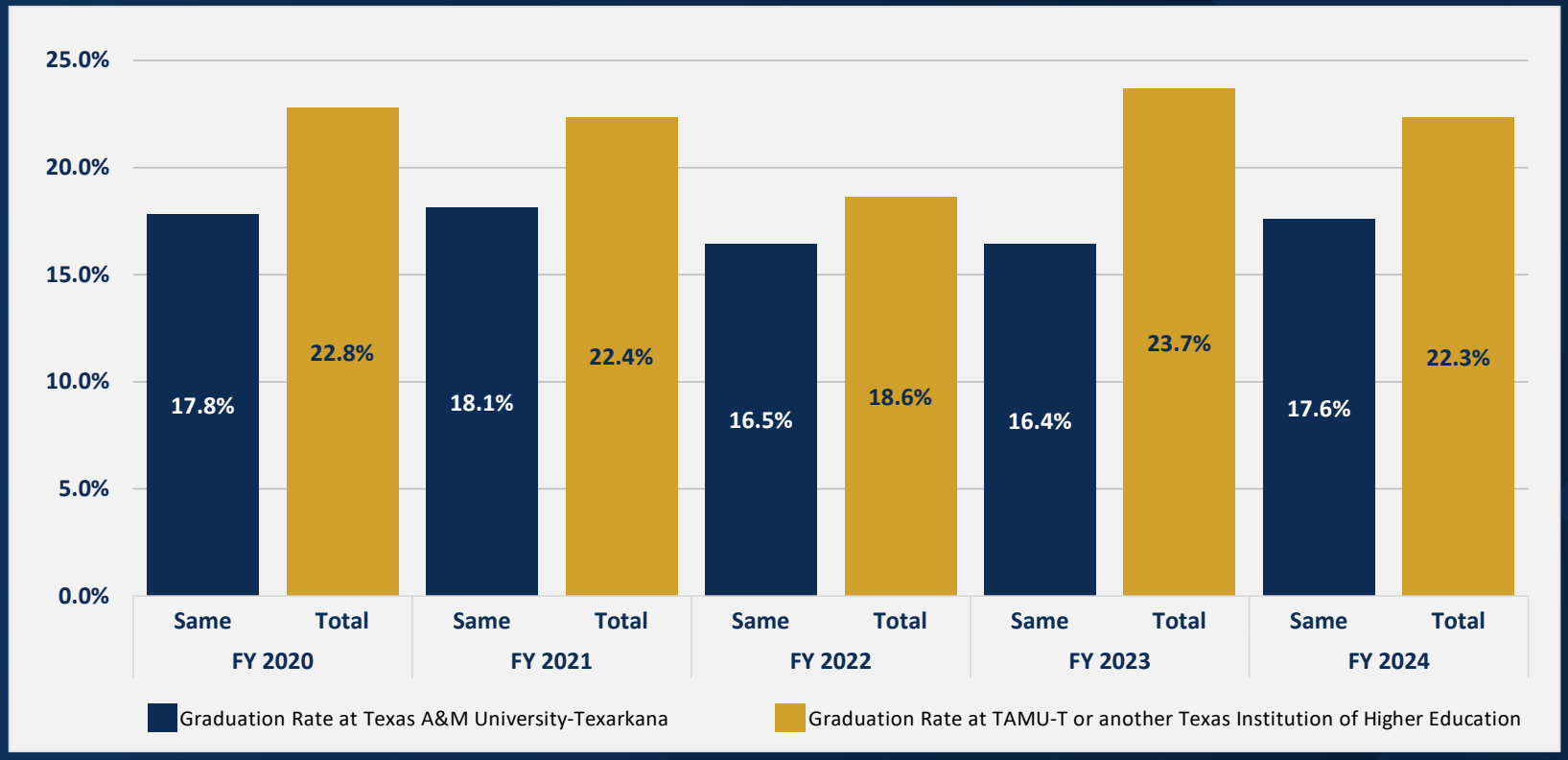
1st YEAR PERSISTENCE RATE



Source: THECB Accountability System, Interactive, Persistence Rates

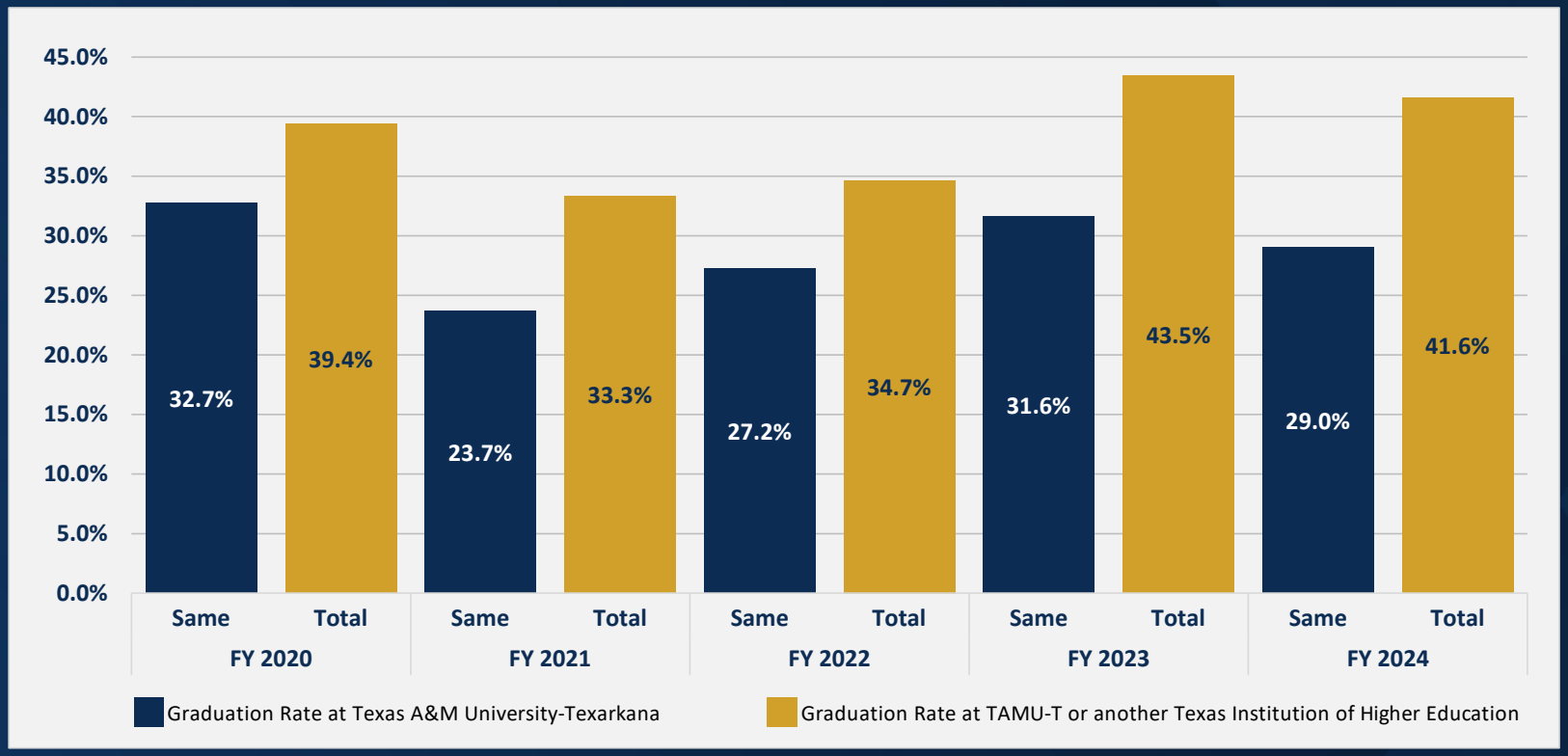
GRADUATION RATE

4 YEAR



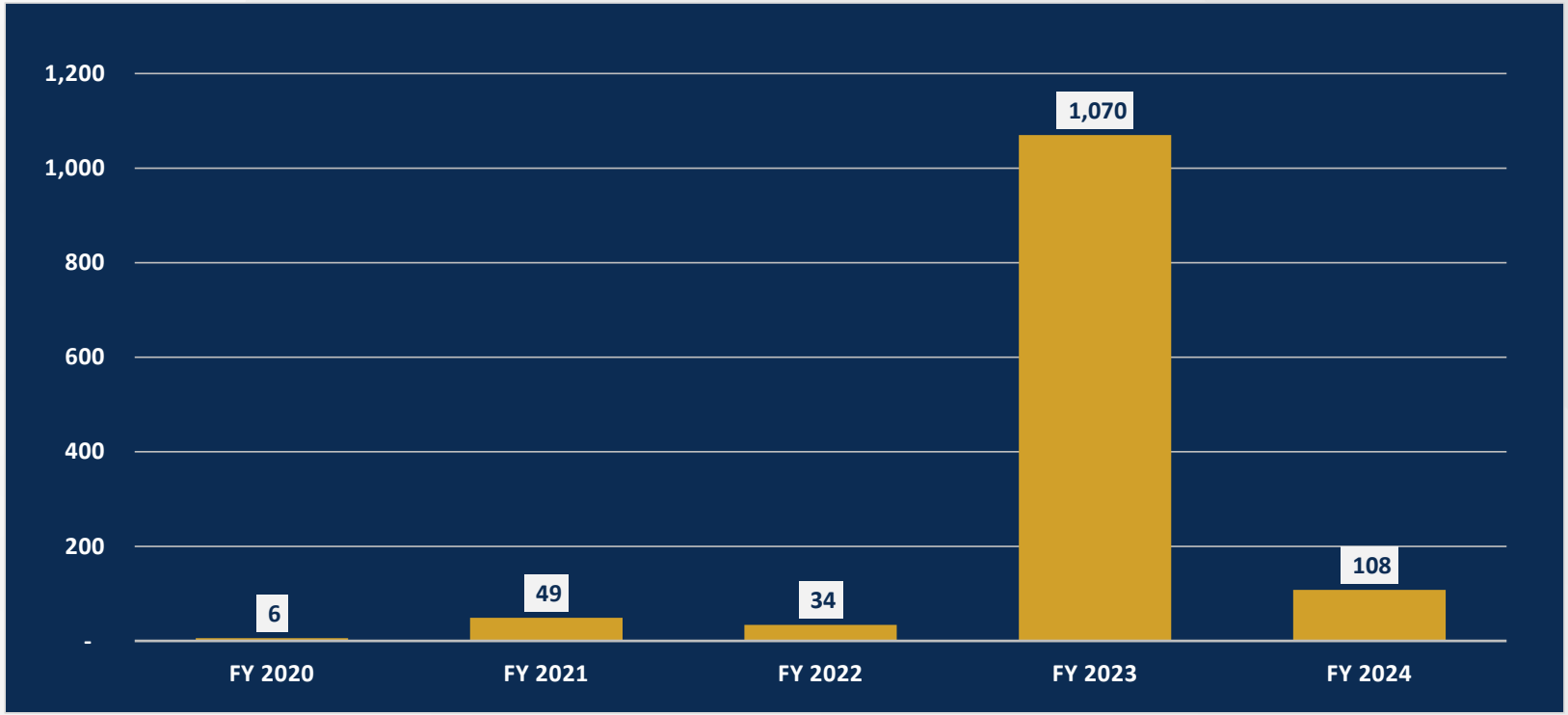
GRADUATION RATE

6 YEAR



RESEARCH EXPENDITURES REPORTED TO NSF

(IN THOUSANDS)





FINANCIAL

SECTION II

LEGISLATIVE UPDATE

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
General State Support	$ 20,111	$ 20,718	$ 608
CRU	518	513	(5)
CCAP	11,443	11,443	0
HEGI	2,255	2,761	505
Subtotal	**$ 34,326**	**$ 35,435**	**$ 1,109**
Estimated State Paid Benefits	**$ 2,743**	**$ 3,036**	**$ 293**
State Appropriations Total:	**$ 37,069**	**$ 38,471**	**$ 1,402**

PROPOSED FEE INCREASES

Name of T/F	Description of Change	Last Increase	Current Rate	Proposed Change	Total Revised Fee
Rec Sports Fee	Increase $50 per semester	Fall 2015	$100	$50	$150
Student Center Fee	Requesting change from $3 **per semester credit hour** to $78 **per semeste**r	Fall 2010 (Inception)	$3	$75	$78
Student Health Fee	Increase $10 per semester	Fall 2024	$60	$10	$70
Athletic Fee	Increase 10% per semester credit hour	Fall 2020	$13	$15	$28

REVENUE BUDGET

FY26 PROPOSED REVENUES

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance	
			$	%
State Appropriations	$ 37,069	$ 38,471	$ 1,402	3.8%
Higher Education Fund	2,112	4,732	2,619	124.0%
Tuition and Fees	17,311	24,298	6,987	40.4%
Contracts and Grants	1,208	1,863	655	54.2%
Student Financial Assistance	7,176	7,702	526	7.3%
Gifts	1,575	2,410	835	53.0%
Sales and Services	2,591	3,408	817	31.5%
Investment Income	510	1,578	1,068	209.3%
Discounts	(4,332)	(2,568)	1,765	-40.7%
TOTAL REVENUES:	**$ 65,220**	**$ 81,894**	**$ 16,674**	**25.6%**

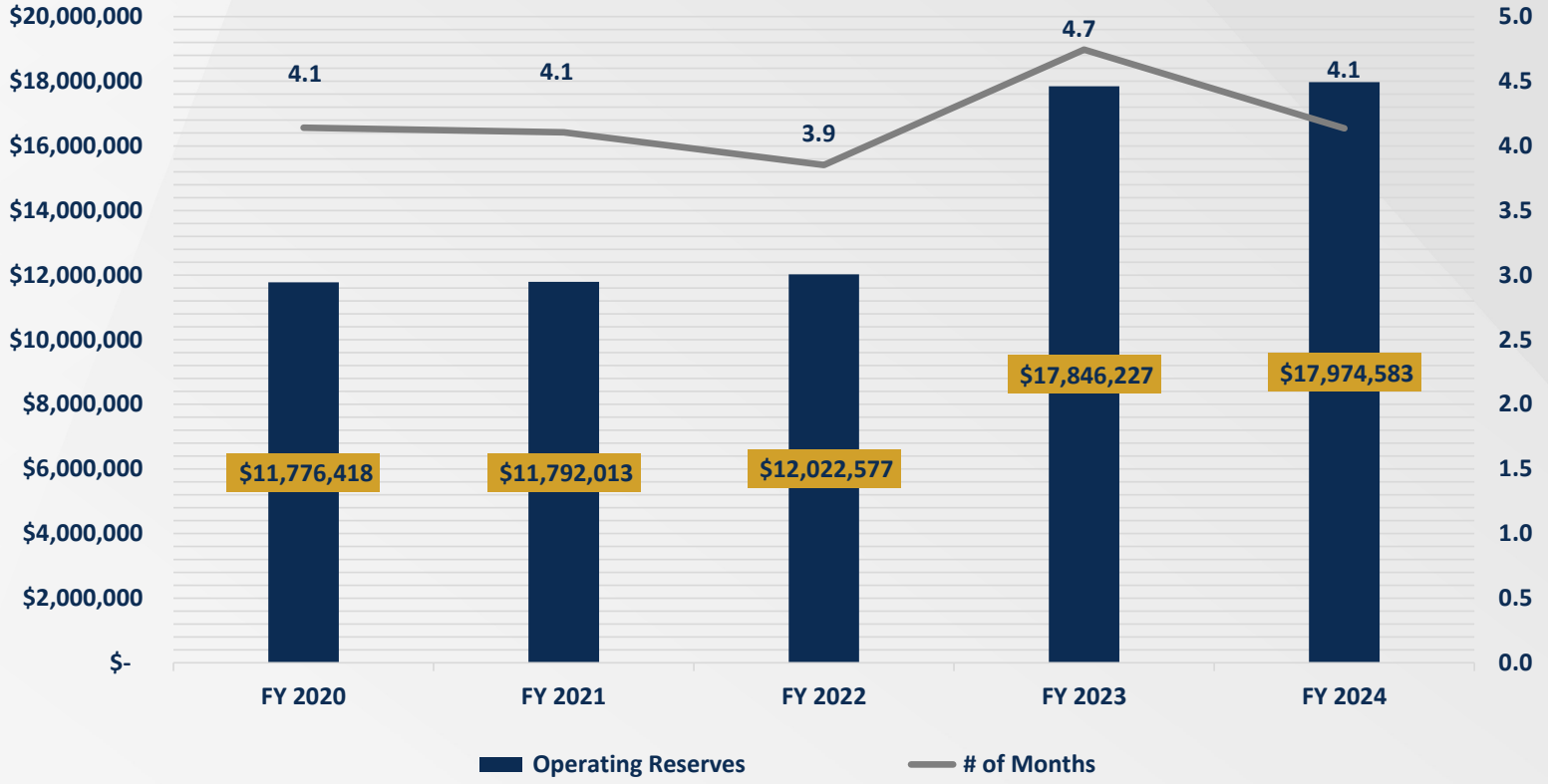
EXPENSE BUDGET

FY 2026 PROPOSED EXPENSES

TOTAL REVENUES:	$ 65,220	$ 81,894	

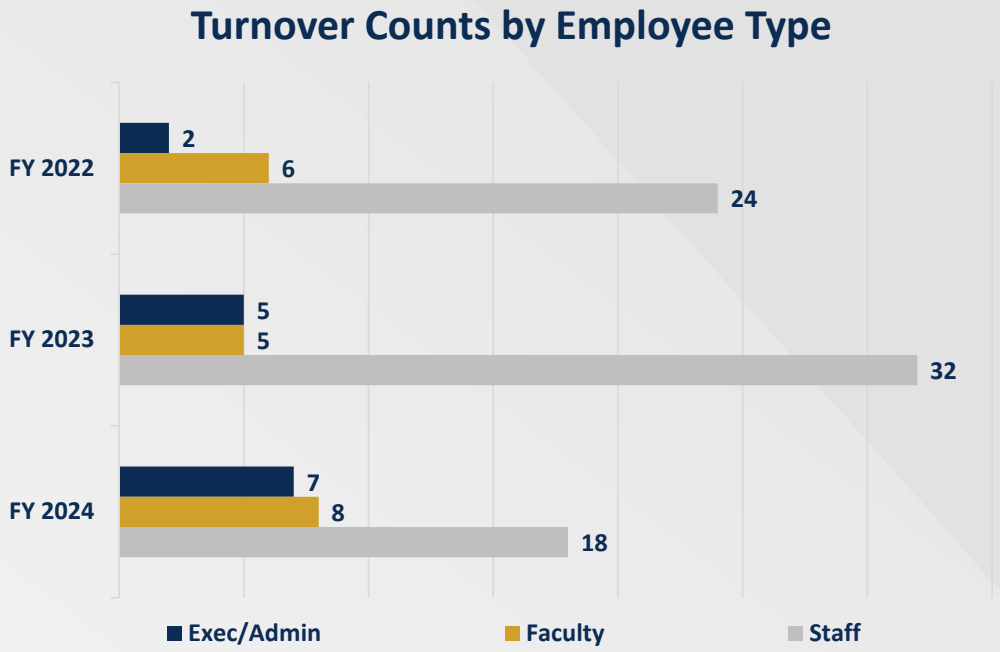
EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
Expenses:				
Salaries - Faculty	$ 10,987	$ 12,701	$ 1,715	15.6%
Salaries - Non-Faculty	12,561	15,393	2,831	22.5%
Wages	889	1,125	237	26.6%
Benefits	8,251	9,937	1,687	20.4%
Personnel Costs	$ 32,687	$ 39,156	$ 6,469	19.8%
Utilities	1,100	1,300	200	18.2%
Scholarships	8,476	10,768	2,292	27.0%
Discounts	(4,332)	(2,568)	1,765	-40.7%
Equipment	4,050	7,572	3,522	87.0%
Operations and Maintenance (Net)	11,250	12,630	1,380	12.3%
Debt Service	12,536	12,578	42	0.3%
TOTAL EXPENSES:	**$ 65,766**	**$ 81,436**	**$ 15,670**	**23.8%**
Other Transfers:	-	(458)		
CHANGE IN NET POSITION (Rev-Exp+Transfer):	**$ (546)**	**$ (0)**		

OPERATING RESERVES AND MONTHS OF RESERVES



EMPLOYEE TURNOVER

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	2	6.1%	6	6.3%	24	20.2%	32	13.0%
FY 2023	5	14.8%	5	5.1%	32	26.4%	42	16.6%
FY 2024	7	18.7%	8	8.0%	18	14.5%	33	12.6%



EMPLOYEE RETENTION

FY 2026 Plan Description	Faculty	Staff	Total
Promotions	$ 11,500	$ -	$ 11,500
0-5% Market Adjustments*	512,000	759,700	1,271,700
Benefits	96,900	140,600	237,500
Total:	**$ 620,400**	**$ 900,300**	**$ 1,520,700**

*Contingent on enrollment



AUXILIARY OPERATIONS

SECTION III

STUDENT HOUSING

STUDENT HOUSING OPERATIONS (in thousands)	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget $	Budget %
Revenue					
Sales and Services	$ 1,686	$ 2,005	$ 2,704	$ 699	34.9%
Other	19	-	-	-	0.0%
Total Revenues:	**$ 1,705**	**$ 2,005**	**$ 2,704**	**$ 699**	**34.9%**
Expenses					
Personnel Costs	$ 149	$ 166	$ 259	$ 93	56.0%
Utilities	213	194	285	91	46.9%
O&M and Equipment	345	551	567	16	2.9%
Debt Service (includes RFS Transfer)	1,054	1,094	1,135	41	3.7%
Total Expenses:	**$ 1,761**	**$ 2,005**	**$ 2,246**	**$ 241**	**12.0%**
Transfers					
Auxiliary Reserves	$ 56	$ -	$ -		
To Plant for Repayment of loan	-	-	(458)		
Total Transfers:	**$ 56**	**$ -**	**$ (458)**		
Net Income/(Loss)	**$ -**	**$ -**	**$ -**		

ATHLETICS

ATHLETICS OPERATIONS *(in thousands)*	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance $	Budget Variance %
REVENUE					
Athletic Sports Fee	$ 603	$ 606	$ 794	$ 188	31.0%
TOTAL REVENUES:	**$ 603**	**$ 606**	**$ 794**	**$ 188**	**31.0%**
EXPENSES					
Personnel Costs	$ 926	$ 1,135	$ 1,989	$ 855	75.4%
Scholarships	674	750	1,239	490	65.3%
O&M and Equipment	1,434	1,013	1,683	669	66.0%
TOTAL EXPENSES:	**$ 3,034**	**$ 2,898**	**$ 4,911**	**$ 2,014**	**69.5%**
TRANSFERS					
From Designated Tuition	$ 2,431	$ 2,292	$ 4,117		
TOTAL TRANSFERS:	**$ 2,431**	**$ 2,292**	**$ 4,117**		
NET INCOME/(LOSS)	$ -	$ -	$ -		

Transforming A&M-Texarkana



MOMENTUM

ASCENDANCY

We THINK Big. We DREAM Big. We DO Big.

TEXAS A&M UNIVERSITY TEXARKANA™

TEXAS A&M UNIVERSITY-TEXARKANA

CAPITAL PLAN

FISCAL YEAR 2026

Ross C. Alexander, Ph.D.

President and CEO



CAPITAL PLAN

APPROVED	Total Planning Amount (In K)	Funding Source			Current Status	Gross Square Footage
		PUF Debt Proceeds	RFS Debt Proceeds	Other		
James C. Morris Business, Engineering and Technology Building*	$ 44,923		$ 44,923		In progress	Projected to be 52,000
Athletics Complex	23,000		15,452	7,548		
Patterson Student Center Building Purchase	5,250		5,250			
	$ 73,173	$ -	$ 65,625	$ 7,548		

*CCAP project

PROPOSED	Projected FY Start Date	Total Planning Amount (In K)	Funding Source			Current Status	Gross Square Footage
			PUF Debt Proceeds	RFS Debt Proceeds	Other		
Storm Shelter/Safe Room**	2026	$ 16,398			$ 16,398		
Eagle Landing Phase 3	2027	8,500		8,500			
		$ 24,898	$ -	$ 8,500	$ 16,398		

**The safe room project will not move forward until FEMA requirements are met, POR is complete, and funding is finalized

UNFUNDED CAPITAL NEEDS	Projected FY Start Date	Total Planning Amount (In K)	Funding Source			Current Status	Gross Square Footage
			PUF Debt Proceeds	RFS Debt Proceeds	Other		
Health and Human Services Building	2028	$ 6,000					
Eagle Landing Phase 4	2028	8,500					
Eagle Landing Phase 5	2030	8,500					
Dining Hall	2030	20,000					
		$ 43,000					

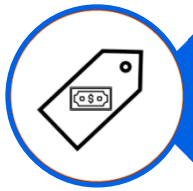
Texarkana Key Statistics



Total GSF: 434K | E&G (307K) | Aux (127K)



Construction Age: 11 | E&G: 11.5 | Aux: 9.7



10 Year Needs ($ Millions):

Total Campus: $10.2 | E&G: $5.2 | Aux: $5.0



Deferred Maintenance ($ Millions):

Total Campus: $ - | E&G: $ - | Aux: $ -

Texarkana Core Observations

Current State

Texas A&M University–Texarkana is a young, well-maintained campus:

- The average building age is 11 years.
- Most major mechanical systems have not yet reached the end of their expected service life.
- Any systems that have reached the end of their life cycle have been replaced promptly, keeping deferred maintenance at zero.

Forward Focus

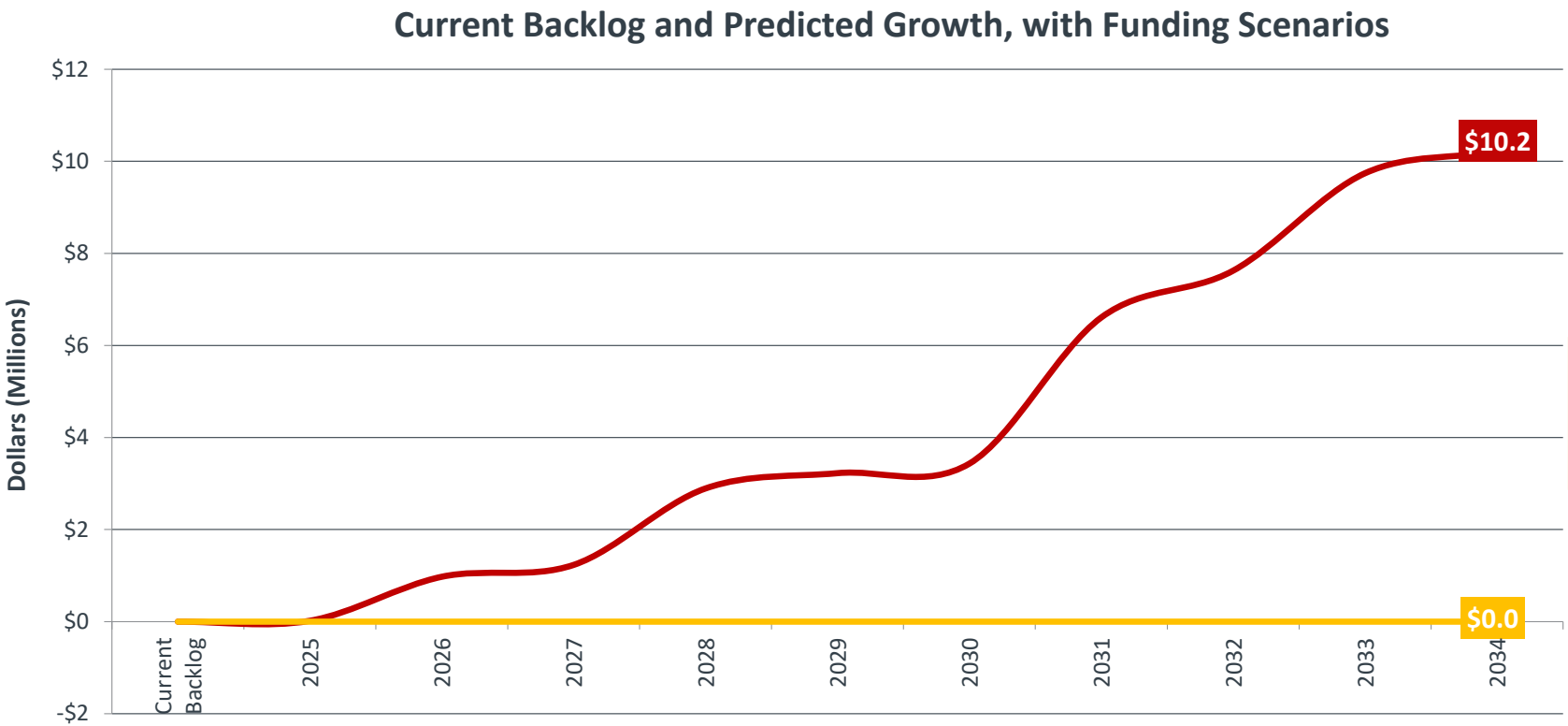
To sustain this strong position, the university should:

- Establish a robust preventive maintenance program to extend the life of mechanical systems.
- Begin setting aside dedicated funds to cover future reinvestment needs as systems age.

Key considerations:

- Texarkana has developed a proposed funding strategy to be implemented over the next 10 years to keep deferred maintenance at zero.
- This amount will vary based on how system life cycles are affected by usage intensity and the effectiveness of preventive maintenance.

Texarkana Deferred Maintenance Impact



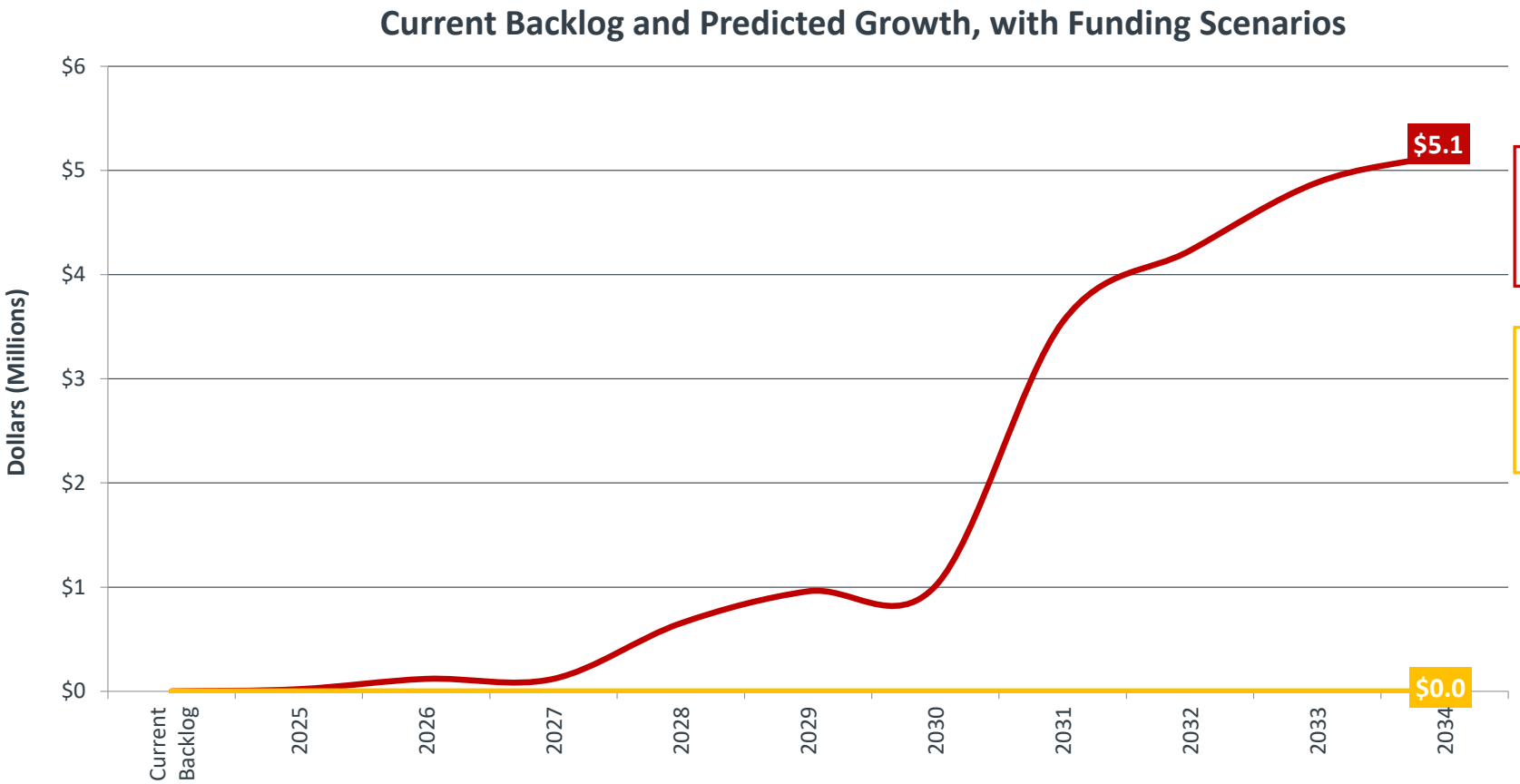
Zero Funding Scenario:
Making no capital investment into existing space.

Proposed Funding Strategy:
Keeps DM at current level through annual capital funding contributions.

All scenarios modeled in FY24 dollars

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Texarkana Deferred Maintenance Impact – E&G



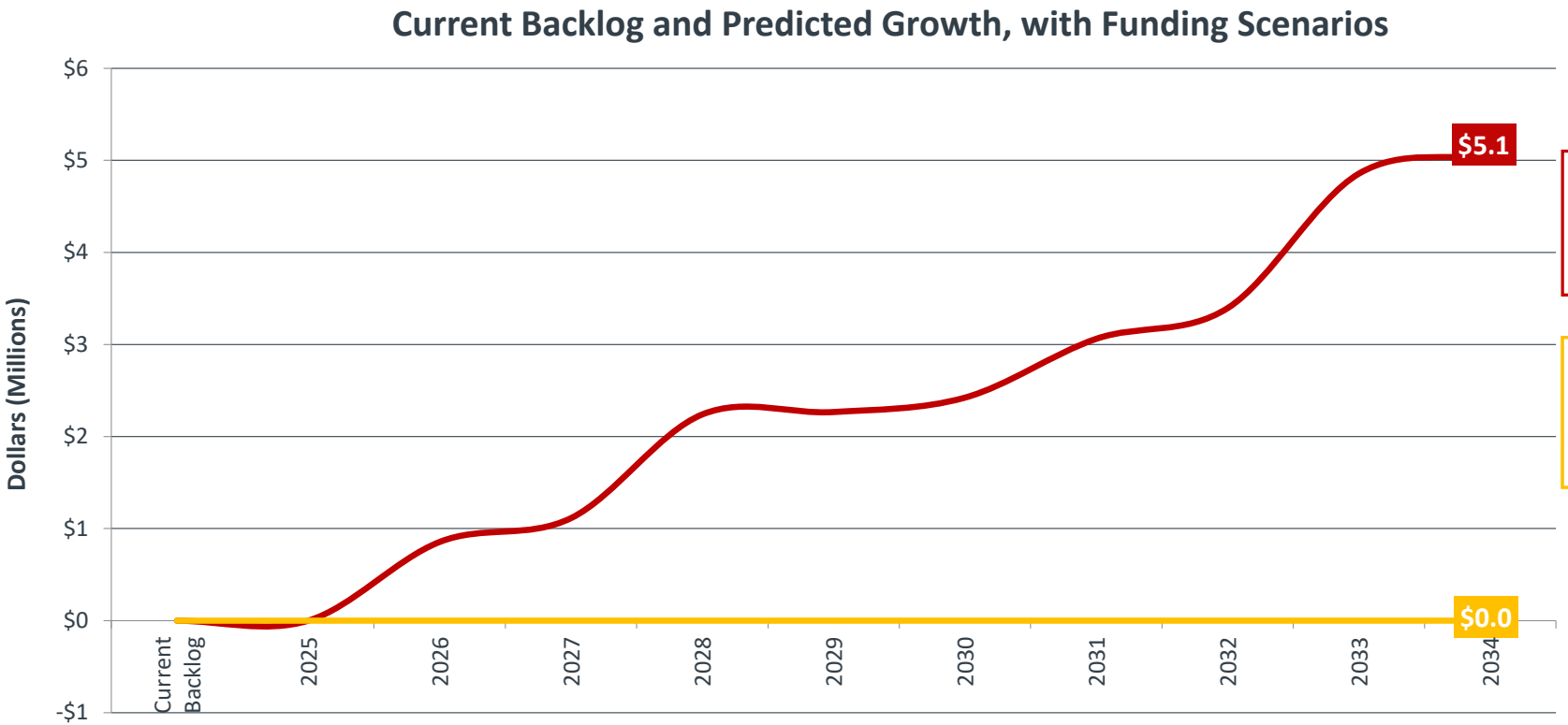
Zero Funding Scenario:
Making no capital investment into existing space.

Proposed Funding Strategy:
Keeps DM at current level through annual capital funding contributions.

All scenarios modeled in FY24 dollars

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Texarkana Deferred Maintenance Impact - Auxiliary



Zero Funding Scenario:
Making no capital investment into existing space.

Proposed Funding Strategy:
Keeps DM at current level through annual capital funding contributions.

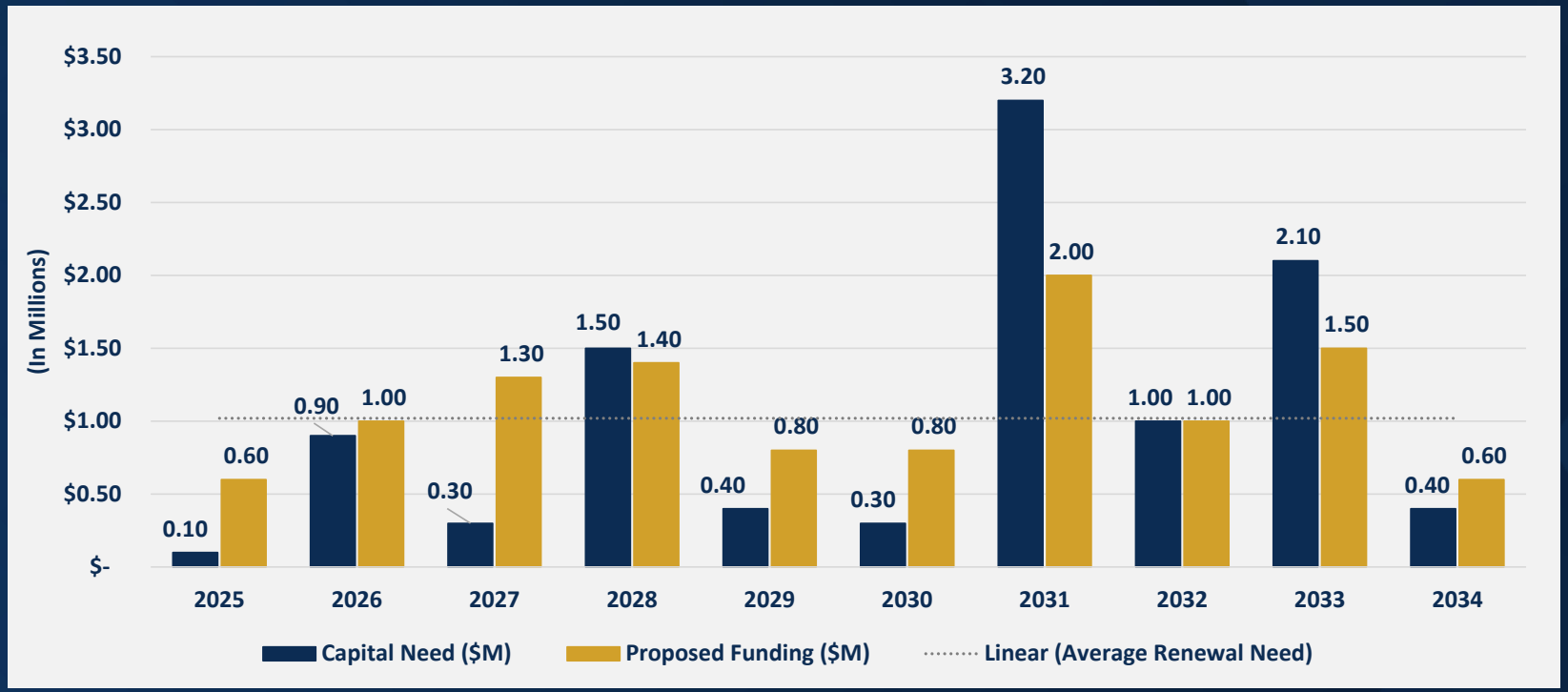
All scenarios modeled in FY24 dollars

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TAMUT CAPITAL NEEDS PROPOSED FUNDING STRATEGY

(2025-2034)

WITH ENROLLMENT-GROWTH STRATEGY AND $650K CAP IN 2025



Proposed Capital Needs Funding Strategy

The proposed funding strategy allocates $11.0 million over the 10-year period, providing an $800,000 reserve and satisfying the projected $10.2 million in capital needs. The reserve will help ensure readiness for growth, unexpected maintenance, and inflation.

Key funding strategy features:

- Emphasis on front-loading funding through 2028
- Strategic funding during peak need years, such as 2031 and 2033
- Adequate reserve to protect against volatility in construction, material, or equipment costs

CJ1

Facility Condition Index

FCI = $\frac{\text{Sum of Deferred Needs}}{\text{Current Replacement Value}}$

Capital Upkeep Stage:
Primarily new or recently renovated buildings w/ sporadic building repair & life cycle needs; "You pick the projects"
(0% - 5%)

Repair and Maintain Stage:
Buildings are beginning to show their age and may require more significant investment on a case-by-case basis
(5% - 10%)

Systemic Renovation Stage:
Buildings may require more significant repairs ; large-scale capital infusions/ renovations are inevitable
(10% - 30%)

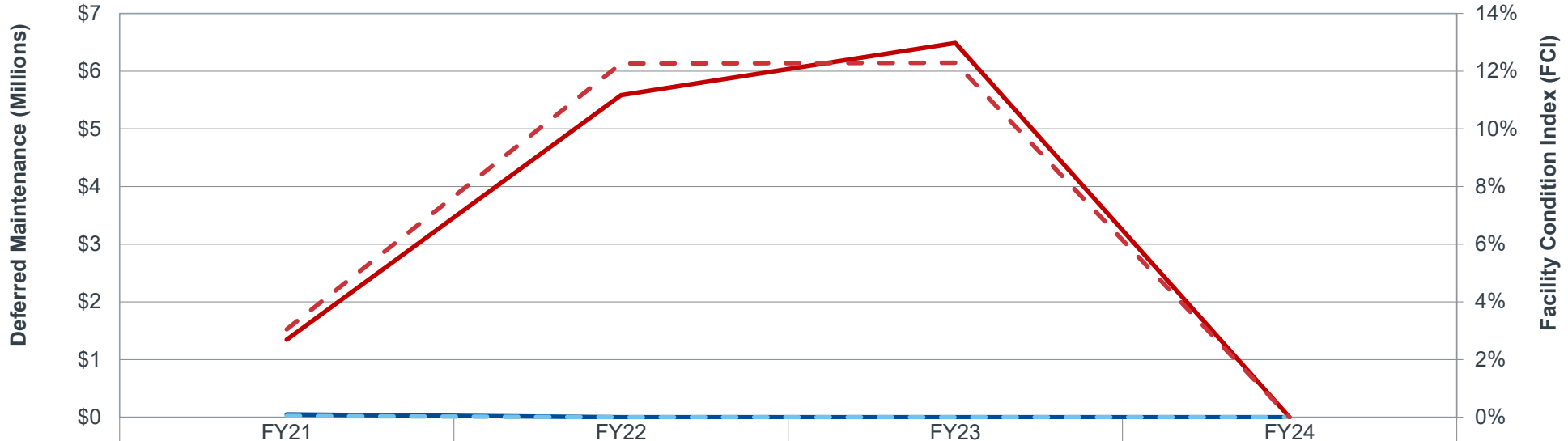
Gut Renovation/ Replacement Stage:
Major buildings components are in jeopardy of complete failure. Reliability issues are widespread throughout the building.
(Over 30%)

0% - 5%	5% - 10%	10% - 30%	> 30%
Capital Upkeep	*Repair & Maintain*	*Systemic Renovation*	*Renovation/Replacement*

*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

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Texarkana Facility Condition Index Trend



	FY21	FY22	FY23	FY24
E&G DM	$50,000.00	$-	$-	$-
Auxiliary DM	$1,344,000	$5,584,000	$6,488,500	$-
E&G FCI	0.05%	0.00%	0.00%	0.00%
Auxiliary FCI	3.0%	12.3%	12.3%	0.0%

0% - 5% *Capital Upkeep*

5% - 10% *Repair & Maintain*

10% - 30% *Systemic Renovation*

> 30% *Renovation/Replacement*

*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

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TEXAS A&M UNIVERSITY–CENTRAL TEXAS

BUDGET NARRATIVE

Introduction:

Texas A&M University–Central Texas (A&M–Central Texas) stands as the only upper-level regional university in the state. Despite serving a modest student body of approximately 2,400 juniors, seniors, and graduate students, we have consistently awarded an average of 746 bachelor's and master's degrees annually over the past five years. Our students come from broadly diverse backgrounds, many of whom face limited access to higher education, making these achievements a powerful testament to our mission and impact in Central Texas.

This vision was born from the dedication of community leaders, military advocates, and regional legislators who spent over 30 years working together to establish A&M–Central Texas. From the beginning, they charged us with a clear mission: to elevate the educational attainment of the regional workforce—and we have remained steadfast in that commitment. Today, we offer 30 undergraduate and 19 graduate degree programs, all designed to meet the evolving needs of our region. Building on this foundation, we are launching three new graduate programs in high-demand fields: Nursing Administration, Social Work, and Public Administration. Our first doctoral programs in Business Administration and Educational Leadership are also currently in development.

At the baccalaureate level, A&M–Central Texas serves a unique student population composed entirely of transfer students—many of whom arrive through military pathways or regional community colleges. A significant number are returning learners who previously paused their education, bringing with them college credits but no completed degree. Through strong, ongoing partnerships with community colleges and early college high school programs, we work collaboratively to ensure a seamless transfer process, minimize credit loss, and significantly reduce the overall cost of earning a bachelor's degree.

As one of the most affordable public universities in Texas, A&M–Central Texas provides students with a forward-thinking range of financial support options. These include a tuition cap at 12 semester credit hours—regardless of how many additional hours a student takes—and the opportunity to lock in tuition and fees for up to three years. Additionally, the university's Transfer Central program actively supports students while they are still enrolled in community college, ensuring a smooth transition into upper-level undergraduate programs. This initiative is complemented by a growing suite of student support services designed to foster success from day one.

As a result of a complete review and analysis of its recruiting methodology, A&M–Central Texas has implemented a Strategic Enrollment Plan that has led to a significant enrollment turnaround starting in Spring 2024. As a result, enrollment has grown rapidly throughout FY24 and FY25, marking a strong recovery and renewed momentum. As evidence of this growth, unweighted semester credit hours increased by 21% between the FY 24-25 and FY 26-27 base years. The growth in weighted semester credit hours (WSCH) based on the enrollment in graduate programs was even more impressive. Between the base years, our graduate enrollment growth was the largest in the state at 32%.

BUDGET NARRATIVE CONTINUED

The Strategic Enrollment Plan also emphasizes sustained growth through enhanced recruitment and marketing strategies, the integration of high-impact academic practices, and a demand study to guide the development of new degree programs. In parallel, the university is implementing targeted student engagement and retention initiatives to ensure that student success efforts are both comprehensive and effective. These initiatives are primarily supported by Comprehensive Regional University (CRU) funding and a federal grant, enabling A&M–Central Texas to invest in long-term student success and achievement.

With the conclusion of the Spring 2025 semester, A&M–Central Texas has proudly awarded over 12,000 degrees since its founding in 2009. Our graduates are making meaningful contributions across the region, state, and nation—as teachers, counselors, business leaders, nurses, therapists, pilots, engineers, computer systems and cybersecurity specialists, historians, social workers, and biologists. And this is just the beginning, our impact continues to grow with each graduating class. A&M–Central Texas is deeply committed to strengthening the regional workforce by offering students rich opportunities to engage in meaningful research at both the undergraduate and graduate levels. Areas of study span cutting-edge fields such as cybersecurity, machine learning, and artificial intelligence, as well as applied research tailored to the practical needs of the region.

At the same time, A&M–Central Texas continues to deepen its regional impact through a range of strategic initiatives. Highlights include the Center for Cybersecurity Innovation within the College of Business Administration and the upcoming Military Talent Pipeline initiative. The Military Talent Pipeline program is a collaborative effort by education, government, healthcare, and the military to support workforce development for veterans and soldiers transitioning out of the service. These groups are in high demand in industries such as advanced manufacturing, semiconductor, cybersecurity, data analytics and STEM education. Exceptional item funding has been received to begin this work in the Fall of 2025.

The university has recently updated its campus master plan to guide growth and development over the next 10 to 15 years. A key component of this plan is the ongoing construction of the Centralized Operational Reliability and Efficiency (CORE) facility, which will provide the utility infrastructure needed to efficiently support future campus expansion and university police department operations. Additionally, the university recently refreshed its University Strategic Plan to align with evolving institutional goals. With its emphasis on shared commitment to personal growth, economic mobility, and lifelong success, the plan clearly defines our mission and vision to empower our students through innovative education and transformative experiences.

TEXAS A&M UNIVERSITY–CENTRAL TEXAS

BUDGET NARRATIVE CONTINUED

Demographics:

- The majority of our student body is comprised of transferring, non-traditional students who are working adults (frequently with families) and designated as at-risk, economically or otherwise.
- Over 50% of the student body is affiliated with the military as active-duty, veterans, or family members.
- Despite many students being at-risk, our student persistence rate is higher than both the state and national averages due to comprehensive student success and academic support services at the university.

Revenues:

- Total Revenue for FY 2026 is budgeted at $55.6 million, a 2.3% increase over FY 2025. $1.1 million of this increase is due to a new auxiliary revenue source that is a pass through for the textbook rental program.
- State Appropriations increases by $4.0 million (16%) from additional GR funding and the Military Talent Pipeline initiative (HB500).
- Tuition and Fees are budgeted to increase by $1.9 million (10%). Strategic enrollment activities begun in FY 2024 resulted in large enrollment growth in FY 2025. Given that growth and recent uncertainties related to federal financial aid and potential student impacts, the university has chosen to conservatively estimate revenue projections. Therefore, FY 2026 Tuition and Fees revenue estimates are based on actual revenues received for FY 2025 instead of enrollment projections.
- Contracts and Grants revenue is budgeted to decrease by $3.8 million (-71%) due to the completion of a significant research grant this year and another grant fully accounted for in the FY 2025 budget. Also, Texas Grants funding is now accounted for in Student Financial Assistance.

Expenses:

- Total Expenses are budgeted at $56.5 million, which is a 2.4% increase overall. $1.1 million of this increase is due to the bookstore pass through.
- Overall, Personnel Costs are budgeted to increase by $2.7 million (9%) compared to the FY 2025 budget. The increases are related to several factors including market adjustments to faculty and staff salaries, as well as additional staffing related to strategic plan initiatives and the new Military Talent Pipeline program. All vacant positions and market adjustments are budgeted.
- Faculty Salaries expenses will increase by $334,000 due to promotions and the market adjustments. This 3% addition to the budget addresses an over-estimation in this category in FY 2025.

BUDGET NARRATIVE CONTINUED

- Non-Faculty Salary expenses are budgeted to increase by 17% due to market adjustments and additional positions related to new initiatives.
- Wage expenses are budgeted to decrease by $195,000 (20%) due to the completion of a research contract that funded a number of wage-based positions.
- Benefits expense increases by $584,000 (10%) corresponding to new positions and market adjustments.
- While the overall Operations and Maintenance budget increases by $730,000 year over year, actual net O&M expenses are budgeted to decrease by $380,000 (-4%) due to continued focus on efficiency measures in areas including academic departments and facilities operations. The bookstore pass through is expensed in this category which explains the difference.
- Debt Service budgeted expense remains at $8.45 million for the two existing academic buildings previously constructed under TRB appropriations and the current CCAP funded project on the capital plan.

Transfers:

- The $4.5 million in Other Transfers represents the PUF Equipment allocation.

Reserves:

- FY 2024 Current Reserve balance: $9.0 million/2.8 months
- FY 2025 Projected Reserve balance: $9.0 million /2.7 months
- FY 2026 Reserve balance is projected at $9.8 million/3.0 months

Capital Plan:

- Centralized Operational Reliability and Efficiency (CORE) Facilities:
  The facilities and infrastructure project were funded under previously funding CCAP allocations and PUF equipment funds ($49.9 million). The facility will provide space for a much-needed central utility plant to allow for future campus growth and efficient utility operations. Combining the plant infrastructure and operations of the police department and facilities support in an integrated facility will provide continuity of operations, cost efficiencies and redundancy for existing infrastructure, along with a dedicated location for emergency operations. The construction phase of the project is well under way with substantial completion scheduled for early 2026.

BUDGET NARRATIVE CONTINUED

- Future Facilities:
  Based on our campus master plan, the next phase of campus construction will focus on two critical needs, student housing and a central location for student support. While both facilities are currently unfunded capital needs, a POR is being developed for the first phase of Student Housing and the overall programming for the Student Success Building is included in the capital plan.



TEXAS A&M UNIVERSITY-CENTRAL TEXAS

PROGRAMMATIC BUDGET REVIEW

July 28-29, 2025

Day One

TEXAS A&M UNIVERSITY CENTRAL TEXAS™

Texas A&M University–Central Texas is a public, upper-level institution of higher education dedicated to empowering students through innovative education and transformative experiences. The university fosters personal growth, economic mobility, and lifelong success within a supportive environment.

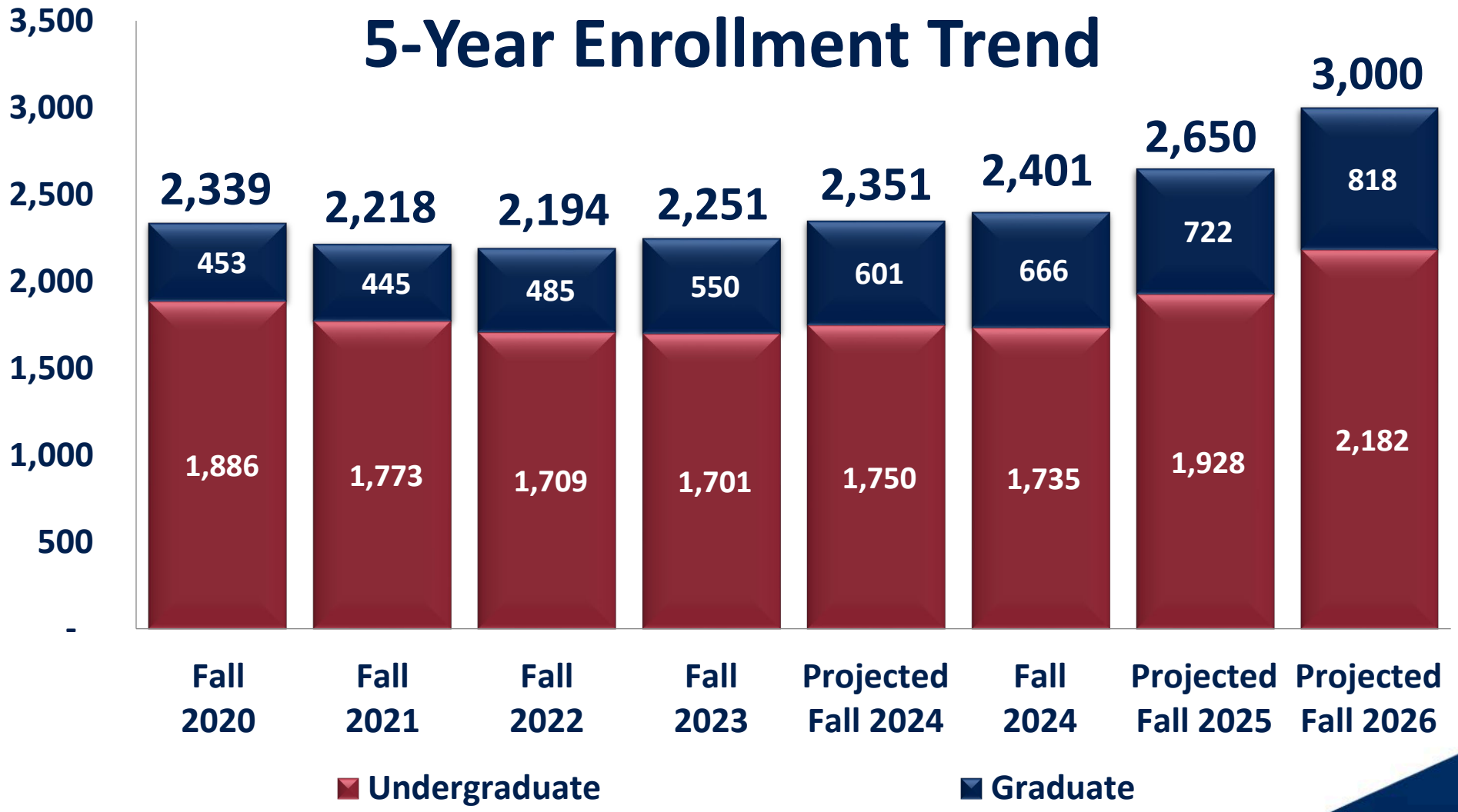
With a commitment to academic excellence, applied scholarship, and community engagement, the university delivers high-quality undergraduate and graduate programs through flexible instructional methods. It aspires to national leadership in helping students earn credentials that lead to educational, economic, social, and personal fulfillment.

By leveraging emerging technologies and cultivating strong partnerships with regional community colleges, the military, and the broader community, Texas A&M University–Central Texas plays a vital role in advancing both individual opportunity and regional development.

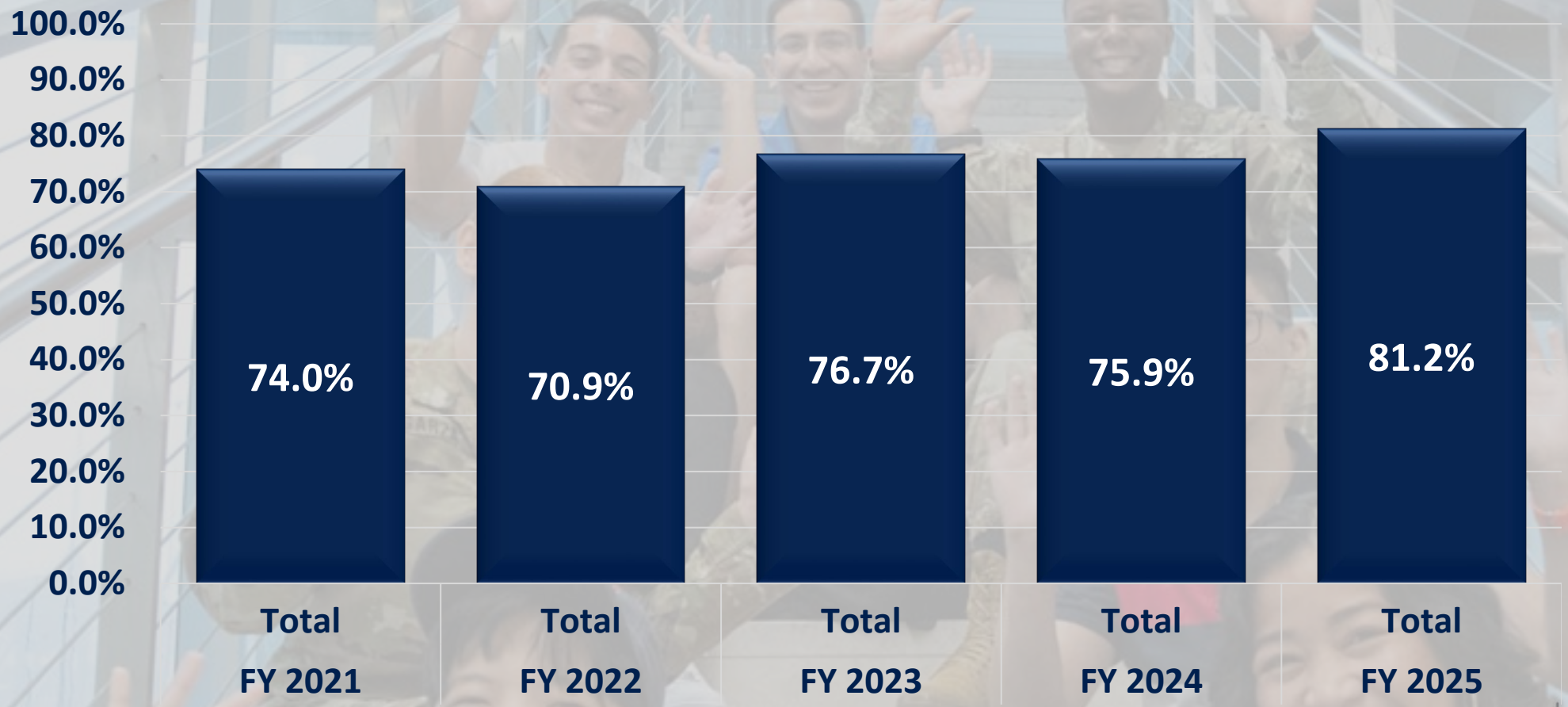
SECTION I.
OVERVIEW
ACADEMIC MEASUREMENTS

TEXAS A&M UNIVERSITY CENTRAL TEXAS™

5-Year Enrollment Trend



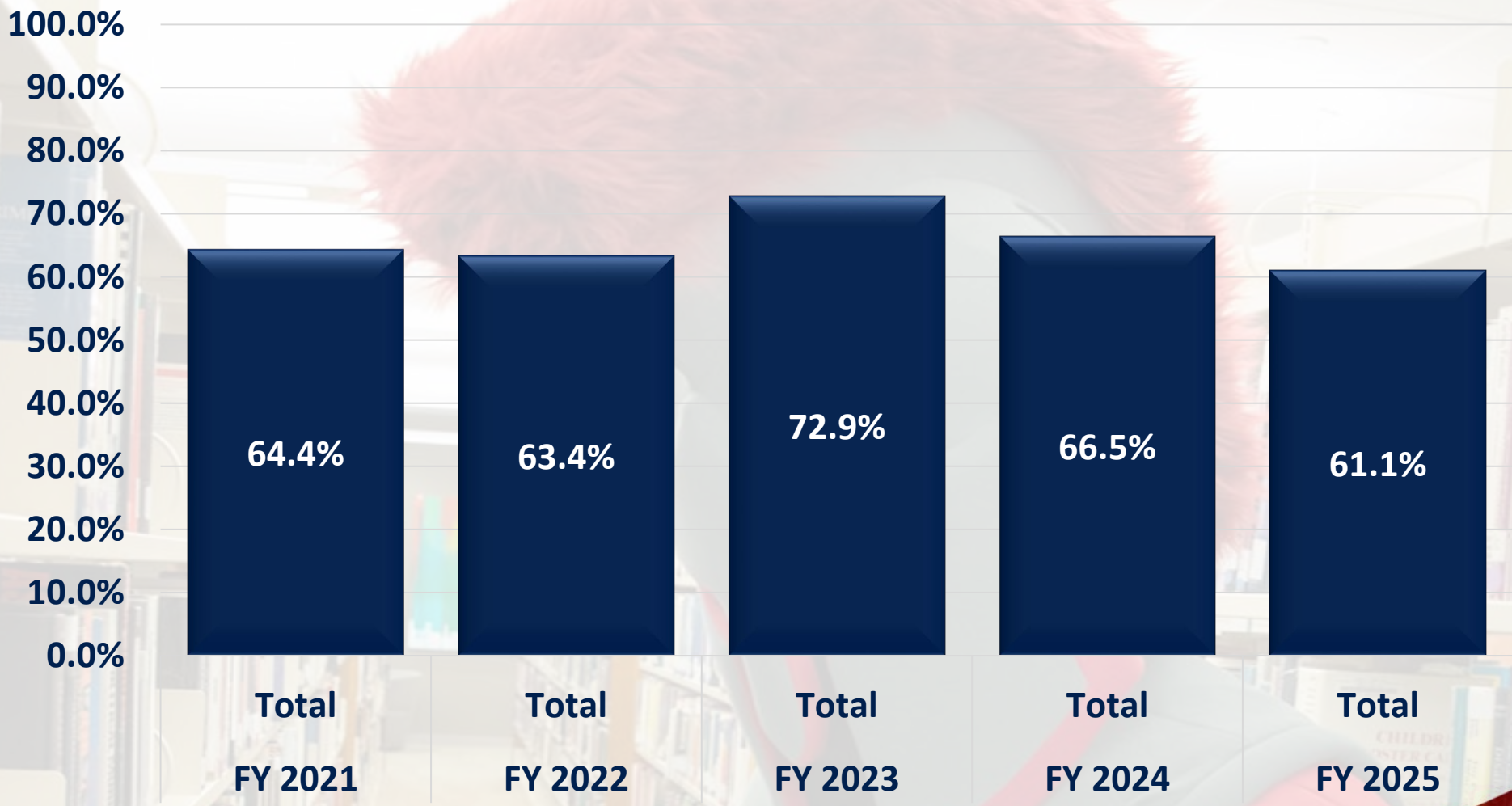
1st Yr Persistence Rate



Source: A&M–Central Texas IDR

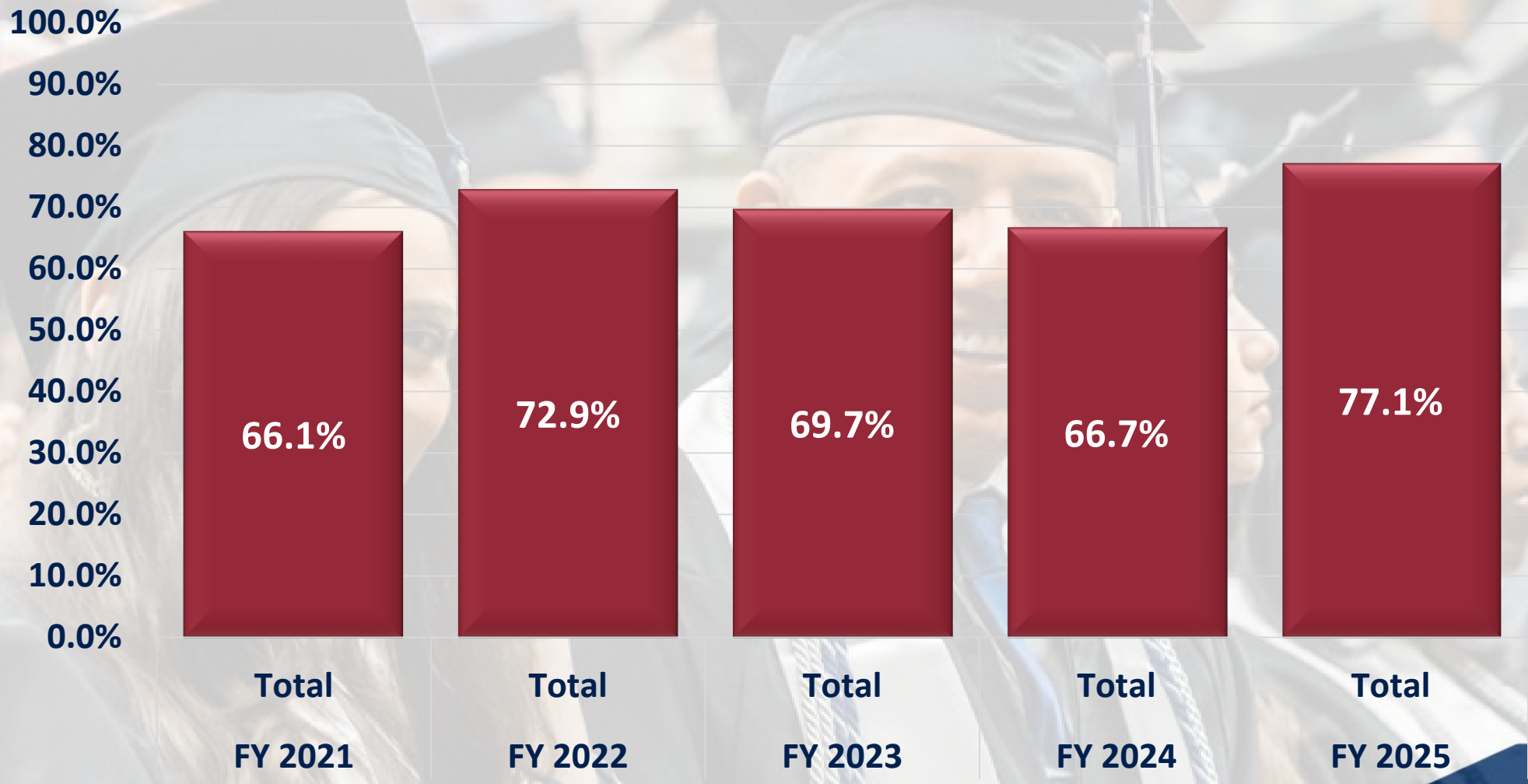
TEXAS A&M UNIVERSITY CENTRAL TEXAS

4-Year Graduation Rate



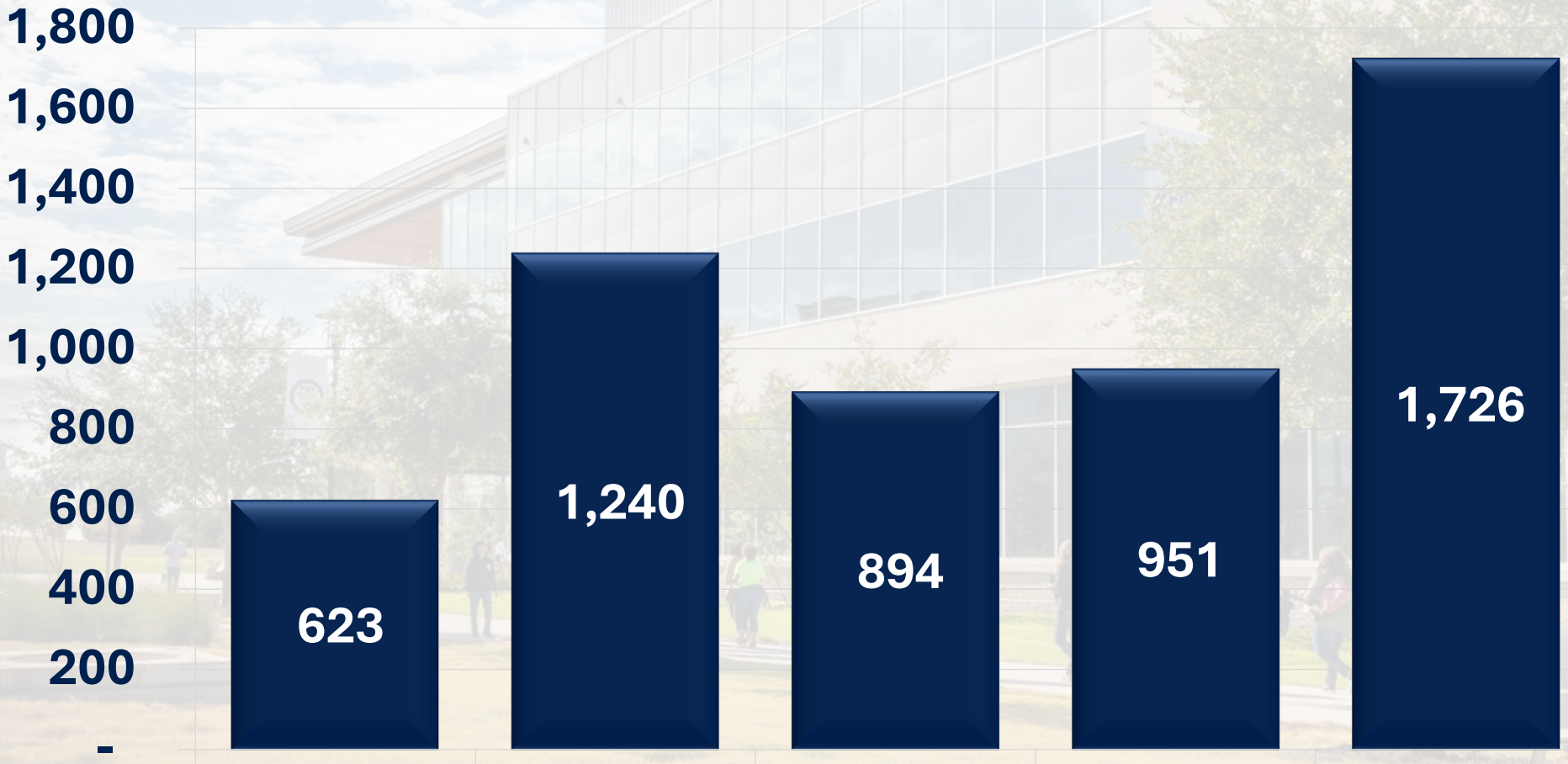
Source: A&M–Central Texas IDR

6-Year Graduation Rate



Source: A&M–Central Texas IDR

Research Expenditures Reported to NSF (in thousands)



TEXAS A&M UNIVERSITY CENTRAL TEXAS™

- East Williamson County higher education funding remains constant due to additional funding in FY24. FY26 plans include the expansion of the Advanced Manufacturing and Semiconductor program.
- Military Talent Pipeline funding supports a new workforce initiative for military personnel and families.

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
Formula Funding	$ 12,818	$ 13,952	$ 1,134
CRU	$ 644	$ 628	$ (16)
CCAP	$ 8,452	$ 8,454	$ 2
HEGI	$ 968	$ 1,101	$ 133
Transfer Central	$ 600	$ 600	$ -
East Williamson County Higher Ed	$ 343	$ 1,243	$ 900
Hazlewood	$ 181	$ 213	$ 32
Subtotal	**$ 24,006**	**$ 26,191**	**$ 2,185**
Exceptional Items			
Military Talent Pipeline (HB500)		$ 2,000	$ 2,000
Subtotal	**$ -**	**$ 2,000**	**$ 2,000**
Estimated State Paid Benefits	**$ 1,872**	**$ 1,713**	**$ (159)**
State Appropriations Total:	**$ 25,878**	**$ 29,904**	**$ 4,026**

Legislative Update

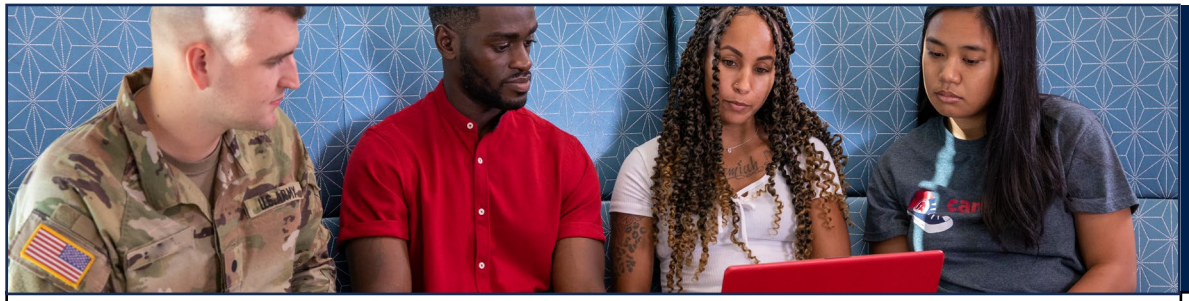
SECTION II.

FINANCIAL



TEXAS A&M
UNIVERSITY
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Tuition and Fee Comparison by College



	ONE-YEAR VARIABLE RATE		GUARANTEED RATE	
	Fall 2024	Fall 2025	Fall 2024	Fall 2025
Undergraduate Resident - All Others	$3,506	$3,516	$3,681	$3,691
College of Business Administration	$3,786	$3,796	$3,951	$3,961
Mechanical Engineering Technology	$3,972	$3,982	$4,137	$4,147

- No proposed student fee referendums being brought to the November 2025 Board meeting

for Resident Undergraduate Students Enrolled in 15 SCH

PROPOSED REVENUE BUDGET

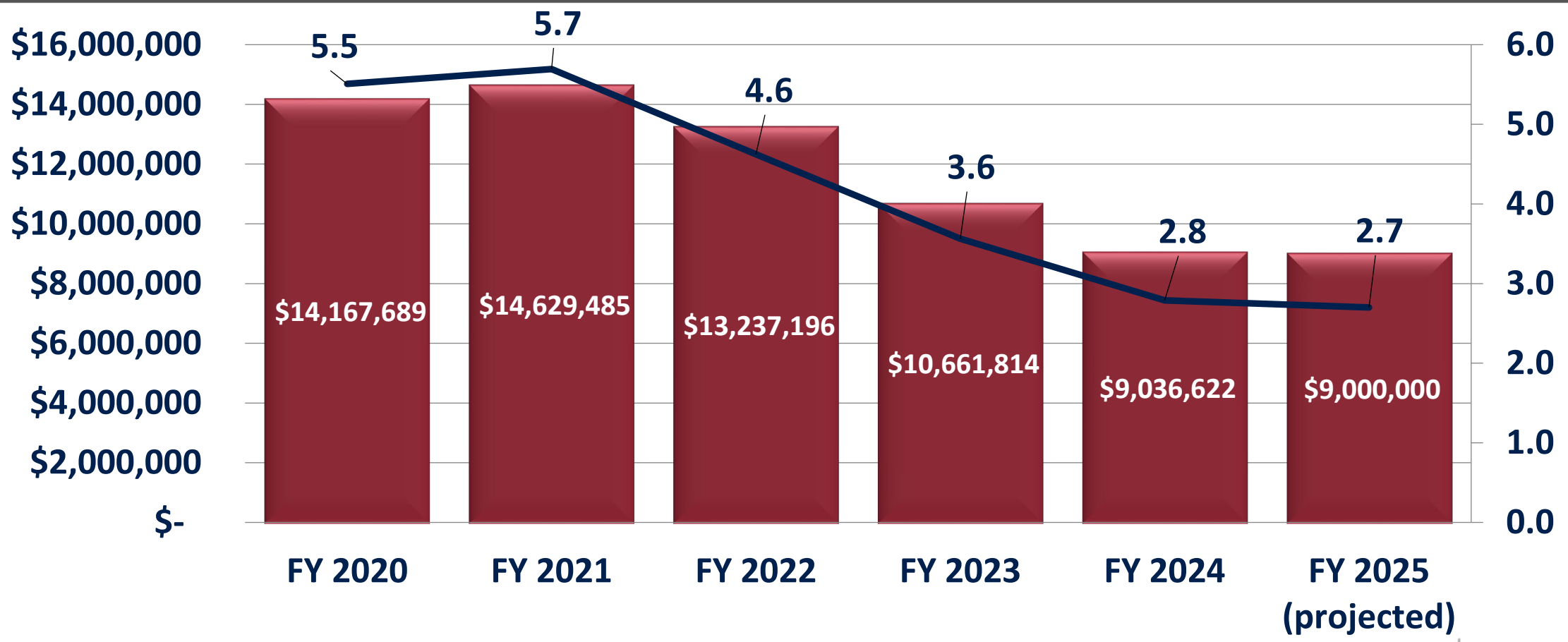
REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 25,878	$ 29,904	$ 4,025	16%
Tuition and Fees	18,227	20,125	$ 1,898	10%
Contracts and Grants	5,438	1,599	$ (3,839)	-71%
Student Financial Assistance	5,530	5,789	$ 259	5%
Gifts	376	380	$ 5	1%
Sales and Services	401	1,432	$ 1,032	257%
Investment Income	460	815	$ 355	77%
Other Income	56	249	$ 193	345%
Discounts	(2,034)	(4,710)	$ (2,677)	132%
TOTAL REVENUES:	**$ 54,331**	**$ 55,583**	**$ 1,252**	**2.3%**

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 54,331**	**$ 55,583**		
Expenses:				
Salaries - Faculty	$ 11,868	$ 12,203	$ 334	3%
Salaries - Non-Faculty	11,903	13,919	$ 2,017	17%
Wages	956	761	$ (195)	-20%
Benefits	5,939	6,523	$ 584	10%
Personnel Costs	**$ 30,666**	**$ 33,405**	**$ 2,740**	**8.9%**
Utilities	475	475	$ -	0%
Scholarships	6,537	8,719	$ 2,182	33%
Discounts	(2,034)	(4,710)	$ (2,677)	132%
Equipment	1,703	60	$ (1,643)	-96%
Operations and Maintenance (Net)	9,377	10,107	$ 730	8%
Debt Service	8,452	8,454	$ 2	0%
TOTAL EXPENDITURES:	**$ 55,177**	**$ 56,510**	**$ 1,333**	**2.4%**
Other Transfers:	2,500	4,500		
CHANGE IN NET POSITION (Rev+Exp+Transfer):	**$ 1,655**	**$ 3,573**		

PROPOSED EXPENSE BUDGET

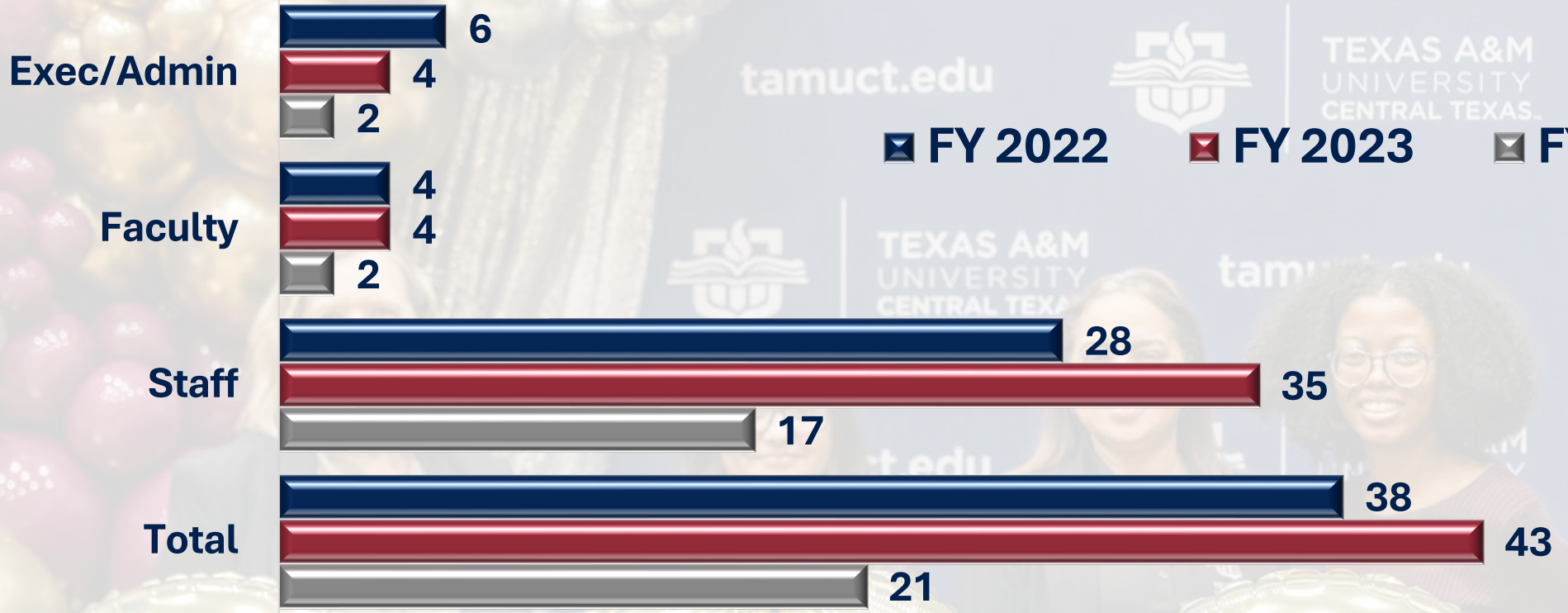
TEXAS A&M UNIVERSITY CENTRAL TEXAS

OPERATING RESERVES & MONTHS OF RESERVES



TEXAS A&M UNIVERSITY CENTRAL TEXAS

EMPLOYEE TURNOVER RATE



	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*6*	*17.6%*	*4*	*4.6%*	*28*	*20.8%*	*38*	*14.9%*
FY 2023	*4*	*9.7%*	*4*	*4.4%*	*35*	*23.4%*	*43*	*15.3%*
FY 2024	*2*	*4.3%*	*2*	*2.2%*	*17*	*11.0%*	*21*	*7.2%*

TEXAS A&M UNIVERSITY CENTRAL TEXAS

FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
Promotions	71,900	-	71,900
Market Adjustments	482,400	540,900	1,023,300
Benefits	*102,600*	*100,100*	*202,700*
Total:	**$ 656,900**	**$ 641,000**	**$ 1,297,900**

EMPLOYEE RETENTION PLAN

SECTION III.

AUXILIARY OPERATIONS



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TEXAS A&M UNIVERSITY CENTRAL TEXAS

PARKING OPERATIONS

Parking *(in thousands)*	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance Amount	Budget Variance %
Revenue					
Parking Permits and Fines	$ 69	$ 70	$ 70	$ -	0.0%
Total Revenues:	**$ 69**	**$ 70**	**$ 70**	**$ -**	**0.0%**
Expenses					
Personnel Costs	$ 48	$ 50	$ 52	$ 2	4.4%
O&M and Equipment	17	20	18	(2)	-10.0%
Total Expenses:	**$ 65**	**$ 70**	**$ 70**	**$ 0**	**0.0%**
Net Income/(Loss)	**$ 4**	**$ -**	**$ (0)**		

TEXAS A&M UNIVERSITY CENTRAL TEXAS

WARRIOR READY TEXTBOOK PROGRAM

Student Textbook Rentals *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Rental of Books	$ -	$ -	$ 1,100	$ 1,100	-
Total Revenues:	**$ -**	**$ -**	**$ 1,100**	**$ 1,100**	**-**
Expenses					
Other Contracted Services	-	-	1,100	1,100	-
Total Expenses:	**$ -**	**$ -**	**$ 1,100**	**$ 1,100**	**-**
Net Income/(Loss)	**$ -**	**$ -**	**$ -**		


We are Warriors
Pride, Courage, and Unwavering Determination
TEXAS A&M UNIVERSITY
CENTRAL TEXAS
2009
WARRIORS



TEXAS A&M UNIVERSITY-CENTRAL TEXAS

PROGRAMMATIC BUDGET REVIEW

July 28-29, 2025

Day Two

TEXAS A&M UNIVERSITY CENTRAL TEXAS™

CAPITAL PLAN

APPROVED: Project Name	Total Planning Amount (In K)	Funding Source: PUF Debt Proceeds	Funding Source: RFS Debt Proceeds	Funding Source: Other	Current Status	Gross Square Footage
Central Operational Reliability and Efficiency (CORE) Facility	$49,900	$4,977	$44,923 (CCAP)		Nearing completion	34,400

PROPOSED: Project Name	Projected FY Start Date for Proposed Project	Total Planning Amount (In K)	Funding Source: PUF Debt Proceeds	Funding Source: RFS Debt Proceeds	Funding Source: Other	Current Status	Gross Square Footage

- Community Safe Room project is pending FEMA funding
- No additional proposed capital projects at this time
- Finalizing Student Housing Phase 1 programming as a priority for 25-26 approval

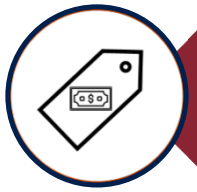
A&M–Central Texas Key Statistics



Total GSF: 307K | E&G (307K) | Aux: N/A



Construction Age: 8.8 | E&G: 8.8 | Aux: N/A



10 Year Needs ($ Millions):

Total Campus: $11.7 | E&G: $11.7 | Aux: N/A

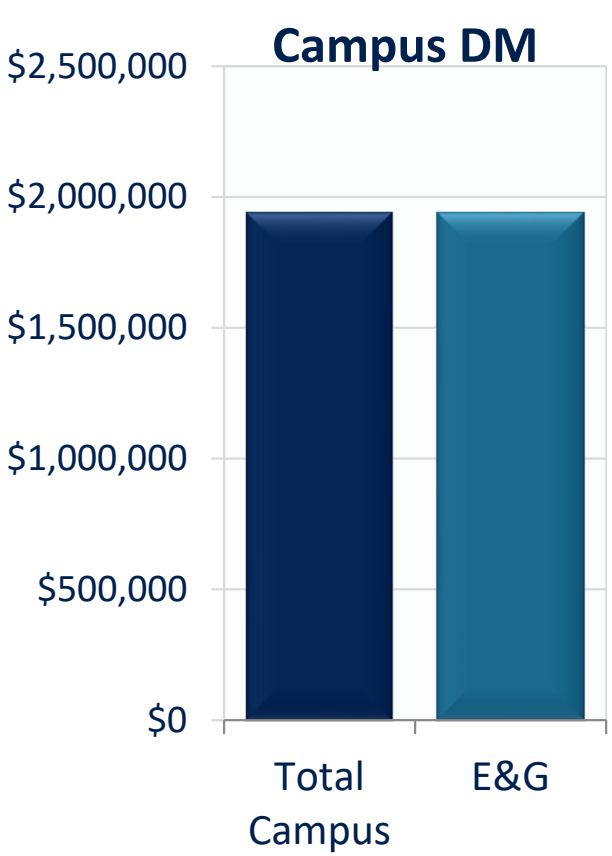


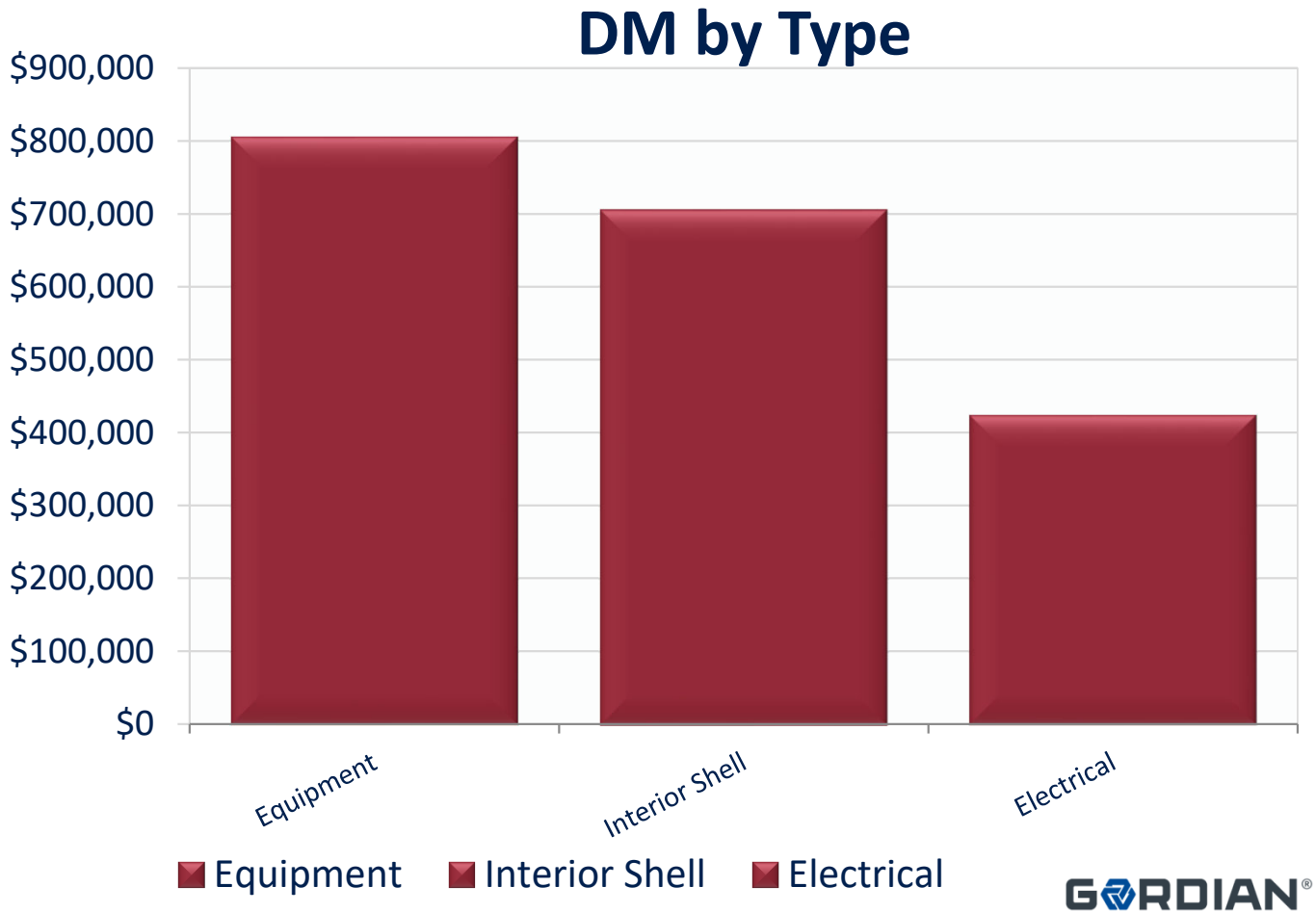
Deferred Maintenance ($ Millions):

Total Campus: $1.9 | E&G: $1.9 | Aux: N/A

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FY24 Deferred Maintenance at A&M–Central Texas





A&M–Central Texas Observations

Current State

Texas A&M University–Central Texas is a young campus with the utilities infrastructure in place to expand quickly and efficiently.

- The average building age is nine years old.
- The upcoming CORE building (central plant and UPD operations) will provide the utilities infrastructure needed for cost effective and efficient expansion as the campus grows. In addition, the facility provides much needed space for public safety, maintenance, information technology and emergency operations needs.
- Overall deferred maintenance has been kept low through a preventive maintenance program and system replacements as needed.

Future Focus

- Continued investment in preventive maintenance to protect asset health.
- Retire end of life systems from deferred maintenance inventory (e.g. air-cooled chillers) with more cost-effective systems in the central plant going forward.

Key Considerations

- Campus growth will be addressed using centralized utilities to efficiently use available capital funding.
- Planned deferred maintenance expenses will be allocated in annual PUF Equipment budgets to ensure funds are available to cover the facilities maintenance plan and keep deferred maintenance backlog minimal.

Facility Condition Index

$$FCI = \frac{\text{Sum of Deferred Needs}}{\text{Current Replacement Value}}$$

Capital Upkeep Stage:
Primarily new or recently renovated buildings w/ sporadic building repair & life cycle needs; "You pick the projects"
(0% - 5%)

Repair and Maintain Stage:
Buildings are beginning to show their age and may require more significant investment on a case-by-case basis
(5% - 10%)

Systemic Renovation Stage:
Buildings may require more significant repairs ; large-scale capital infusions/ renovations are inevitable
(10% - 30%)

Gut Renovation/ Replacement Stage:
Major buildings components are in jeopardy of complete failure. Reliability issues are widespread throughout the building.
(Over 30%)

0% - 5%	5% - 10%	10% - 30%	> 30%
Capital Upkeep	*Repair & Maintain*	*Systemic Renovation*	*Renovation/Replacement*

*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

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A&M–Central Texas Facility Condition Index (FCI) Trend



	FY21	FY22	FY23	FY24
E&G DM	$1,500,000.00	$933,000.00	$3,115,700.99	$1,941,342.61
E&G FCI	1.6%	0.9%	2.7%	1.6%

0% - 5% *Capital Upkeep*

5% - 10% *Repair & Maintain*

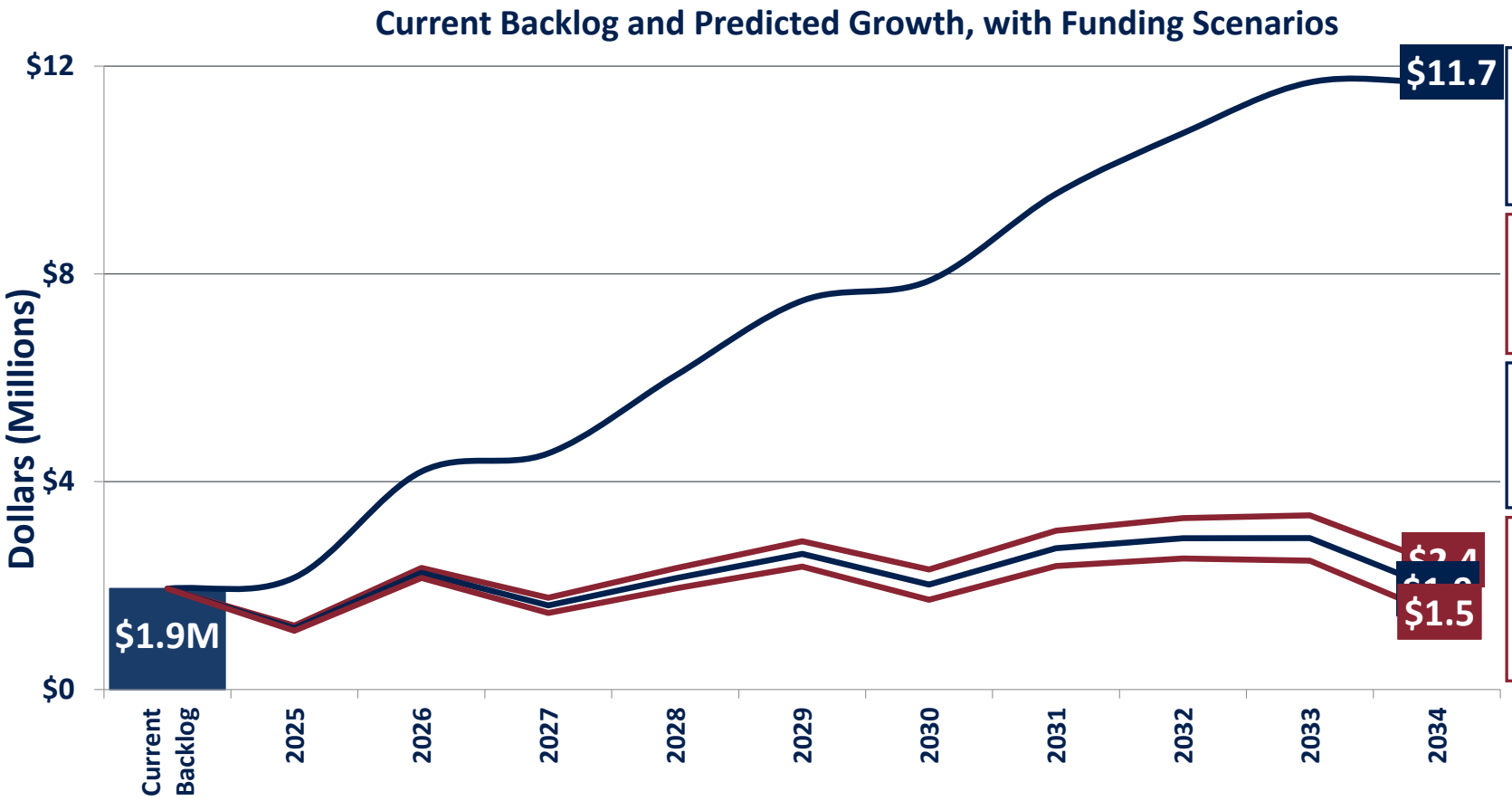
10% - 30% *Systemic Renovation*

> 30% *Renovation/Replacement*

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*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

A&M–Central Texas Deferred Maintenance Impact



Zero Funding Scenario:
Making no capital investment into existing space.

Funding Scenario 1:
25% DM Growth
Annual Funding: $926K

Funding Scenario 2:
Keep DM at current level
Annual Funding: $974K

Funding Scenario 3:
Reduce DM by 25%
Annual Funding: $1.0M

All scenarios modeled in FY24 dollars

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A&M–Central Texas Divestment Opportunities

No divestment needs at A&M–Central Texas currently due to campus age

BUDGET NARRATIVE

Introduction:

Effective September 1, 2025, Texas A&M University-Victoria will become the newest member of the Texas A&M University System. Founded in 1973 as part of the University of Houston System, A&M-Victoria was transferred to the Texas A&M System this year during the 89th Texas Legislative Session. The University is designated as a Hispanic-Serving Institution, located in the Coastal Bend region of Texas, and offers bachelor's and master's degrees, available online and on campus. A&M-Victoria enrolled its first freshmen and sophomores in Fall 2010 and has continued to expand its presence in Victoria while maintaining a strong commitment to online education. Fall 2024 the University enrolled 3,586 students, and serves the educational needs of the region, promotes economic well-being, and advances the quality of life for the community and surrounding areas through excellence in teaching, research, and service.

Budget Context:

- Over the past five years (FY 2021-2025) enrollment has declined, and flat tuition and fee rates have resulted in lower revenue than in prior fiscal years. In anticipation of continued revenue loss, tuition and fee revenue for FY 2026 is budgeted at 2% less than the projected amount for FY 2025. The FY 2026 budget is planned to balance rising costs and decreasing revenues, while prioritizing the needs of our students, faculty, and campus community.
- FY 2026 marks the first year of the Legislative Appropriation for the 2026-2027 biennium. For this biennium, the legislature allocated an increase in base formula funding for universities across Texas. The increase comes with the condition that undergraduate tuition cannot be raised.
- Although UHV was unsuccessful in securing funding for the special item request for Sustainability Funding for the 2026-2027 biennium, tuition and fees remain among the lowest in the state for our students.

- Prior to the pandemic, UHV's strengths lay in online academic programs, reaching an enrollment peak in Fall 2020. However, in Fall 2021, this advantage diminished significantly as other institutions expanded and strengthened their online offerings. Students now have more choices for online education from institutions previously less accessible.
- Federal relief funds and reduced expenses initially helped mitigate the financial impact of the pandemic. However, longer-term challenges such as rapid inflation, a highly competitive job market drawing skilled employees away, and continued lagging enrollment are creating significant financial pressures for the university.
- UHV has received significant funding for campus expansion, totaling over $249 million in state appropriations in 2016 and in 2022 for Capital Construction Assistance Projects (CCAP), formerly named Tuition Revenue Bonds (TRBs).
- New buildings have been brought online for classrooms funded by state appropriated bonds, in addition to residential housing and student services facilities funded through other debt. Nine of the university's fifteen buildings have been constructed since 2000, with the newest building completed in FY 2025. Unanticipated enrollment declines and corresponding decreases in tuition, fees, and auxiliary revenues have created significant challenges for financial sustainability.
- Expense reduction measures were first implemented in April 2020. Recent measures, which will continue into FY 2027, are outlined below:
    - FY 2024: May 2024 $3.7 million in immediate mid-year reductions, including a reduction in force of 24 staff members and additional maintenance and operations (M&O) reductions.
    - FY 2025: $5.8 million reductions, including permanently closing 59 vacant staff positions and 11 faculty positions; reductions of departmental operating budgets, and freezes on non-mission critical travel and hiring. Additional anticipated retirements/resignations of 10 faculty and staff, as well as reductions in M&O across the university.
    - FY 2026: $1.5 million reductions, including $309,000 (2%) in M&O cuts across the university and the elimination of 12 faculty positions, totaling $1.16 million (including benefits).
    - FY 2027 reduction in additional faculty totaling an anticipated $820,000 (including benefits).

Revenues:

Total Revenue is budgeted at $81.2 million.
The FY 2025 Budget has not been included because revenues and expenses were mapped differently under prior University of Houston System budget guidelines and definitions.

- **State Appropriations** reflect a decrease of $285,000 (-1%).
  - Instruction and Operations Formula funding decreased $412,000, following declines in enrollment.
  - Non-formula appropriations decreased $530,900, driven by a reduction of $530,000 in the Aviation special item, which will increase in FY 2027 and maintains level funding for the biennium.
  - The State Allocation for Staff Benefits increased by $609,500 (9.95%).
- **Higher Education Funds (HEF)** increased in the annual base appropriation by $2.38 million (65%), rising from $3.65 million to $6.03 million per year.
- **Tuition and Fees** are budgeted conservatively at $35,448,968, anticipating a continued 2% decrease in enrollment. After five years (FY 2021-2025) of declining enrollments, flat tuition and fee rates will continue to yield less revenue than in prior fiscal years. FY 2026 enrollment will also be impacted by the closure of the Katy teaching site in the Houston metroplex, requiring ongoing monitoring and potential adjustments.
- **Contracts and Grants** are budgeted at $1,739,862.
- **Student Financial Assistance** is budgeted at $12,470,045, using estimates that are more consistent with TAMUS definitions.
- **Sales and Services** are forecasted at $4,408,918, which reflects the anticipated enrollment decrease.
- **Discounts** are budgeted at $8,008,756 based on estimates that are more closely aligned with TAMUS definitions.

Expenses:

Total Expenses are budgeted at $80.9 million:

- **Personnel Costs** are budgeted at $34,394,693. A decrease from FY 2025 due to ongoing faculty reductions as approved by the UHS Board of Regents. However, benefits will increase slightly at $9,086,890 despite lower salaries, due to higher employer-paid health benefits cost associated with transitioning from ERS State Health Insurance to the TAMUS self-funded health insurance program.
- **Utilities** are budgeted at $1,288,474. An increase from FY 2025 due to estimates that align more closely with FY 2025 actuals and the addition of 38,864 square feet with the opening of the new Health and Wellness Building.
- **Scholarships** are budgeted at $24,666,795 based on estimates more consistent with FY 2025 actuals and differences from prior UH System budget guidelines and definitions.
- **Discounts** are budgeted at $8,008,756 based on estimates that are more closely aligned with TAMUS definitions.
- **Equipment** is budgeted at $1,557,035, reflecting an increase due to the availability of additional HEF funds.
- **Operations and Maintenance** are budgeted conservatively at $14,024,358, reflecting ongoing reductions in response to the anticipated decline in tuition and fee revenue.
- **Debt Service Expense** is budgeted at $12,993,816, reflecting an increase due to the completion of the new Health & Wellness Building.

Reserves:

- The FY 2024 reserve balance was $7.7 million, representing 1.3 months of operating expenses.
- The projected FY 2025 reserve balance is $8 million (1.5 months), reflecting ongoing expense reduction measures.
- The projected FY 2026 reserve balance is $10 million (1.8 months), based on planned spending levels.
- The FY 2027 reserve balance is conservatively expected to remain unchanged at $10 million (1.8 months).

Capital Plan:

- A review of the Master Plan is needed to incorporate new priorities for agriculture and engineering academic programs.
- In March 2024, construction projects not contractually obligated were paused to conserve operational resources, including those funded by HEF or CCAP.
- Projects that were paused, but with completed architectural designs, include:
    - University North 2nd and 3rd floor buildout $9.75 mil
    - Northwest Phase 2 – Administrative Offices $5.90 mil
    - Totah Parking Lot – Smith Hall Entrance $2.00 mil
    - University Center 1st Floor One Stop Shop $3.65 mil
    - Facilities Storage $1.85 mil

Texas A&M - Victoria



FY 2026 Proposed Operating Budget

Programmatic Budget Review

July 28, 2025

Texas A&M System Board of Regents

Joint Meeting of The Committee on Finance and

The Committee on Buildings and Physical Plant

Texas A&M University-Victoria

The newest addition to the Texas A&M University System

September 1st, 2025

- A&M-Victoria was founded in 1973 as part of the University of Houston System and was transferred to the Texas A&M System this year during the 89th Texas Legislative Session.
- The University is a Hispanic-Serving Institution located in the Coastal Bend region of Texas and offers bachelor's and master's degrees online and on campus.
- The University enrolled its first freshmen and sophomores in fall 2010 and has continued to grow its presence in Victoria while maintaining its commitment to online delivery.
- A&M-Victoria currently enrolls 3,586 students and serves educational needs, promotes economic well-being, and advances the community and region's quality of life through teaching, research, and service excellence.

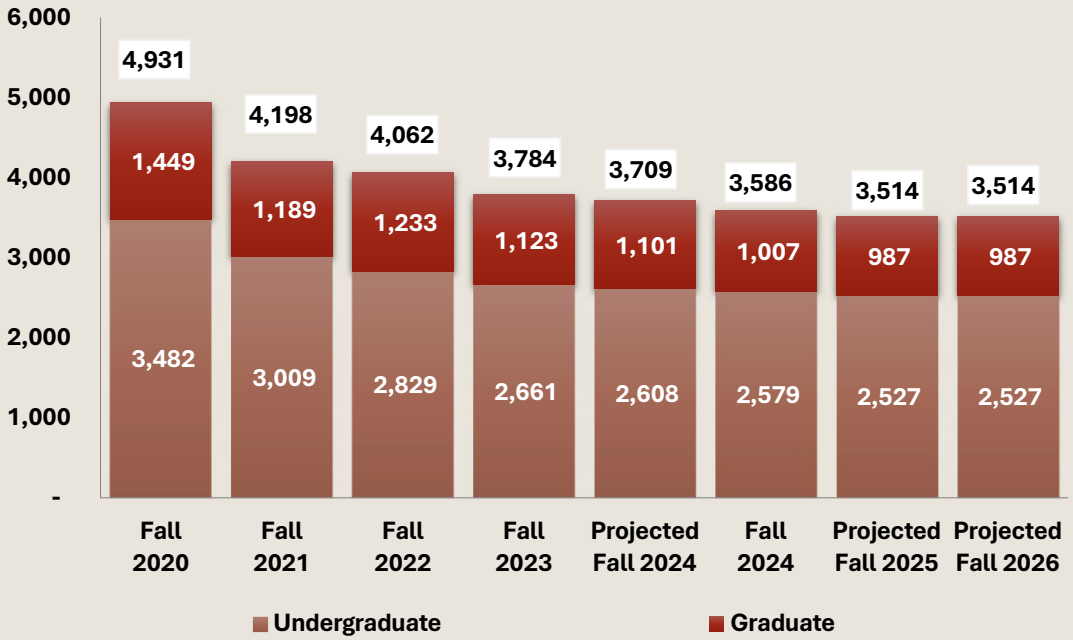
Section I

Academic Measurements

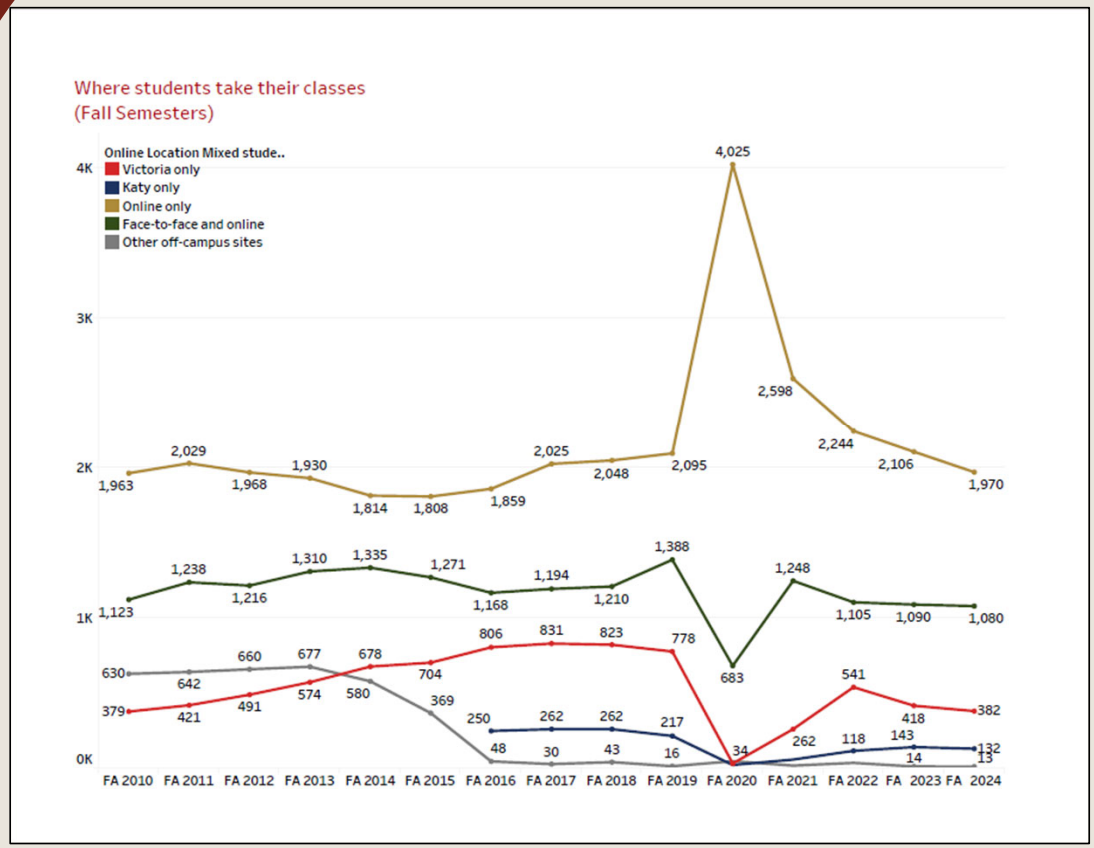
Overview

Texas A&M University-Victoria

Enrollment - Headcount



Enrollment for FY 2026 is budgeted to decrease 2% and projected to level out in FY 2027. With five years (FY 2021-2025) of declining enrollments, additional impacts are anticipated from the closure of the Katy teaching site in the Houston metroplex



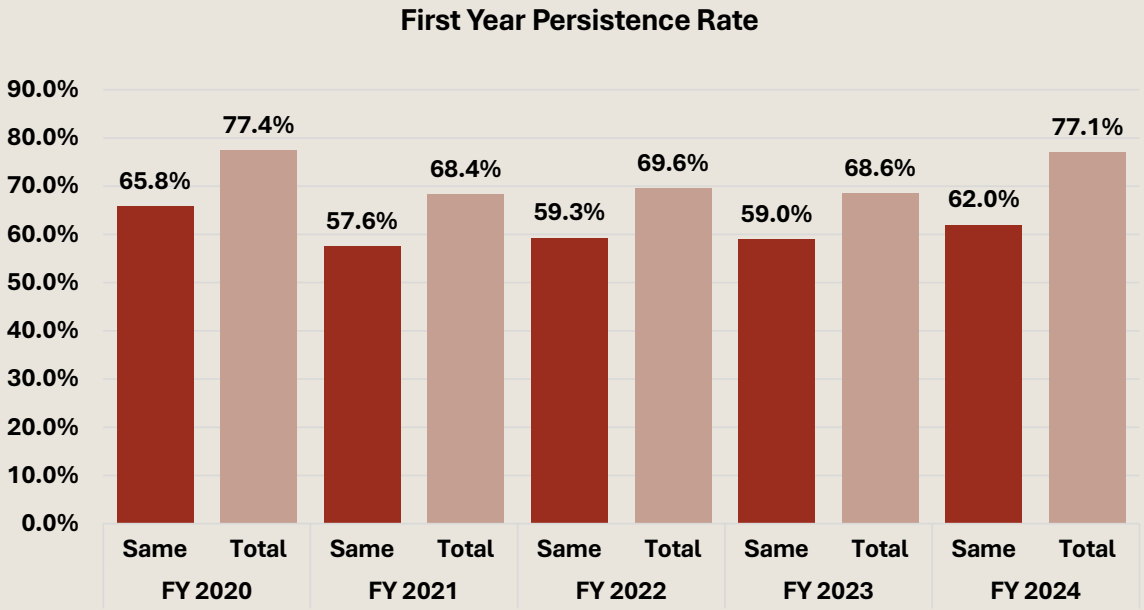
- FY 2026 enrollment will also be impacted by the closure of the Katy teaching site in the Houston metroplex and require additional monitoring and possible adjustments.
- If a student's studies are not complete by Summer 2025, students can continue through UHV online or in person on the Victoria campus.
- If studies are not complete by taking in-person instruction on the Katy campus Summer 2025, students can continue through courses that will be taught under a teach-out agreement with a UH-System institution.

UHV-Katy Enrollment

FY 2024 (Fall 2023, Spring 2024, Summer 2024) - UHV-Katy							
Semester Credit Hours	Face to Face	Online	F2F AND Online		Katy Total SCH	UHV Total SCH	Katy % of Total
Lower Division	54	2,932	495		3,481	21,567	16.1%
Upper Division	842	14,914	4,828		20,584	42,321	48.6%
Graduate	195	5,729	3,685		9,609	17,561	54.7%
	1,091	23,575	9,008		33,674	81,449	41.3%

This data is NOT reported externally to THECB. Queries are based on SCH of students with the Katy area as a primary address & excludes any students taking classes in Victoria or in Nursing. The query date of 10/2/24 is from a data set that is "live", a subsequent query may produce different results.

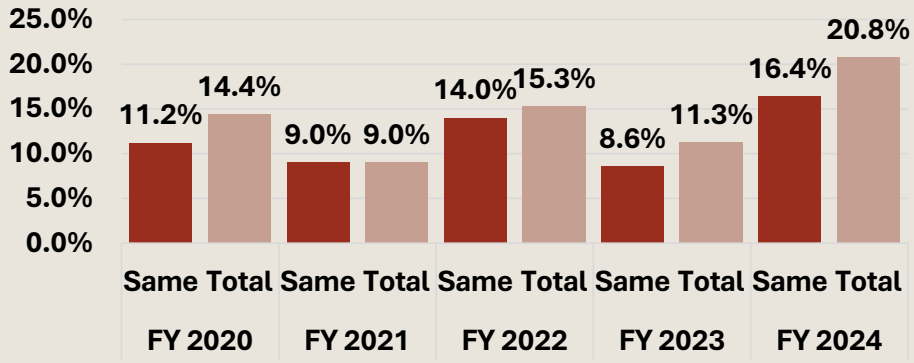
First Year Persistence Rate



Source: THECB Accountability System, Interactive, Persistence Rates

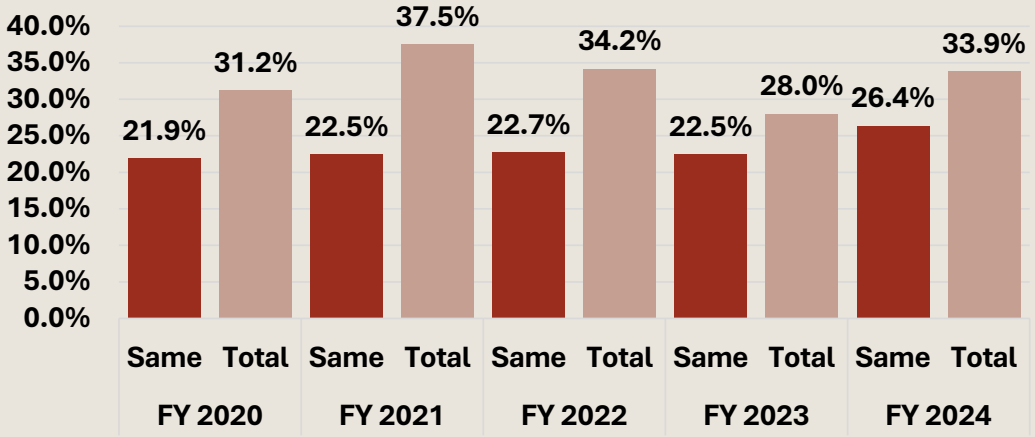
- Persistence rates, the percentage of first-time, degree seeking students who return for their second year at any institution, are below the state-wide rates.
- 2024 state-wide one-year rates were 79.2% for same and 86.1% total.
- TAMUV/UHV Undergraduate enrollment for FY 2024 was 45% Hispanic. 55% of students are part-time, and 44% of students receive Pell Grants.
- Part-time students face significantly lower persistence rates than full-time students. Socioeconomic background also influences persistence.
- Efforts to improve persistence rates include the Summer Bridge program, for first-time college students who are TSI incomplete an opportunity to take six credit hours at no expense during the summer to become better prepared for fall classes; specific academic advising for students under 45 hours; peer tutoring and tutoring resources; supplemental instruction; writing assistance; peer mentoring; and workshops to enhance student skills.

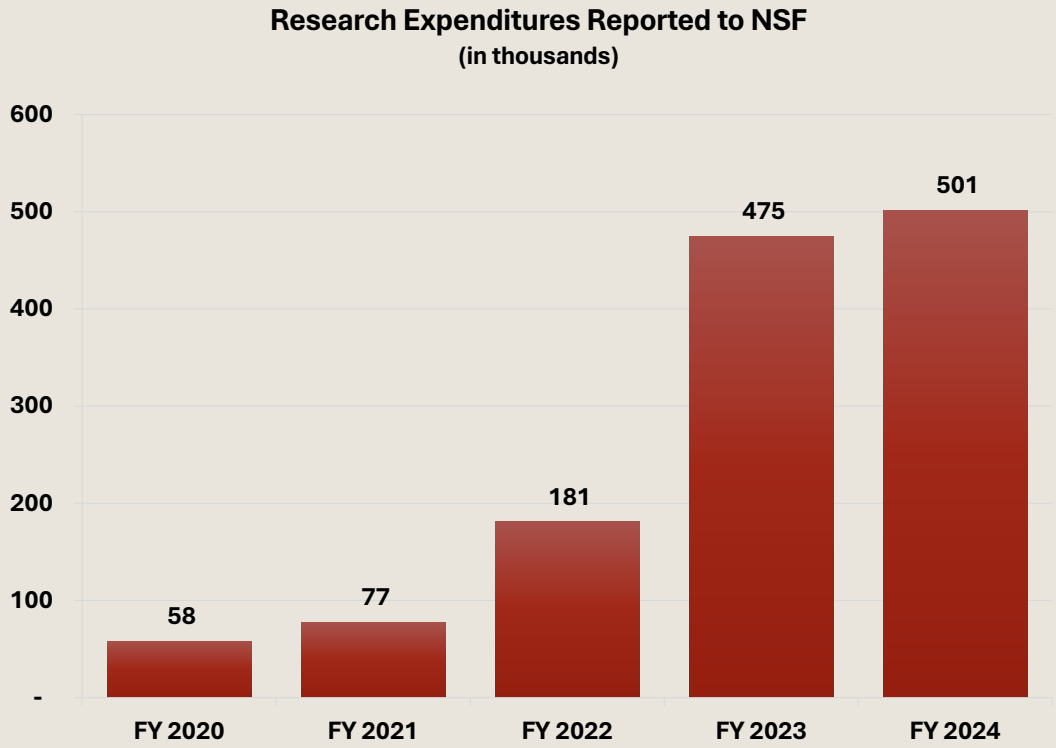
4-Year Graduation Rate



- Average time to bachelor's degree is 5.7 years compared to 4.5 years statewide.
- 71.9% bachelor's degrees were awarded to at-risk students, compared to 60.6% statewide.

6-Year Graduation Rate





Additional research expenditures in FY 2023 and FY 2024 were primarily related to subawards from the Department of Energy for faculty in the MS Data Science Program & Applied AI Research Lab.

Section II

Financial Measurements

Overview

Texas A&M University-Victoria

Legislative Impact

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)		Variance ($ in K)
State Appropriations				
I&O Formula	$13,639	$13,227	1	$(412)
Infrastructure	$2,962	$2,964		$2
Non-Formula	$5,700	$5,169	2	$(531)
Research	$16	$63		$47
Subtotal	**$22,317**	**$21,423**	3	**$(894)**
Estimated State Paid Benefits	**$6,331**	**$6,940**		**$610**
State Appropriations Total:	**$28,648**	**$28,363**		**$(285)**
HEF	**$3,650**	**$6,030**		**$2,381**

[1] Formula funding decrease due to decrease in enrollment

[2] Aviation special item change from FY25 to FY26 of $530,000, which increases again in FY27 This line has level funding for the biennium

[3] Variance net of Aviation is $(364.29)

HEF Budget Summary

Department	Description	Beginning Fund Balance 9/1/2024	FY 2025	FY 2026	Comments
TOTAL AVAILABLE		**$ 2,590,487**	**$ 3,649,703**	**$ 6,030,405**	2.38 mil.increase at 10-year adjustment for FY 2026
DEBT SERVICE					
South (STEM)			**791,875**	**790,125**	**No more than 50% of HEF may be used for Debt Service FY 2026 Allocation 34.5% FY 2025 31.6% Housing - JAG Court (E&G Storage, JAG Hall (E&G Storage), and Smith Hall (swing space for upcoming renovations).**
JAG Court				**131,658**	
JAG Hall				**790,662**	
Smith Hall			**361,985**	**365,709**	
Subtotal Debt Service			**$ 1,153,860**	**$ 2,078,154**	
Provost	Academic Equipment and Software	**$ 2,700**	**$ 199,638**	**$ 439,306**	Moved $143K for Navigate student success software from operating funds source
Library	Annual subscriptions to software, research databases, print and electronic journals, print and electronic books	**152,374**	**628,644**	**600,000**	
Information Technology	Instructional and instituional technology computer replacement, classroom technology, software contracts, and network infrastructure	**610,624**	**787,600**	**1,261,070**	FY 2025 budget reduced with sufficient carryforwards fund balance
Facilities Services	Varous Campus-wide use equipment and Maintenance	**1,696,578**	**103,833**	**119,352**	
Marketing and Communications	Equipment and software for campus-wide use		**133,734**	**24,434**	
Student Affairs and Enrollment Management	Equipment and software for student affairs and enrollment manacement		**302,776**	**203,504**	
System Assessments	Software		**234,539**	**279,272**	
CONTINGENCY		**128,212**	**105,079**	**1,005,571**	
		$ 2,590,487	**$ 3,649,703**	**$ 6,030,405**	

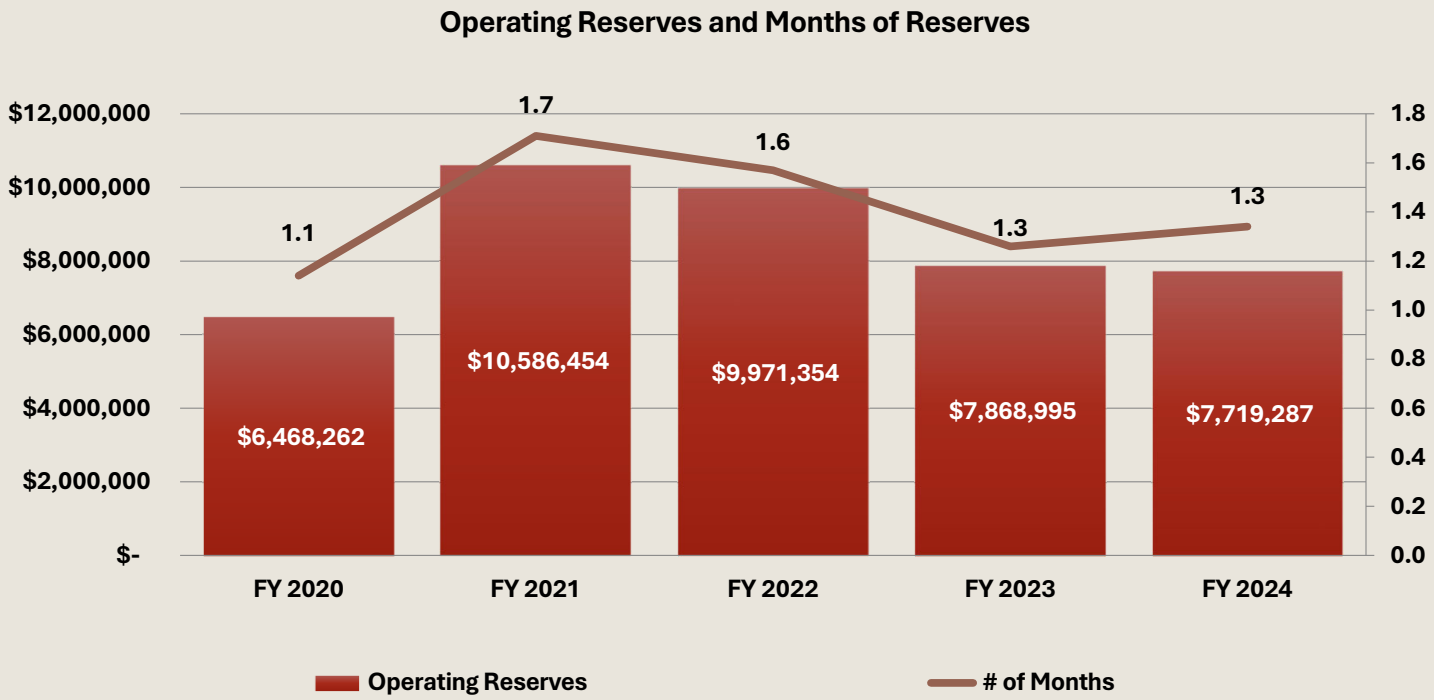
Tuition and Fees

Texas A&M Victoria will be reviewing student fees as a new component of the TAMU System, including:

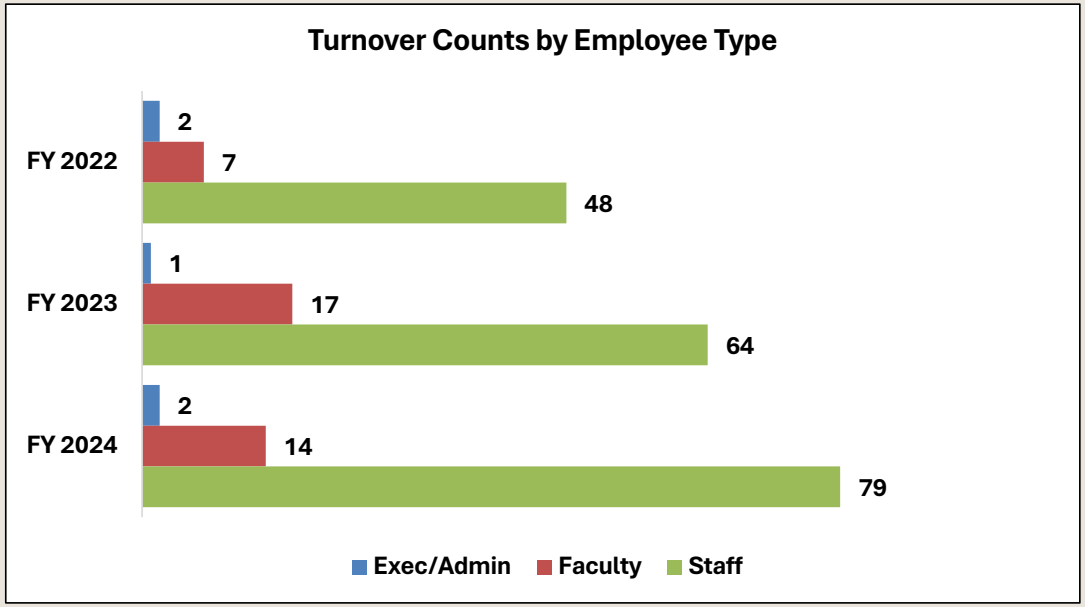
- Student service fee which was approved by the UH System Regents currently at $56.24 per semester credit hour / maximum $337.44 per semester. Texas Education Code Sec. 54.503 (b) limits this fee to $250 except for the UT Austin or components of the UH System.
- Health & Wellness Center Fee increase to support building operations of the newly opened Health & Wellness Center. The maximum fee is $150, and the current fee rate is $125. The requested increase will be to $137.37 for Fall and Spring semesters. A 9% increase.

REVENUES *(in thousands)*	FY 2026 Proposed
State Appropriations	$28,363
Higher Education Fund	6,030
Tuition and Fees	35,449
Contracts and Grants	1,740
Student Financial Assistance	12,470
Sales and Services	4,409
Investment Income	773
Discounts	(8,009)
TOTAL REVENUES:	**$81,226**

EXPENSES *(in thousands)*	FY 2026 Proposed
TOTAL REVENUES:	**$81,226**
Expenses:	
Salaries - Faculty	$11,789
Salaries - Non-Faculty	13,200
Wages	319
Benefits	9,087
Personnel Costs	$34,395
Utilities	1,288
Scholarships	24,667
Discounts	(8,009)
Equipment	1,557
Operations and Maintenance (Net)	14,024
Debt Service	12,994
TOTAL EXPENDITURES:	**$80,916**
Other Transfers:	(768)
CHANGE IN NET POSITION (Rev+Exp+Transfer):	**$(458)**


Operating Reserves and Months of Reserves
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
1.8
1.6
1.4
1.2
1.0
0.8
0.6
0.4
0.2
0.0
1.1
1.7
1.6
1.3
1.3
$6,468,262
$10,586,454
$9,971,354
$7,868,995
$7,719,287
FY 2020
FY 2021
FY 2022
FY 2023
FY 2024
Operating Reserves
# of Months

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*2*	*15.4%*	*7*	*5.3%*	*48*	*17.0%*	*57*	*13.4%*
FY 2023	*1*	*7.7%*	*17*	*14.0%*	*64*	*22.9%*	*82*	*19.8%*
FY 2024	*2*	*15.4%*	*14*	*12.3%*	*79*	*33.9%*	*95*	*26.4%*



- Historical data is not available in TAMUS Data (MicroStrategy System Management Turnover)
- Source: Texas State Auditor's Office http://www.hr.sao.texas.gov/WorkforceAnalysis/Summaries
- A reduction in force of 24 full-time and part-time staff is reflected in Staff Separations - FY2024 Involuntary Separations

FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
2% Performance Based Pool*	191,300	257,600	448,900
Promotions	119,000	-	119,000
Benefits	*57,400*	*47,700*	*105,100*
Total:	**$367,700**	**$305,300**	**$673,000**

*Contingent on enrollment or funding. Faculty promotions are reflected in the FY 2026 Budget.

The 2% Performance Based Pool is **NOT** reflected in the FY2026 Budget.

UHV has not awarded a merit increase to its employees since FY 2020. FY 2022 a multiyear parity pool was begun but discontinued in FY 2023 due to COVID and declining enrollment. Noted in the Legislative Appropriations Request: $4.8 million per year is needed to provide compensation which is competitive, with staff comprising $3.0 million and faculty $1.8 million.

Section III

Auxiliary Operations

Fall 2022			
	Occupancy	Capacity	% full
Jag Hall	89	252	35%
Suites	112	222	50%
Court	105	170	62%
Smith	62	278	22%
TOTAL	**368**	**922**	**40%**

Fall 2023			
	Occupancy	Capacity	% full
Jag Hall	141	197	72%
Suites	160	221	72%
Smith	74	274	27%
TOTAL	**375**	**692**	**54%**

Fall 2024			
	Occupancy	Capacity	% full
Jag Hall	110	129	85%
Suites	168	221	76%
Smith	87	278	31%
TOTAL	**365**	**628**	**58%**

Resident Life *(in thousands)*	**Actuals**	**Budget**		**Budget Variance**	
	FY 2024	**FY 2025**	**FY 2026**	**Amount**	**%**
Revenue					
Sales and Services	$2,620	$3,548	$2,620	$(928)	-26%
Fees	$0	$0	$0	$0	0%
Other	$0	$0	$0	$0	0%
Total Revenues:	**$2,620**	**$3,548**	**$2,620**	**$(928)**	**-26%**
Expenses					
Personnel Costs:	$579	$465	$514	$49	11%
Utilities	$300	$360	$497	$137	38%
O&M and Equipment	$914	$873	$873	$0	0%
Other	$0	$0	$0	$0	0%
Debt Service (includes RFS Transfer)	$2,191	$2,185	$1,284	$(901)	-41%
Total Expenses:	**$3,984**	**$3,883**	**$3,169**	**$(715)**	**-18%**
Transfers					
From Designated Tuition and Fees	$0	$0	$0		
To Plant for Deferred Maintenance	$0	$0	$0		
Total Transfers:	**$0**	**$0**	**$0**		
Net Income/(Loss)	**$(1,363)**	**$(335)**	**$(549)**		

- **FY 2025 Housing Opening Deficit Fund Balance $13.15 million at 9/1/2024.**
- Use of Fund Balance for auxiliaries has decreased for the FY 2026 Budget due to rebalancing vacant housing space to E&G use for storage and future temporary "swing spaces", utilizing HEF funding for debt service, while maintaining rooms in Smith to be brought back online as enrollments increase.
- **FY 2025 Additional Auxiliary Opening Deficit Fund Balances at 9/1/2024:**
  - **Dining Services $2.48 million**
  - **Commons/ Student Center $1.85 million.**

National Association of Intercollegiate Athletics (NAIA) - Red River Athletic Conference

Men and women's golf, men and women's soccer, baseball, and softball

Athletics *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					**0%**
Sales and Services	$183	$0	$0	$0	0%
Fees	$0	$0	$0	$0	0%
Other	$0	$0	$0	$0	0%
Total Revenues:	**$183**	**$0**	**$0**	**$0**	**0%**
Expenses					
Personnel Costs:	$941	$816	$869	$52	6%
O&M and Travel	$769	$447	$426	$(22)	-5%
Other	$0	$0	$0	$0	0%
Insurance Premium	$59	$31	$78	$47	153%
Total Expenses:	**$1,769**	**$1,295**	**$1,372**	**$78**	**6%**
Net Income/(Loss)	**$(1,586)**	**$(1,295)**	**$(1,372)**		

Funding sources FY 2025

- Student Designated Tuition $1,220,664
- Student Service Fees $69,872
- Other Fees $4,020

Texas A&M - Victoria



FY 2026 Proposed Operating Budget

Programmatic Budget Review

July 28, 2025

Texas A&M System Board of Regents

Joint Meeting of The Committee on Finance and

The Committee on Buildings and Physical Plant

Texas A&M - Victoria



FY 2026 Capital Plan & Deferred Maintenance

July 29, 2025

Texas A&M System Board of Regents

Joint Meeting of The Committee on Finance and

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Texas A&M University-Victoria

The newest addition to the Texas A&M University System

September 1st, 2025

- A&M-Victoria was founded in 1973 as part of the University of Houston System and was transferred to the Texas A&M System this year during the 89th Texas Legislative Session.
- The University is a Hispanic-Serving Institution located in the Coastal Bend region of Texas and offers bachelor's and master's degrees online and on campus.
- The University enrolled its first freshmen and sophomores in fall 2010 and has continued to grow its presence in Victoria while maintaining its commitment to online delivery.
- A&M-Victoria currently enrolls 3,586 students and serves educational needs, promotes economic well-being, and advances the community and region's quality of life through teaching, research, and service excellence.

Ben Wilson Street – Completed Spring 2024



Texas A&M University-Victoria

Detail of Campus Buildings and Property

Building Description	Year Built	Square Footage	Occupancy Description	Acreage
CENTRAL CAMPUS - Ben Wilson Street				30.24
NEW CONSTRUCTION OPENING FALL 2025 - Health & Wellness	2025	38,864	Rec Center/ Primary Care Health Clinic	4.00
University South (UHV STEM)	2021	59,985	Offices/Classrooms	
Smith Hall Housing	2020	81,353	Residence Hall	
University Commons	2019	80,000	Offices/Study Facilities/Library/Food	
University North	2015	63,000	Offices/Classrooms	
Facility Maintenance Shop	2004	2,996	Maint. Shop	
University Center	2000	57,670	Offices/Classrooms	
University West	1992	79,650	Offices/Classrooms	
Athletics-Trainers / PCI leased space	1982	8,000	Offices/Classrooms	
George Totah - SCHEDULED FOR **DEMO** - Parking	1975	9,842	NA	
NEAR CENTRAL CAMPUS - US 59 Houston Hwy (0.8 miles SE)				16.06
Jaguar Suites	2013	81,721	Residence Hall	
Facilities	2009	8,400	Offices / Storage	
Jaguar Court (Offline - storage Fall 2023)	1977	32,096	Storage	
Jaguar Hall & Dining Hall	1965	109,252	Residence Hall - Remodel 2010	
NEAR CENTRAL CAMPUS - 1508 E Airline (1.3 miles NW)				
UHV Northwest Campus (fka Town Plaza Mall)	1969	124,000	2021 - Offices / Classrooms/Storage Remodel Phase I 24,000 sq ft . **Phase II Demo of 100,000 sq ft.**	10.81
LAND - 65 acres near Victoria airport (4.5 miles NE)				65.00
Conditional gift with reversion clause expires August 2028				
Donor directed for Athletics Complex from Bennett-Wood				
TOTAL - 15 Buildings		**836,829**		**126.11**

Divestment Opportunities

Building Name	GSF	Construction Year	Deferred Maintenance	Estimated Demo Cost	Occupied/Vacant	Timeline for Demo
Northwest Phase 2- Demo for Phase 3	100,000	1969	TBD	$ 5,900,000	Vacant	Now
Totah (Parking Lot-Smith Hall Entrance)	9,842	1975	TBD	$ 2,000,000	Vacant	Now
Totals:			TBD	$ 7,900,000		





TEXAS A&M UNIVERSITY - VICTORIA
FY 2026 - FY 2030 CAPITAL PLAN
SUMMARY INFORMATION

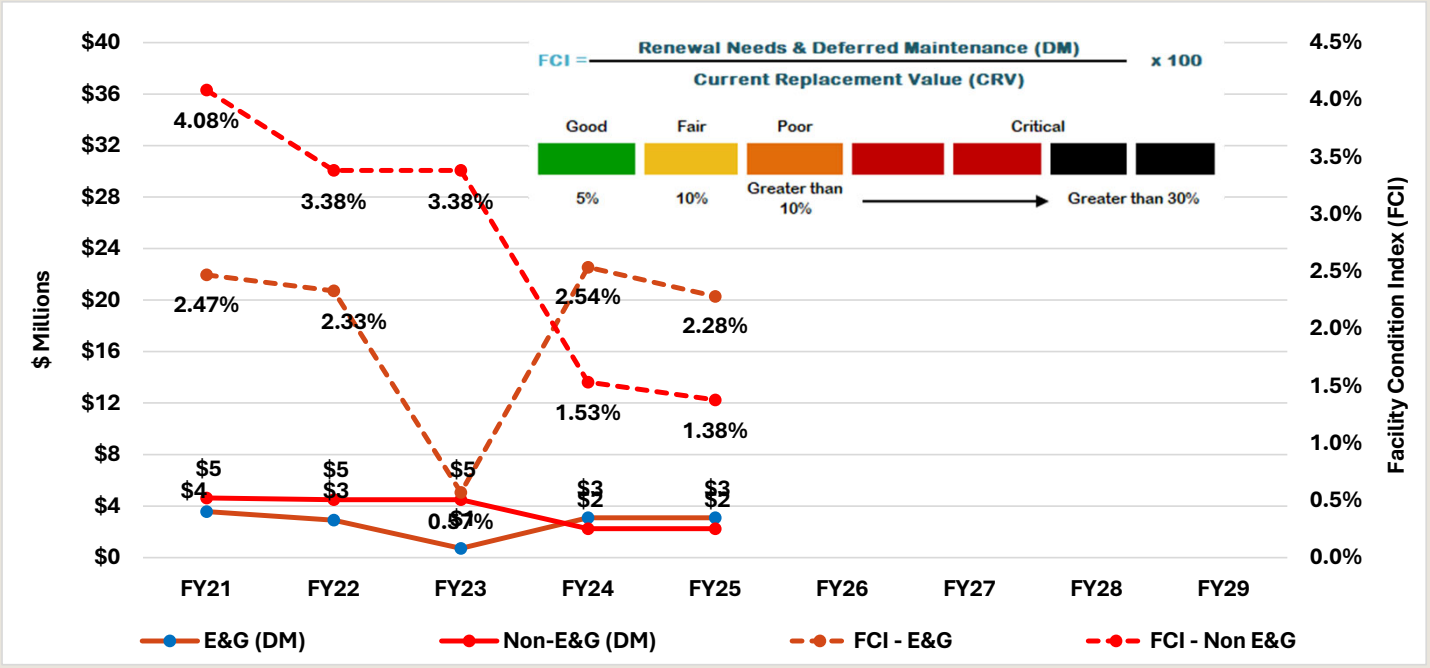
Project #	Projected FY Start Date for Proposed Projects	Project Name	Total Planning Amount	Funding Sources		Cumulative Expenditures Prior Years to 5/31/2025
				RFS Debt Proceeds	Other	
APPROVED PROJECTS						
P001282		* Northwest Ph 2 - Administrative Offices	5,900,000	5,900,000 t		333,361
P001283		* University North 2nd & 3rd Floor Buildout	9,750,000	9,750,000 t		841,390
		Physical Plant Projects/Equipment/Other	8,405,000	8,405,000 t		816,275
		Total Construction/Acquisitions in Progress	24,055,000	24,055,000	-	1,991,026
PROPOSED PROJECTS						
	2026	*/** Building Renovations and Campus Infrastructure	9,245,203	9,245,203 t		
		Total Proposed Construction/Acquisitions	9,245,203	9,245,203	-	-
TOTAL CAPITAL PLAN			33,300,203	33,300,203	-	1,991,026

* University of Houston System has issued bonds for this project under their Combined Revenue Financing Program.
** Multiple projects funded by prior UHV CCAP authorization.

- **Review of the Master Plan is needed to include new priorities for agriculture and engineering academic programming.**
- In March 2024, construction that was not contractually obligated was paused to conserve operational resources, including projects funded by HEF or CCAP.
- The projects above are included in a comprehensive plan to implement renovations of campus facilities and infrastructure to full and properly utilize the funds provided in 2022 by SB 52, 87th Legislature CCAP Bond Issuance of $44.9 million.

Facilities Condition Index (FCI)

Based on Campus Replacement Value and Deferred Maintenance as reported to the UH System Board of Regents



- Nine of fifteen buildings have been built since 2000, with the newest building completed this year.
- Gordian will evaluate the Victoria campus in Fall 2025 to verify FCI.

Texas A&M University-Victoria

Outstanding Deferred Maintenance

Category	Description		Amount
Roofs			64,686
HVAC			1,619,566
Electrical			718,334
Plumbing			232,890
Exterior and Interior Structure (E&I S)			2,641,685
Total		$	5,277,162

- Evaluation of the Victoria campus will occur in Fall 2025 with Gordian for TAMUS to verify current building conditions.

MEMBER OF THE TEXAS A&M UNIVERSITY SYSTEM

Texas A&M - Victoria



FY 2026 Capital Plan & Deferred Maintenance

July 29, 2025

Texas A&M System Board of Regents

Joint Meeting of The Committee on Finance and

The Committee on Buildings and Physical Plant

MEMBER OF THE TEXAS A&M UNIVERSITY SYSTEM

PRAIRIE VIEW A&M UNIVERSITY

PRAIRIE VIEW A&M UNIVERSITY

BUDGET NARRATIVE

Introduction:

PVAMU is going into year one of the biennium with a projected FY 2026 budget that projects a total revenue base of $316 million across state funds, tuition, fees, federal funding, and grants as well as estimated expenses of $312 million. Enrollment projections for fall 2026 are trending upward; therefore, the FY 2026 budget is built on a student headcount of 9,700.

Revenues:

- State Appropriations accounts for $77.0 million, combining $62.5M in general revenue and $14.6M in benefits paid by the state.
- Federal appropriations projected to increase $1.8 million over FY 2025 due to enrollment growth. Federal Appropriations contributes approximately $24.7 million, supporting institutional mandates and compliance requirements.
- Available University Fund is budgeted to increase by $2 million compared to the FY 2025 budget. This represents the increase in the PUF payout.
- Tuition and Fees collectively represent a gross value of over $108 million which projects to increase $4 million (4%) over the FY 2025 budget before discounts and allowances.
- Contracts and Grants budgeted to increase by $6.3M. This is a result of strategic investments that Prairie View has made in growing its research enterprise.
- Student Financial Assistance budget to increase 10% with increased enrollment. Sixty-Seven percent of the students at Prairie View A&M University are Eligible Pell Grant recipients.

Expenses:

Overall expenses are up 6%. The net increase is attributable to a $6.9 million increase in personnel costs and $7.6 million increase in FY 2026 scholarships. The projected increase brings the budget in-line to actual costs.

- Personnel Costs net increase of $6.9 million (4.1%)
  - Employee Retention Plan
    - Faculty Promotions - $249,500
    - Compensation Market Adjustment Pool (Faculty & Staff) - $4.9 million, including benefits.
    - Employee Retention Plan including benefits (3% performance-based pool) $4.6 million.
    - The Employee Retention plan of $9.8 million is reflected in the $6.8 million increase in Personnel costs.

BUDGET NARRATIVE CONTINUED

- Scholarships are budgeted to increase $7.6 million to align with the projected enrollment increase.
- Equipment (Capitalized) is estimated to increase by 16.3% from FY 2025.
- Operations and Maintenance costs are budgeted to increase by $5.5 million, but this amount reflects an amount that is more aligned with the previous year's current activity.

Institutional Priorities

- Continue to increase awareness and recognized excellence of PVAMU.
- Increase student success and support
- Support and strengthen faculty and staff
- Increase athletic competitiveness
- Strengthen alumni and donor engagement

Institution Concerns

- Increased service contracts
- Increased utility costs
- Aging Infrastructure

CRU Funding Plan – funding will be used to support Summer Bridge and first year experience camp, scholarship support, student emergency assistance, and peer academic coaching programs.

- $1 million – Summer Bridge Program supporting at-risk students (adjuncts, academic support staff, additional staff to accommodate social distancing, IT Infrastructure enhancements).
- $100,000 – Closing the Gap Scholarship
- $50,000 – Student Emergency Assistance
- $272,639 – PVAMU Peer Academic Coaching Program

BUDGET NARRATIVE CONTINUED

Reserves:

- FY 2024 Operating Reserve balance
  - $212 million, 4.8 months
- FY 2025 Projected Operating Reserve balance
  - $205 million, 4.5 months
- Projected FY 2026 Operating Reserve
  - $203 million, 4.0 months

Capital and Deferred Maintenance Plan:

- Approved FY 2025 Projects
  - Teaching & Academic Student Support Services Facility (C-CAP)
  - Physical Plant Projects/Equipment/Other
  - Fire Alarm System Replacement PH2
- Proposed FY 2028 Projects
  - HT Jones Renovation – Gym Wing
  - Public and Allied Health Complex
  - Hobart Taylor Expansion
  - Wyatt Chapel Memorial Park and Integration
  - Texas Institute for Preservation of History and Culture Museum









FY 2026
Programmatic Budget Review

Prairie View A&M University
Tomikia P. LeGrande, Ed.D.
President & CEO

At Prairie View A&M University, we champion student success and research through rigorous, affordable academic programs that equip graduates to lead, serve, and innovate with purpose.

"Excellence Lives Here"



FALL 2024

9,821
Total Enrollment

88%
Texas Residents

67%
Pell-Eligible

POINTS OF PRIDE

NATIONAL RANKINGS

NO. **1**
PRODUCER OF
African Americans in **Architecture** Bachelor's & Masters Degrees

NO. **3**
PRODUCER OF
African Americans in **Agriculture** Bachelor's Degrees

NO. **6**
PRODUCER OF
African Americans in **Physical Sciences** Bachelor's Degrees

NO. **6**
PRODUCER OF
African Americans in **Marketing** Bachelor's Degrees

NO. **3**
PRODUCER OF
African Americans in **Recreation, & Parks & Leisure Studies** Bachelor's Degrees

NO. **4**
PRODUCER OF
African Americans in **Engineering** Bachelor's Degrees

RESEARCH II UNIVERSITY
ONLY 1 HBCUS WITH THIS CLASSIFICATION
PRAIRIE VIEW A&M UNIVERSITY
RESEARCH TEACHING SERVICE
1876

NO. **13**
PRODUCER OF
African Americans with **Bachelor's Degrees Overall**

TOP **30***
PRODUCER OF
African Americans in **Business, Finance, Physical Science, Communications, & Nursing** Bachelor's Degrees

*Diverse Issues in Higher Education, 2024

STATE RANKINGS

NO. **1**
Producer of African Americans with Bachelor's Degrees in Texas

NO. **3**
Producer of African Americans in **Nursing** among Texas Public Universities

NO. **5**
Best Value Universities in Texas
Smart Asset, 2023

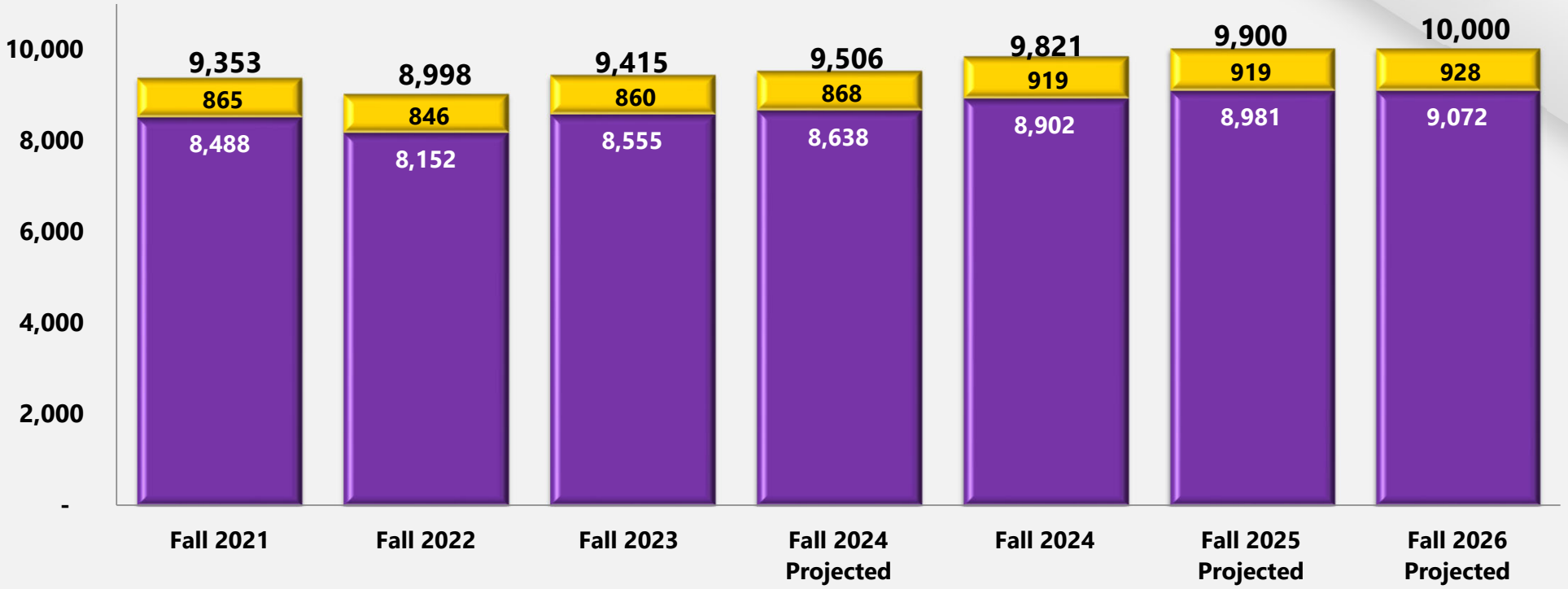
NO. **5**
Ranked **Master of Science in Nursing Program** In Texas
USNWR, 2024

NO. **8**
Ranked Practice Program in Texas **Doctorate of Nursing**
USNWR, 2024

Academic Metrics

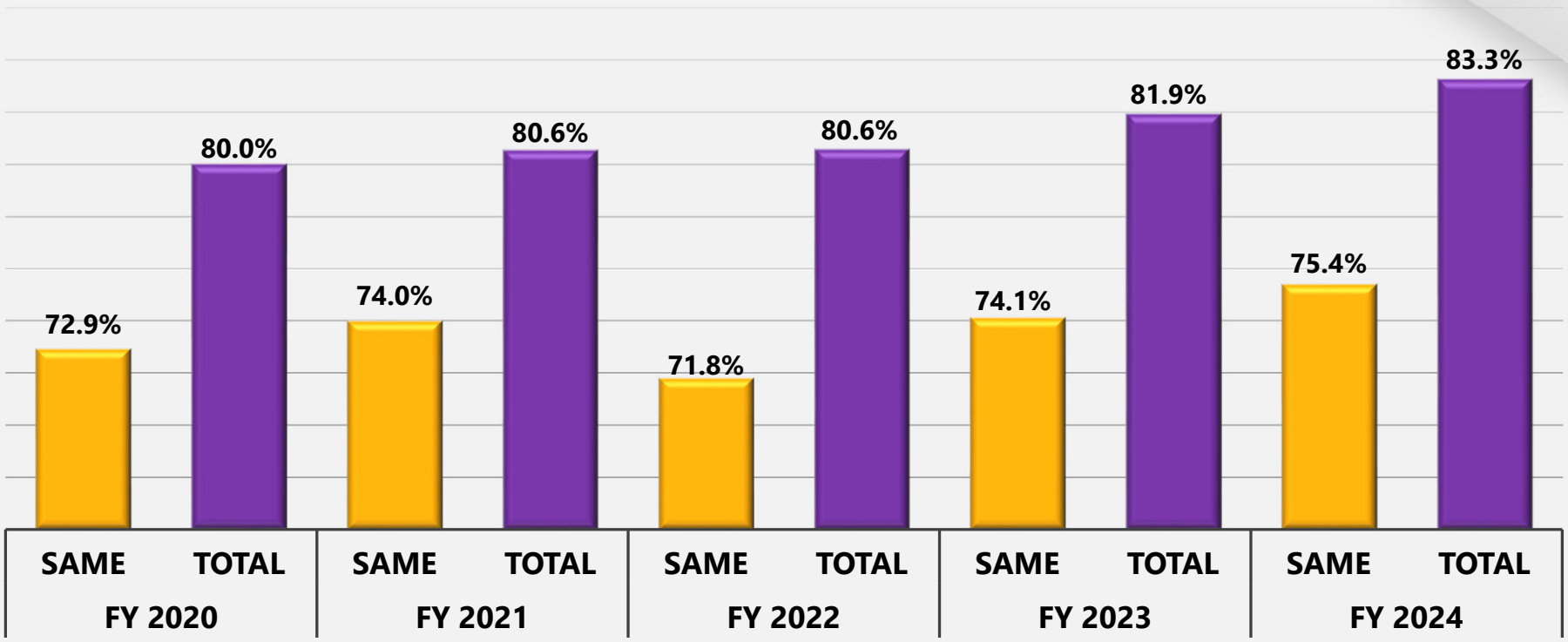


Five Year Enrollment Trends

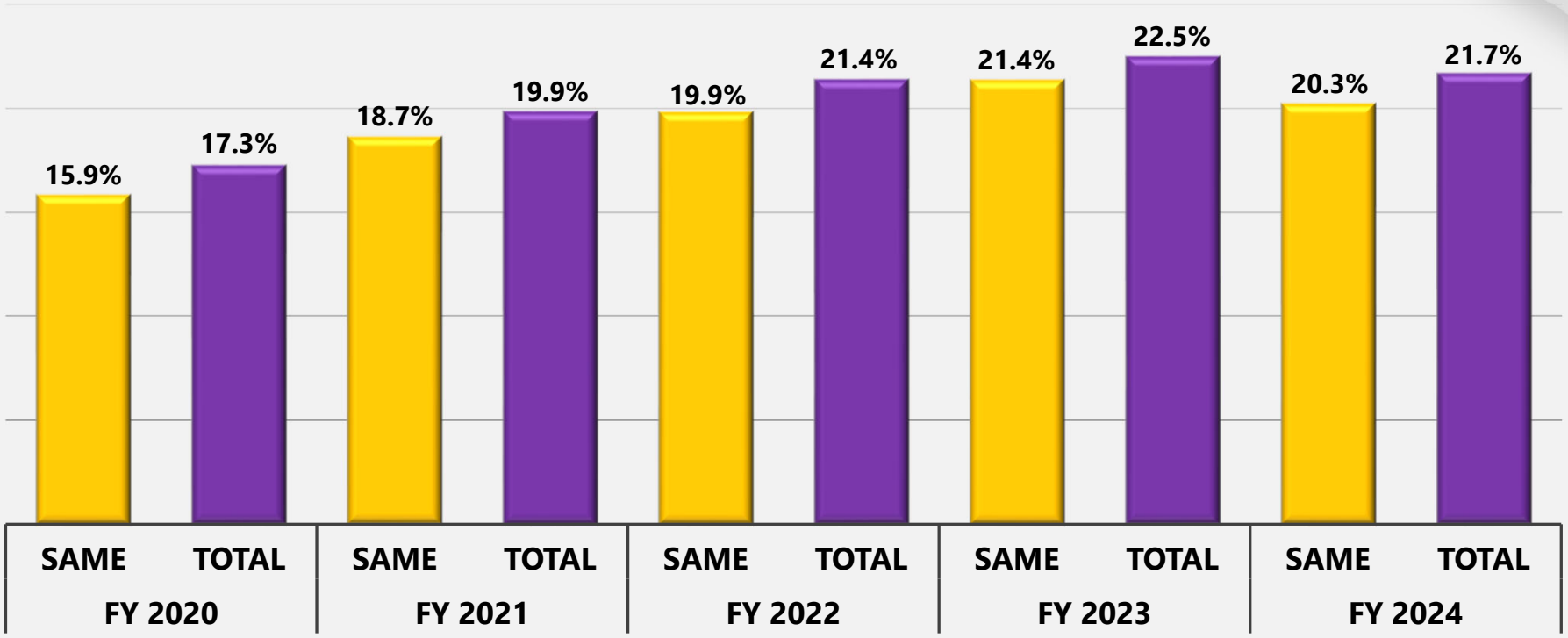


Actual enrollment represents Fall Certified Headcount

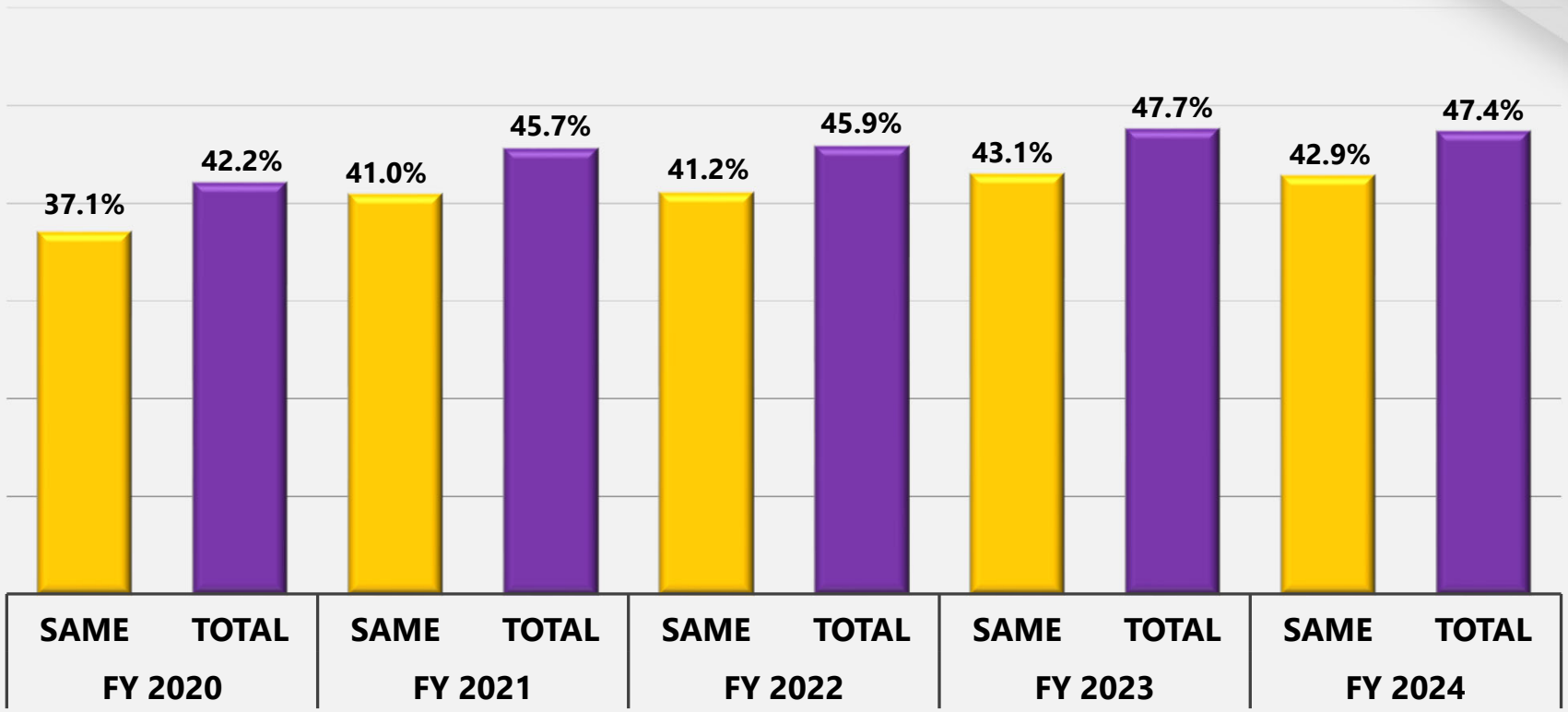
First Year Persistence Rate



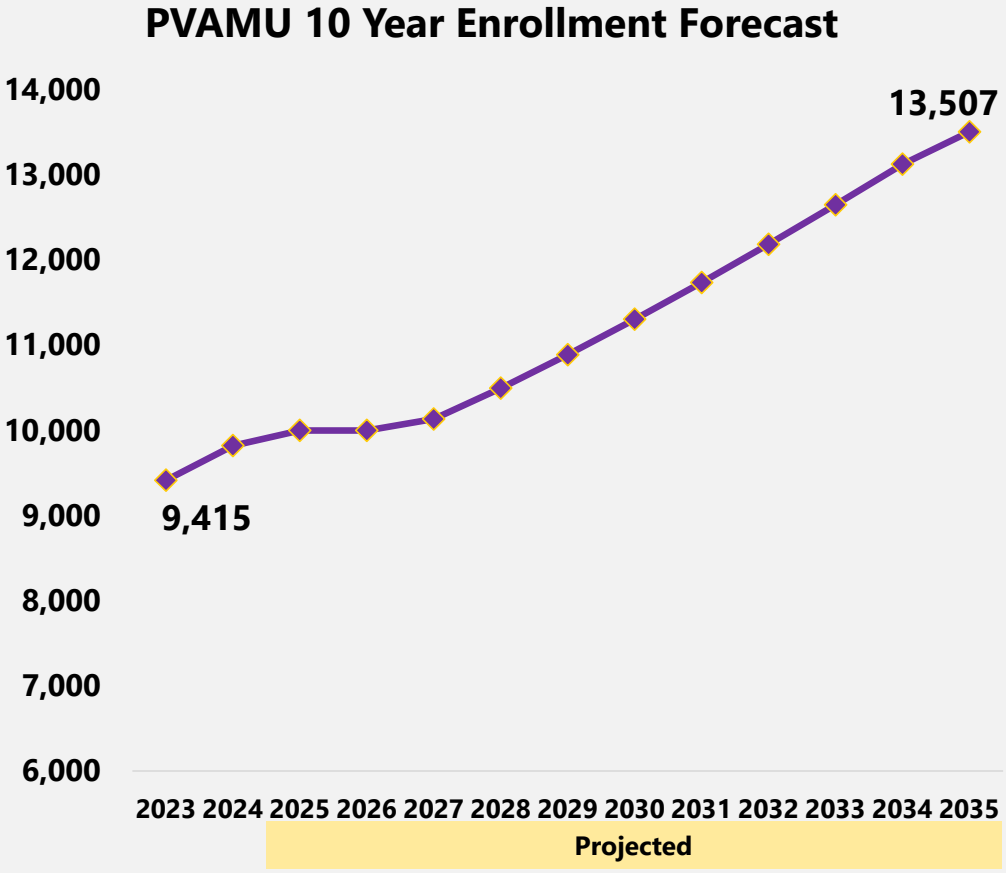
Four Year Graduation Rate



Six Year Graduation Rate



Long-term Enrollment Plan



New Facility Needs

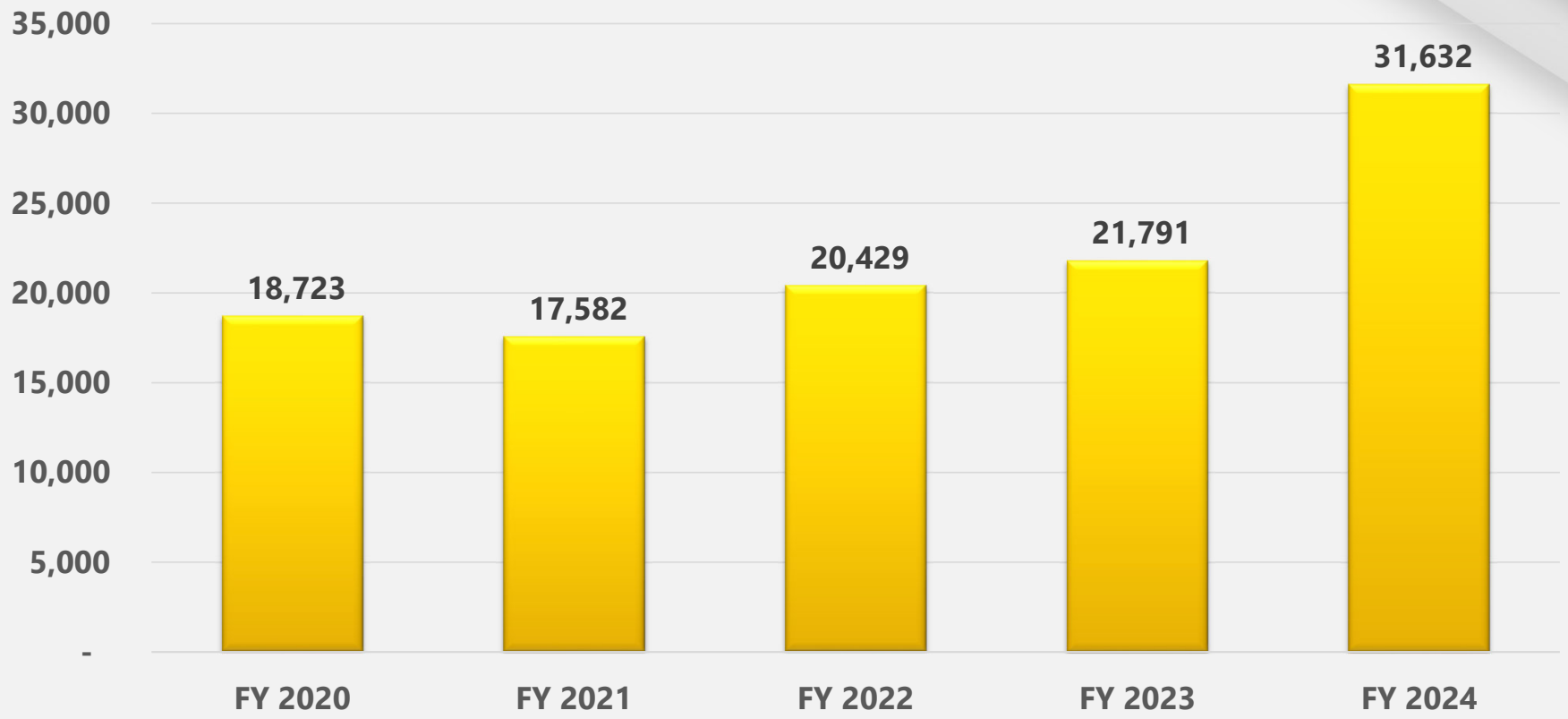
- Student Housing: 1,000 beds
- New University Event Center
- Public and Allied Health Complex

Facility Enhancements Needed

- Improvements to existing buildings
  - EE O'Bannion
  - Harrington Science
  - Hobart Taylor
  - Hilliard Hall
- Utility Plant Expansion
- Infrastructure Expansion

Total Research Expenditures Reported to NSF

(in thousands)



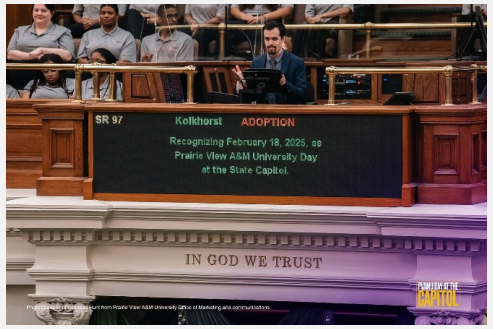
Financial Metrics



Legislative Update

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
General Revenue	$ 53,520	$ 54,202	$ 682
CCAP Revenue Bonds	8,653	6,209	(2,444)
Hazelwood	1,795	2,045	250
Subtotal	$ 63,968	$ 62,456	$ (1,512)
State Appropriations – Detailed			
Instruction & Operations	$ 29,073	$ 31,879	$ 2,806
Comprehensive Regional University	1,388	1,423	35
Infrastructure Support	16,155	13,456	(2,699)
Juvenile Crime Prevention	1,293	3,693	2,400
Comprehensive Research Funds	1,764	2,552	788
Subtotal	$ 49,673	$ 53,003	$ 3,330
Exceptional Items			
HB500 Items	N/A	N/A	N/A
Subtotal	$ -	$ -	$ -
Higher Education Group Insurance	$ 6,403	$ 7,726	$ 1,322
Benefits Paid By State	5,807	6,879	1,072
Estimated State Paid Benefits	$ 12,211	$ 14,607	$ 2,396
State Appropriations Total:	$ 76,179	$ 77,062	$ 883





Tuition and Fee Rates

Undergraduate Resident

Tuition Options	Fall 2025			Fall 2026
	Rate	Students	%	Rate
One-Year Variable Rate	$5,539	616	7.0%	$5,539
Guaranteed Rate	$5,650	8220	93.0%	$5,650







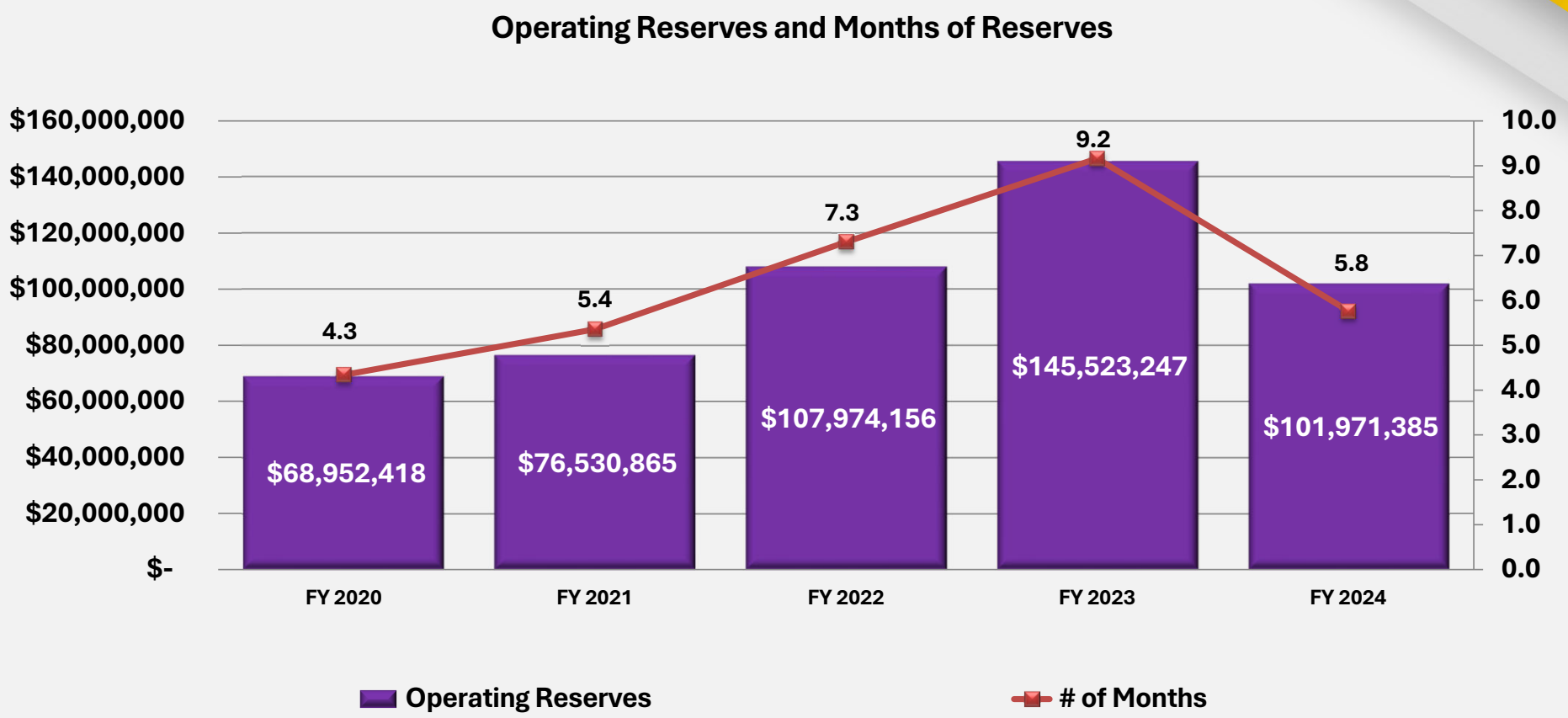
Proposed Revenue Budget and Variance

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 76,179	$ 77,062	$ 883	1.2%
Federal Appropriations	22,857	24,680	1,823	8.0%
Available University Fund	40,000	42,000	2,000	5.0%
Tuition and Fees	104,028	108,562	4,534	4.4%
Contracts and Grants	19,367	25,678	6,311	32.6%
Student Financial Assistance	51,055	55,928	4,873	9.5%
Gifts	4,565	4,379	(186)	-4.1%
Sales and Services	25,193	25,720	527	2.1%
Investment Income	12,019	12,357	338	2.8%
Other Income	2,444	2,444	0	0.0%
Discounts	(52,363)	(63,161)	(10,799)	20.6%
TOTAL REVENUES:	**$ 305,345**	**$ 315,649**	**$ 10,305**	**3.4%**

Proposed Expense Budget Variance by Category

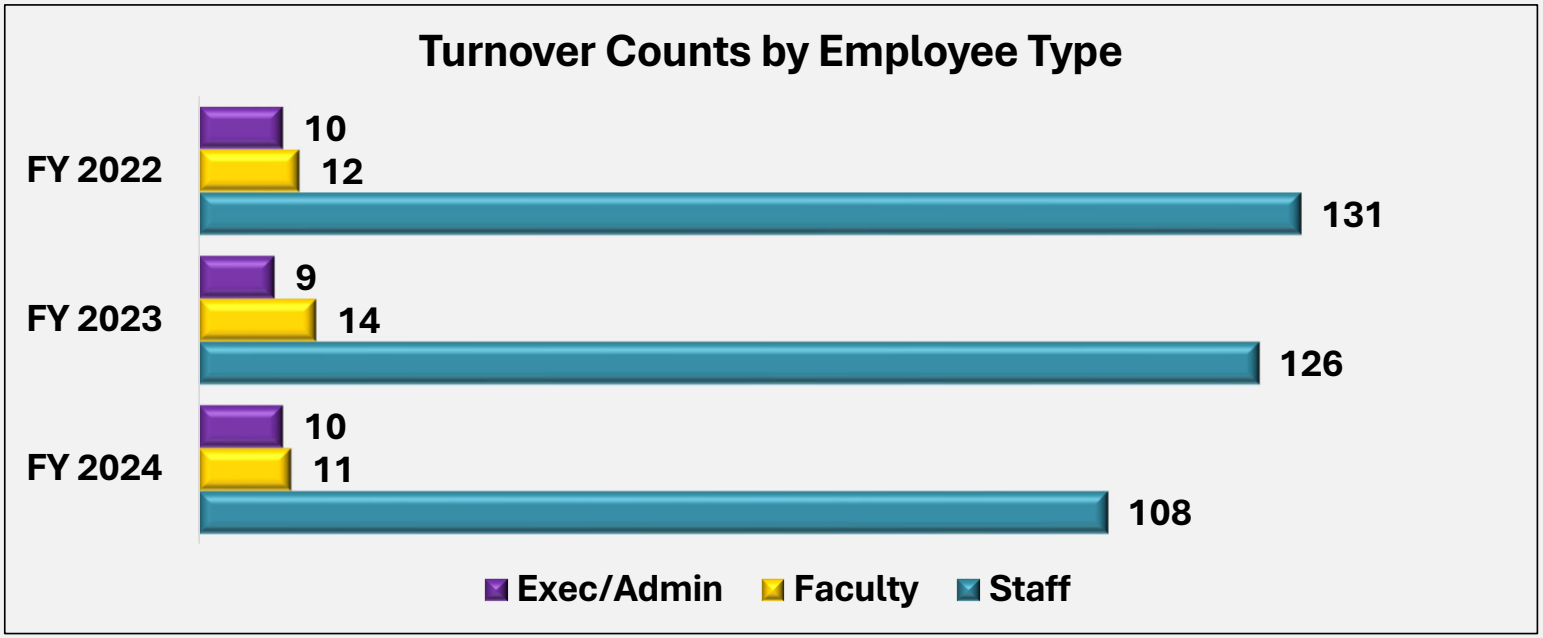
EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 305,345**	**$ 315,649**		
Expenses:				
Salaries - Faculty	$ 51,795	$ 54,482	$ 2,687	5.2%
Salaries - Non-Faculty	73,251	75,289	2,039	2.8%
Wages	5,704	5,987	282	4.9%
Benefits	35,175	37,035	1,861	5.3%
Personnel Costs	$ 165,924	$ 172,793	$ 6,869	4.1%
Utilities	6,622	5,769	(853)	-12.9%
Scholarships	72,954	80,606	7,652	10.5%
Discounts	(52,363)	(63,161)	(10,799)	20.6%
Equipment	3,615	4,202	588	16.3%
Operations and Maintenance (Net)	94,223	99,740	5,517	5.9%
Debt Service	15,261	12,086	(3,175)	-20.8%
TOTAL EXPENDITURES:	**$ 306,237**	**$ 312,036**	**$ 5,799**	**1.9%**
Other Transfers:	10,000	-		
CHANGE IN NET POSITION (Rev-Exp+Transfer):	**$ 9,108**	**$ 3,614**		

Operating Reserves and Months of Reserves



Employee Turnover

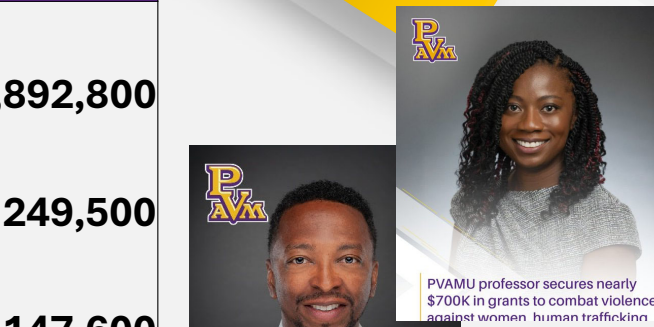
	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*10*	*9.8%*	*12*	*2.7%*	*131*	*21.7%*	*153*	*13.3%*
FY 2023	*9*	*8.1%*	*14*	*3.2%*	*126*	*20.3%*	*149*	*12.7%*
FY 2024	*10*	*8.5%*	*11*	*2.5%*	*108*	*16.0%*	*129*	*10.4%*



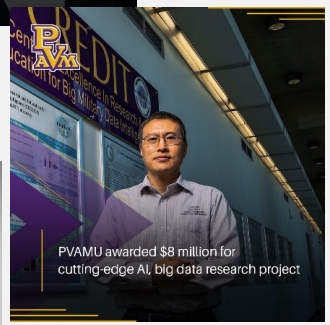
Employee Retention Plan

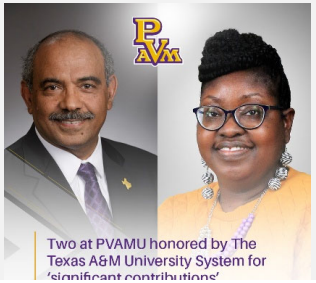
FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
3% Performance Based Pool*	1,464,800	2,428,000	3,892,800
Promotions	249,500	0	249,500
Market Adjustments	1,142,200	3,005,400	4,147,600
Benefits	*528,500*	*1,005,200*	*1,533,600*
Total:	**$ 3,385,000**	**$ 6,438,600**	**$ 9,823,500**

* Performance based pools are contingent upon enrollment.





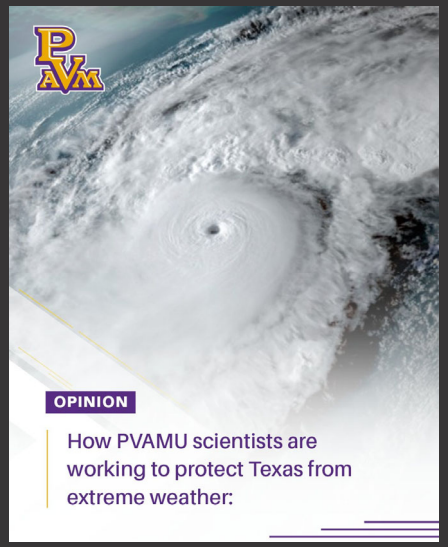




Strategic Goals
New Program, Goals, and Objectives

1	Advance Teaching Excellence and Academic Relevance
2	Enrich Student Success and Holistic Student Development
3	Invest in PVAMU's People and Performance Excellence
4	Drive Strategic Advancement of Research Initiatives
5	Foster Social Responsibility with Prairie View and Beyond

People & Performance Excellence



People & Performance Excellence	Budget Impact	Method of Funding	FTE
Promote and Retain Faculty	$250K	Education & General Available University Funds Designated Funds	25
FLSA Staff Phase II Adjustments	$1.7M	Education & General Available University Funds Designated Funds	231
Invest in Operational Efficiencies and Process Improvement	$2.3M	Education & General Designated Funds	7

Teaching Excellence & Academic Relevance



Teaching Excellence & Academic Relevance	Budget Impact	Method of Funding	FTE
Sustain Enrollment Growth in School of Public & Allied Health	$1.0M	Designated Funds	50
Campus Digital Transformation Plan-Phase III	$3.5M	University Services Fee Designated Funds	N/A
Instructional Innovation & Tech Services	$400K	University Services Fee Designated Funds	N/A
Strengthen Academic Leadership, Program Evaluation and Quality	$1.6M	Education & General Available University Funds University Services Fee Designated Funds	N/A

Student Success



Student Success	Budget Impact	Method of Funding	FTE
Launch Student Leadership Development Program	$300K	University Services Fee	1
Expand PV Cares to accommodate enrollment growth • Increase Career Coaches (2) • Increase Academic Advisors (3)	$500K	Available University Funds	5
Close the Gap Scholarships	$2M	Designated Funds	N/A
Increase Athletic Competitiveness • Increase Athletic Scholarships • Increase Operational Funds	$1.1M	Designated Funds Athletic Fee	N/A

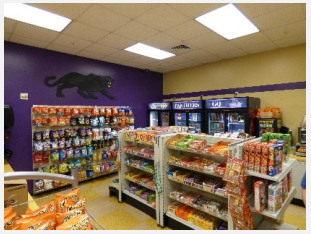
Auxiliary Services Operations



Dining Services







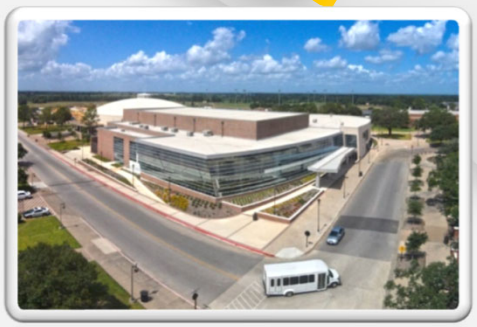
(In Thousands)

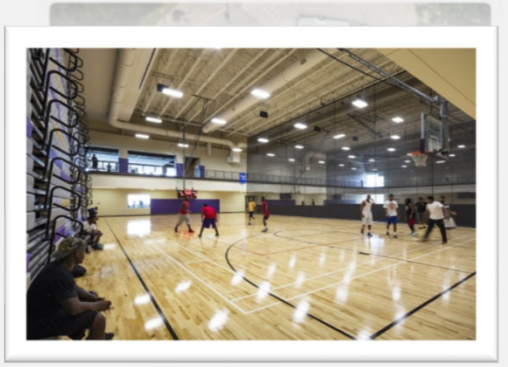
	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Variance Amount	Variance %
Revenue					
Sales and Services	$ 17,079	$ 13,500	$ 14,000	$ 500	3.7%
Investment Income	150	0	0	0	0.0%
Total Revenues:	**$ 17,229**	**$ 13,500**	**$ 14,000**	**$ 500**	**3.7%**
Expenses					
Personnel Costs:	$ 325	$ 408	$ 413	$ 5	1.2%
O&M and Equipment	14,766	12,775	13,270	495	3.9%
Total Expenses:	**$ 15,091**	**$ 13,183**	**$ 13,683**	**$ 500**	**3.8%**
Transfers					
To Retail Operations	$ (317)	$ (317)	$ (317)		
Total Transfers:	**$ (317)**	**$ (317)**	**$ (317)**		
Net Income/(Loss)	**$ 1,821**	**$ 0**	**$ 0**		

Recreational Sports

(In Thousands)

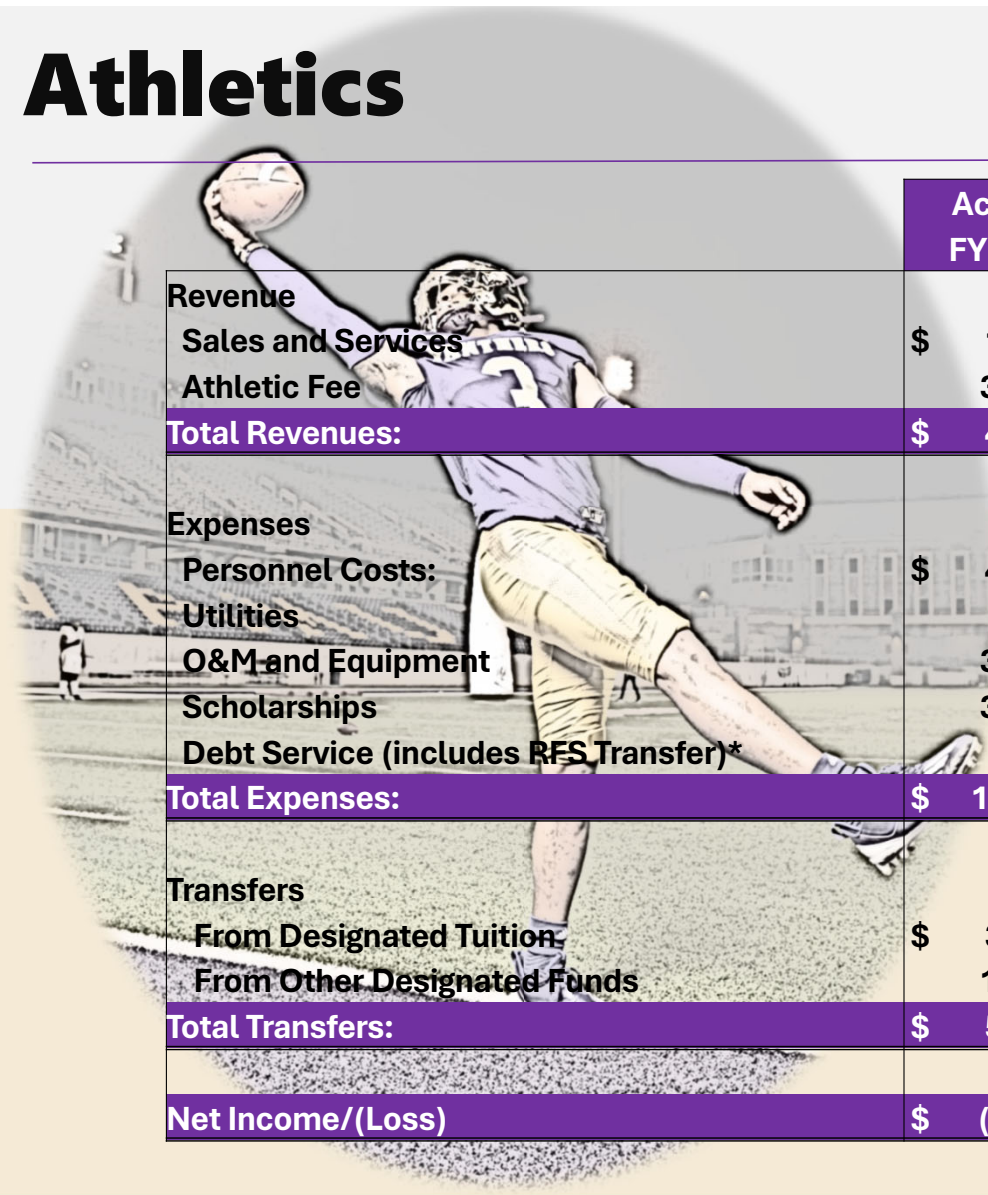
	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Variance Amount	Variance %
Revenue					
Sales and Services	$ 23	$ 41	$ 41	$ 0	0.0%
Rec Sports Fee	3,042	3,268	3,454	186	5.7%
Total Revenues:	**$ 3,065**	**$ 3,309**	**$ 3,495**	**$ 186**	**5.6%**
Expenses					
Personnel Costs:	$ 437	$ 592	$ 611	$ 19	3.2%
Utilities	187	264	250	(14)	-5.3%
O&M and Equipment	1,012	743	898	155	20.9%
Scholarships	169	170	194	24	14.1%
Debt Service (Rev Financing System Transfer)*	1,538	1,540	1,541	1	0.1%
Total Expenses:	**$ 3,343**	**$ 3,309**	**$ 3,495**	**$ 186**	**5.6%**
Transfers					
	$ 0	$ 0	$ 0		
Total Transfers:	**$ 0**	**$ 0**	**$ 0**		
Net Income/(Loss)	**$ (279)**	**$ 0**	**$ 0**		





**Debt Service: Recreational sports facility opened FY 2015*

Athletics



(In Thousands)

	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Variance Amount	Variance %
Revenue					
Sales and Services	$ 1,902	$ 2,591	$ 2,591	$ 0	0.0%
Athletic Fee	3,078	3,221	3,388	167	5.2%
Total Revenues:	$ 4,980	$ 5,813	$ 5,980	$ 167	2.9%
Expenses					
Personnel Costs:	$ 4,422	$ 5,248	$ 5,549	$ 301	5.7%
Utilities	14	24	24	0	0.0%
O&M and Equipment	3,838	2,286	2,377	91	4.0%
Scholarships	3,430	3,673	4,090	417	11.4%
Debt Service (includes RFS Transfer)*	245	253	257	4	1.6%
Total Expenses:	$ 11,949	$ 11,484	$ 12,297	$ 813	7.1%
Transfers					
From Designated Tuition	$ 3,871	$ 3,871	$ 4,121		
From Other Designated Funds	1,712	1,800	2,196		
Total Transfers:	$ 5,583	$ 5,671	$ 6,317		
Net Income/(Loss)	$ (1,386)	$ 0	$ 0		

Questions?



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Prairie View A&M University

Programmatic Budget Review – Deferred Maintenance

July 2025

Prairie View Capital Plan

CURRENT PROJECTS	
Project Name	Project Amount
Fire Alarm System Replacements PH2	$ 12,102,000
Teaching & Academic Student Support Services Facility	$ 45,117,833
Physical Plant Projects/Equipment/Other	$ 34,052,000
Total	$ 91,271,833

PROPOSED PROJECTS		
Year	Project Name	Project Amount
2028	HT Jones Renovations - Gym Wing	$ 4,100,000
2028	Public and Allied Health Complex	$ 130,000,000
2028	Hobart Taylor Expansion	$ 54,000,000
2028	Wyatt Chapel Memorial Park	$ 20,000,000
2028	Texas Institute for Preservation of History & Culture Museum	$ 20,000,000
Total		$ 228,100,000

☆ Project will reduce deferred maintenance

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Prairie View Capital Planning Initiatives

	UNFUNDED PROJECTS		
	Year	Project Name	Project Amount
★	2026	EE O'Banion Building Improvements	$ 30,000,000
★	2026	Harrington Science Renovations	$ 16,000,000
★	2026	SR Collins Data Center & Deferred Maintenance	$ 11,900,000
★	2026	Greenhouse 5	$ 6,000,000
★	2026	Campus Infrastructure Support	$ 8,000,000
★	2026	Wilson/Gilchrist Renovations	$ 45,000,000
★	2026	Utility Plant Expansion/Deferred Maintenance & Gas line	$ 96,808,000
	2026	Instructional Laboratory & Advanced Research Building	$ 130,000,000
	2027	University Event Center	$ 8,000,000
	2027	Innovation & Commercialization Center for Entrepreneurs	$ 10,000,000
★	2027	Headhouse & Greenhouse #6 & 7	$ 15,000,000
	2028	First Year Residence Hall	$ 110,000,000
Total			$ 486,708,000

★ Project will reduce deferred maintenance

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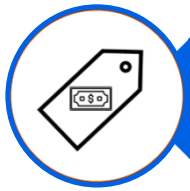
Prairie View Key Statistics



Total GSF: 2.8M | E&G (2.0M) | Aux (760K)



Construction Age: 29.8 | E&G: 30.6 | Aux: 27.7



10 Year Needs ($ Millions):

Total Campus: $245.6 | E&G: $185.3 | Aux: $61.3

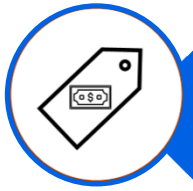


Deferred Maintenance ($ Millions):

Total Campus: $76.4 | E&G: $62.3 | Aux: $14.1

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Prairie View Deeper Dive into DM Statistics



10 Year Needs ($ Millions):

Total Campus w/o Infrastructure: $245.6

Total Campus w/Infrastructure: $349



Deferred Maintenance ($ Millions):

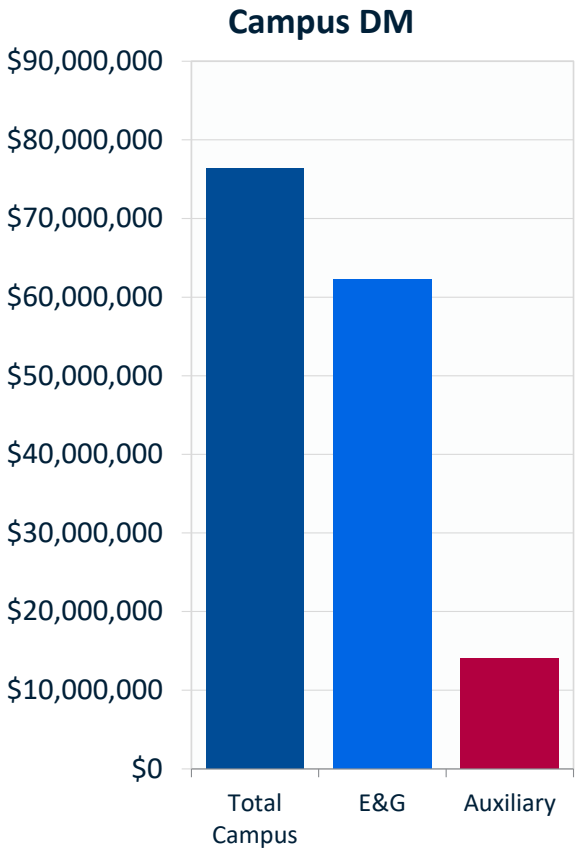
Total Campus w/o Infrastructure: $76.4

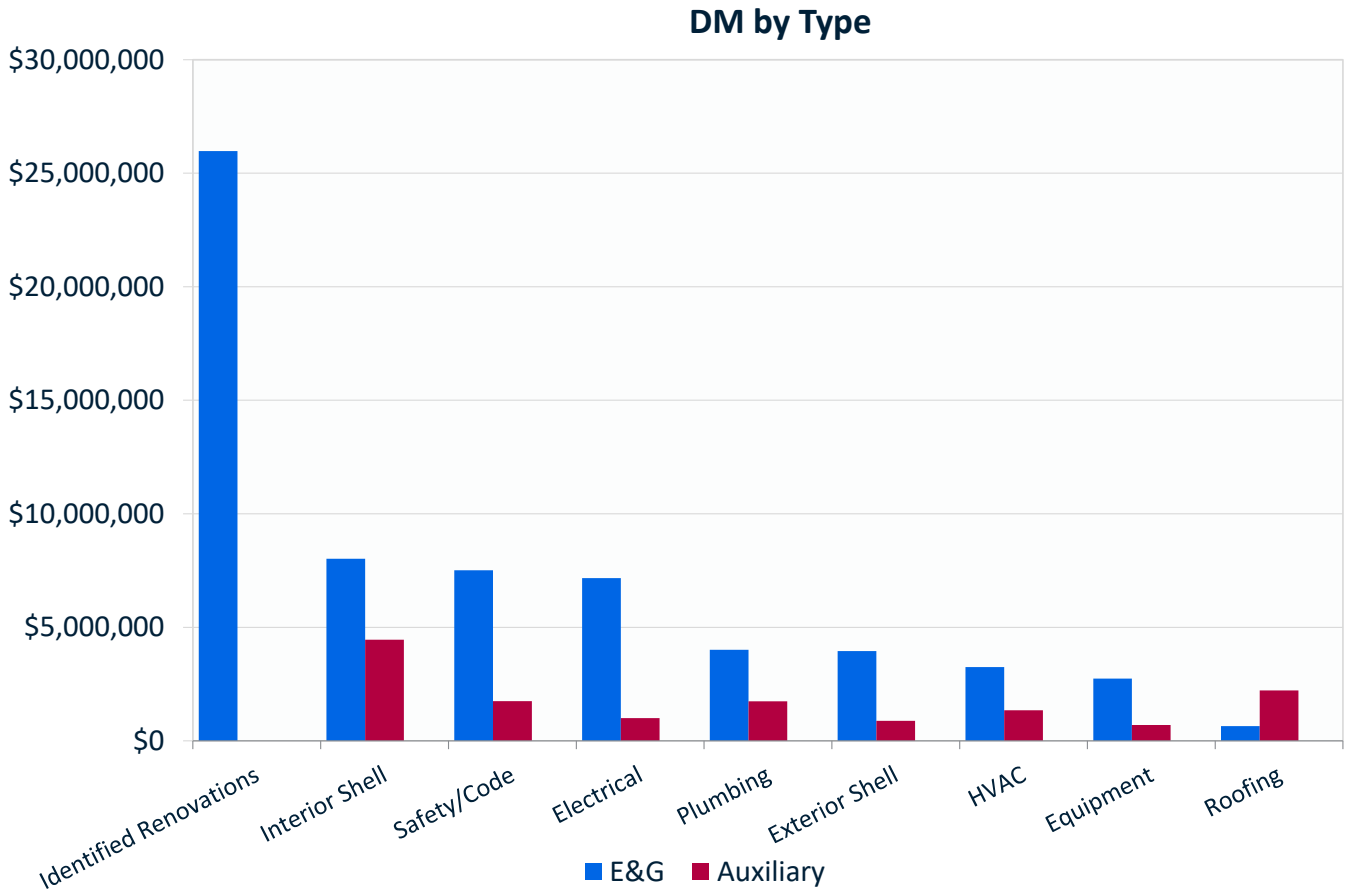
Total Campus w/Infrastructure: $138

- Gordian reassessing campus this fall
- Infrastructure is major concern

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FY24 Deferred Maintenance* at Prairie View

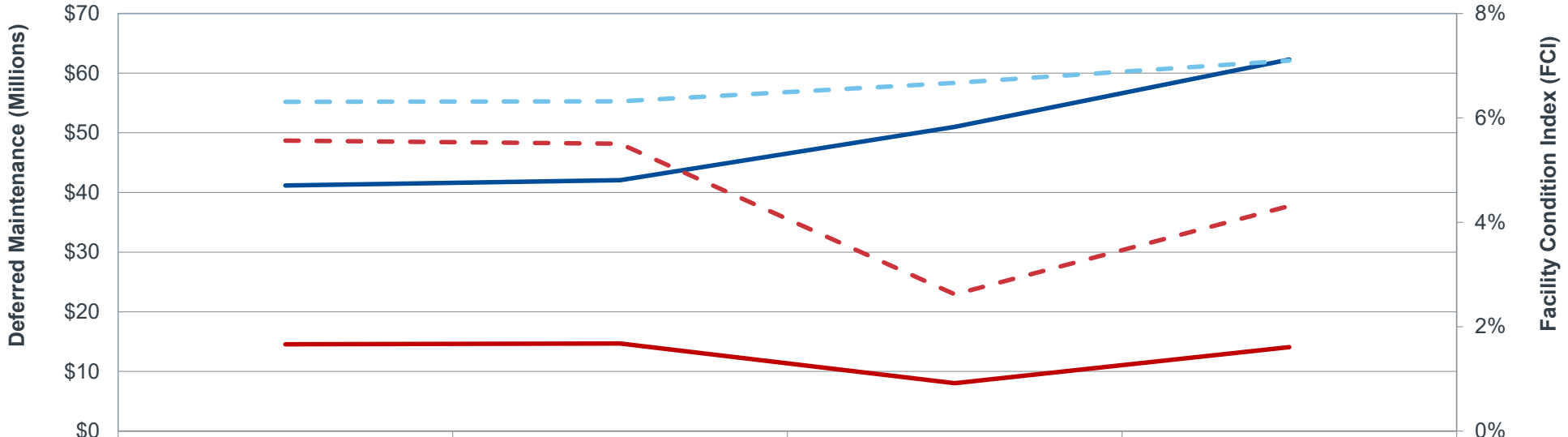




*Without infrastructure

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Prairie View Facility Condition Index Trend



	FY21	FY22	FY23	FY24
E&G DM	$41,167,837.00	$42,063,964.68	$50,982,404.89	$62,285,828.53
Auxiliary DM	$14,561,510	$14,696,140	$8,033,202	$14,079,989
E&G FCI	6.3%	6.3%	6.7%	7.1%
Auxiliary FCI	5.6%	5.5%	2.6%	4.3%

0% - 5% *Capital Upkeep*

5% - 10% *Repair & Maintain*

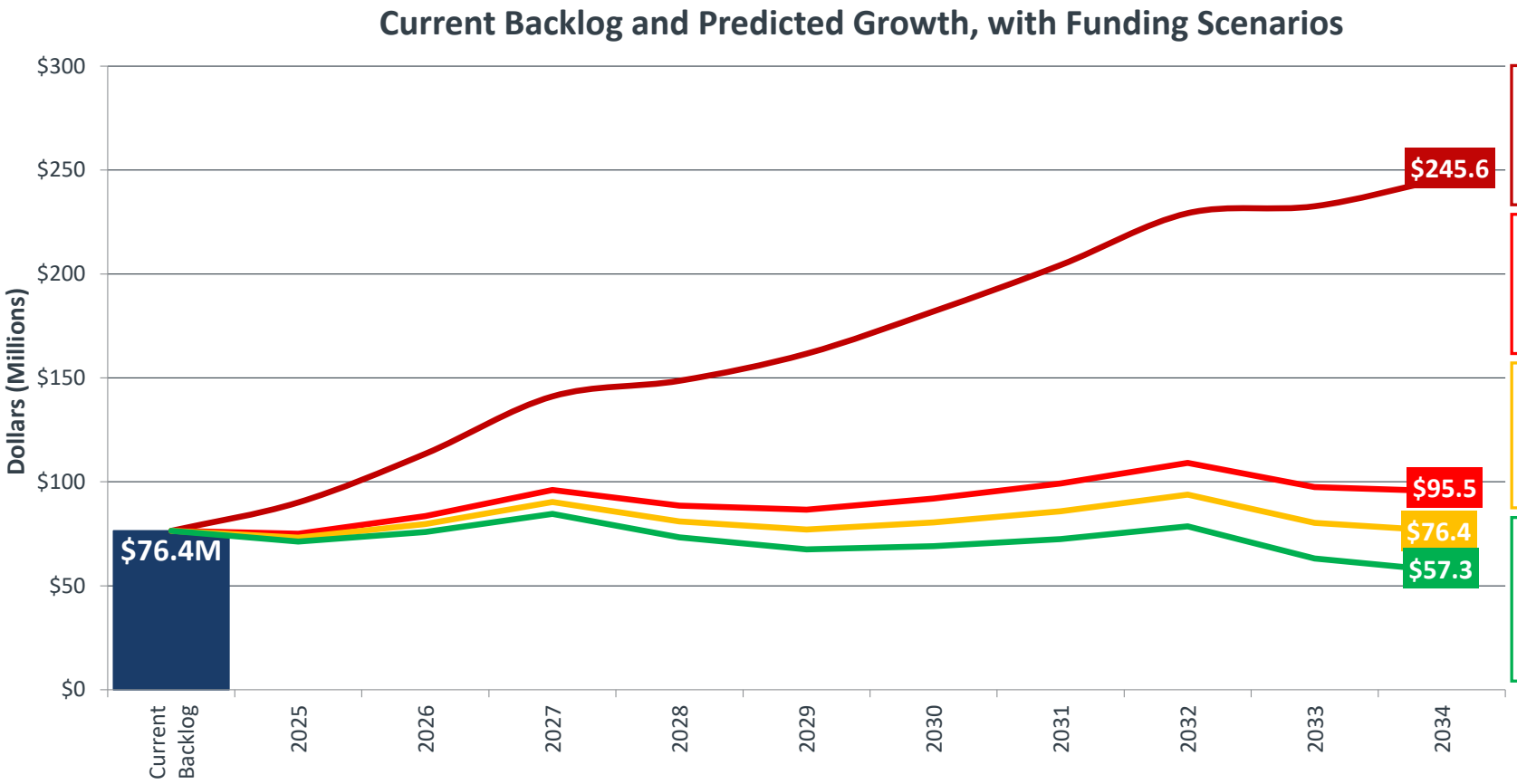
10% - 30% *Systemic Renovation*

> 30% *Renovation/Replacement*

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*The **lower** an Asset's FCI value, the **better** the building's overall condition is assumed to be.*

Prairie View Deferred Maintenance* Impact



Zero Funding Scenario:
Making no capital investment into existing space.

Funding Scenario 1:
25% DM Growth
Annual Funding: $15.0M

Funding Scenario 2:
Keep DM at current level
Annual Funding: $16.9M

Funding Scenario 3:
Reduce DM by 25%
Annual Funding: $18.8M

All scenarios modeled in FY24 dollars

*Without infrastructure

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PVAMU Investment Priorities

Catching up on deferred maintenance:

Primary focus is to investment into critical areas of campus to preserve functionality and program use such as;

- Investments into utility infrastructure and central plant equipment, which ensures energy efficiency and reliability of campus operations
- HVAC and building automation upgrades and improvements to ensure sustained building use
- Generator upgrades for emergency power
- Envelope repairs and waterproofing to preserve the exterior shell systems
- Upgrading the fire life safety system

Ongoing management of deferred maintenance:

- Increasing investment into preventative maintenance to ensure new buildings last beyond life expectancy
- Full building renovations of most critical areas to avoid future repairs and replacements:
  - EE Obanion Building improvements
  - Hobart Taylor Building improvements
- Demolishing mothballed spaces that due not currently meet program needs
  - EB Evans
  - HT Jones
  - Pointdexter

PVAMU Divestment Opportunities

Building Name	GSF	Construction Year	Deferred Maintenance	Estimated Demolition Cost
E B EVANS ANIMAL INDUSTRIES BLDG	27,990	1952	$13,768,818	$979,950
H T JONES ELEMENTARY SCHOOL	28,543	1952	$10,161,308	$999,005
A N POINDEXTER VETERINARY HOSPITAL	5,740	1925	$2,043,621	$200,900

H T JONES would be a partial demolition and amount of deferred maintenance removed will vary based on the completed scope of work

Total DM Removed Through Demolitions:

$25,973,747

Estimated Cost to Demolish:

$2,179,855

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Questions?

Thank You!

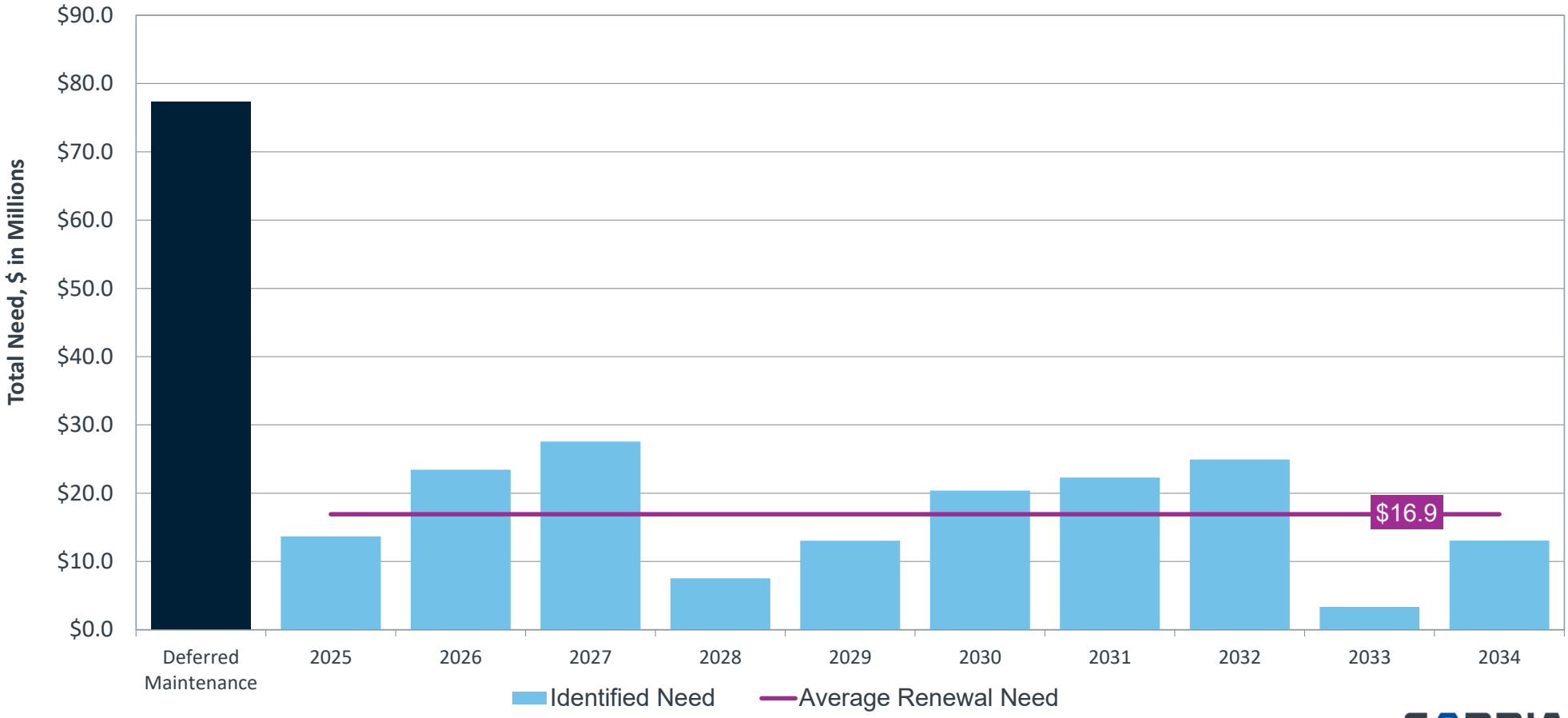
Prairie View Capital Planning Initiatives

APPROVED PROJECTS	
Project Name	Project Amount
CRI Award - Dr. Chen - Next Gen Sequencing Lab	$ 3,581,000
CRI Award - Dr. Lawrence - Cyber Security Renovation	$ 1,500,000
CRI Award - Dr. Bonner - MACH III	$ 1,500,000
University President's House	$ 1,900,000
Design Bridge Innovation Lab Rooms	$ 1,018,000
★ MSC Roof Replacement & Envelope Repairs	$ 2,000,000
★ Campus Switch Gear #3 Improvements	$ 2,217,000
★ University Bayou Electrical Ductbank Improvements	$ 2,106,000
★ Underground Condensate/Steam Leak Repairs	$ 1,400,000
★ Condensate/Steam and Boiler Improvements	$ 1,400,000
★ Waste Water Treatment Plant Deferred Maintenance	$ 2,200,000
★ Multiple New Emergency Generators	$ 1,230,000
★ Owens Franklin Health Center Improvements	$ 2,000,000
PUF Allocation - FY 2025	$ 10,000,000
Total	$ 34,052,000

★ Project will reduce deferred maintenance

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Prairie View Future Capital Needs



TEXAS A&M UNIVERSITY

BUDGET NARRATIVE

FY 2026 Budget Overview

At Texas A&M University (TAMU), our students lead with innovative ideas, integrity and a commitment to making the world a better place. We send our Aggie graduates into the world prepared to face future challenges. Our purpose is to develop leaders of character dedicated to serving the greater good. Under the guidance of the university administration and the Strategic Budget Council, we endeavor to plan the use of the university's financial resources in completing our stated goals.

Revenues:

The Total Revenue budget is increasing by $140.5 million (6%), compared to the FY 2025 revenue budget:

- State Appropriations are budgeted to increase by $45 million (9%), compared to the FY 2025 budget. The Legislature approved $6.2 million/year for three new items: the Corps of Cadets Uniform Allowance, the Veterinary Emergency Response Team, and the Hollingsworth Center for Ethical Leadership. Additionally, there was a $11.4 million increase in formula funding, $19 million increase in Higher Education Group Insurance (HEGI) and other State Paid Benefits, and $8.4 million in additional funds for the Texas Research University Fund (TRUF).
- Available University Fund (AUF) is budgeted to increase by $18 million (9%) based on allocations from the TAMU System.
- Tuition and Fees revenue is budgeted to increase by $35 million (4%), due to undergraduate cohort movement and increased enrollment in graduate programs in the College of Law and Mays Business School.
- Student Financial Assistance continues to trend upward with increases in Federal Pell Grant funding by $1.5 million (1%).
- Sales and Services are budgeted to increase by $63 million (15%) over the FY 2025 budget. The largest driver in the change, $21.7 million in Athletics due to an increase in media rights and a slight increase in conference revenues. Additionally, $17.4 million in Residence Life is due to the inclusion of the White Creek Apartments Revenue and an increased room rental rates while the Vet Small Animal Clinic and Teaching Hospital account for $10.3 million bringing their budget in closer alignment with actuals.
- Other Income is budgeted to decrease by $3.8 million (14%) primarily due to the phased close of the Qatar campus.

Expenses:

The Total Expenditures budget is increasing $150.4 million (6%), compared to the FY 2025 expenditure budget:

- Personnel Costs, forming the largest component of the expense budget, are budgeted to increase by $69.9 million (5%). Highlights include:
  - Proposed 3% performance-based employee retention program with related benefits; increased overall benefit costs.
  - Faculty: Continued faculty hiring and additional chairs & professorships, tenured faculty promotions and a competitive compensation initiative to recruit and retain Academic Professional Track (non-tenure) faculty. There are also notable increases in Faculty hiring in the Mays Business School, College of Veterinary Medicine (Vet Teaching Hospital), and new faculty positions in the College of Performance, Visualization and Fine Arts and a decrease related to the phased closure of the Qatar campus.
  - Non-Faculty: The biggest drivers in the increase of staff positions are in Athletics (NIL administration), Technology Services (Artificial Intelligence and Super Computing) and in various colleges to assist in faculty support and student success.
  - Wages are decreasing as a result of the phased closure of the Qatar campus.
  - Benefits are also increasing due to rising Group Insurance Rates both for active employees and the increasing number of retirees.
- Utilities is budgeted to increase $3.6 million (4%) due to continued increases in rates and more facilities being occupied on campus.
- Scholarship expense net of Discounts is budgeted to increase $9.7 million (10%), which is primarily due to Athletics and name, imaging and likeness related to revenue sharing.
- Equipment (Capitalized) is budgeted to increase by $30.4 million (80%), as the university is making significant investments in high-priority and high-visibility campus projects to improve academic buildings and infrastructure projects related to the recently completed Capacity Study.
- Operations & Maintenance (Net) is increasing slightly compared to FY 2025. Highlights include:
  - Additional operating costs associated with safety, security, compliance and capacity/student experience investments.
  - Continued investment in infrastructure and facility renovations (non-capital) associated with the Capacity Study.
  - New special item funding for the Vet Emergency Team and Corps of Cadets uniforms.
  - Increasing operating costs in Athletics.

BUDGET NARRATIVE CONTINUED

Debt Service:

- Debt service is budgeted to increase by $11.2 million (8%) compared to FY 2025 as construction is planned to begin on the Aplin project. The first principal payment will be due for the Campus Network Replacement project and the first bond payment for the recently approved White Creek Apartments purchase will be due.

Reserves:

- FY 2024 Reserve balance of $569 million (3.5 months).
- FY 2025 Projected Reserve balances are expected to be $568 million (3.5 months).
- FY 2026 Projected reserve balances to be $567 million (3.5 months).

Capital Plan:

- The following projects will seek construction approval for FY2026: Aplin, HVAC System Hart Hall, Player Development Center at Blue Bell Park.
- The following proposed projects plan to begin design in FY2026: Academic Building Exterior Restoration, Biology Teaching and Research Building, HEEP Laboratory Building Renovation, Discover Drive Parking Garage and the Center for Learning Arts and Innovation.



Texas A&M University

Programmatic Budget Review
Operating Budget

July 28, 2025

General (Ret.) Mark A. Welsh III

President, Texas A&M University

Our Mission

TEXAS A&M UNIVERSITY

Texas A&M University remains dedicated to the discovery, development, communication and application of knowledge.

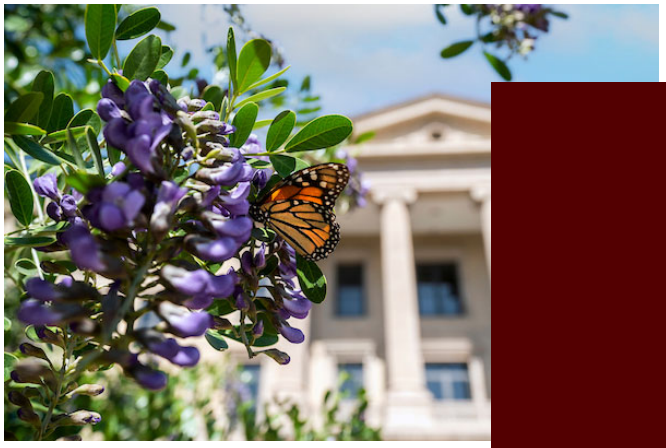
Our purpose is to develop leaders of character dedicated to serving the greater good.







Academic Measurements





Enrollment Trend

Retention Rates

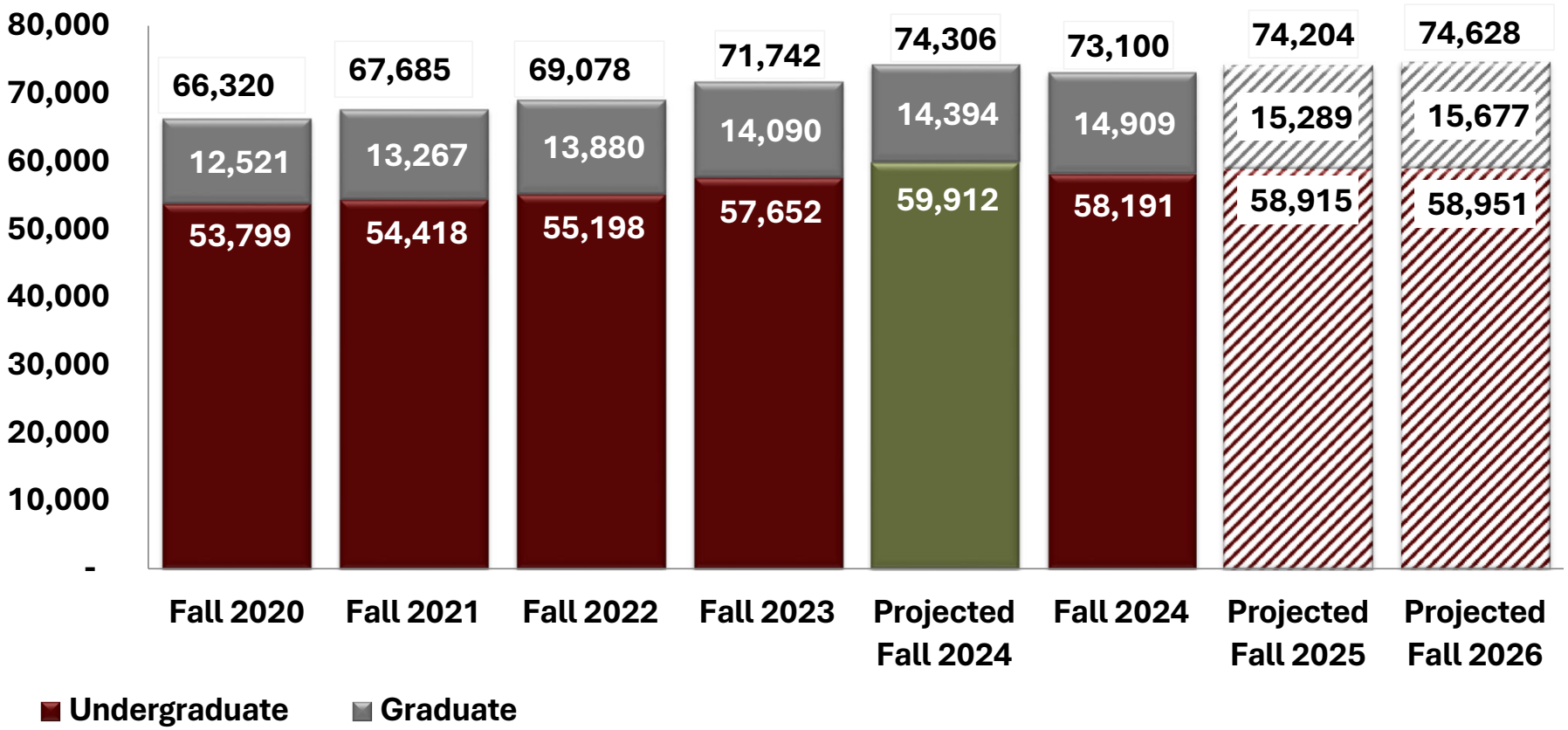
Graduation Rates

NSF Research Expenditures



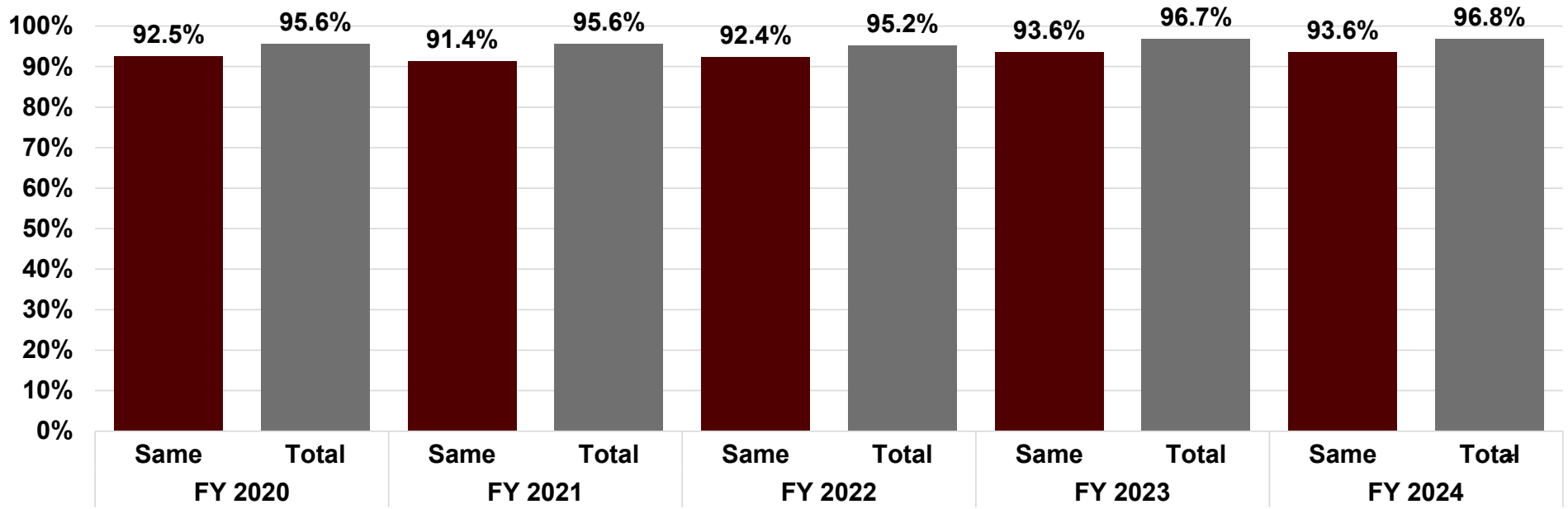


Enrollment Trend



*Includes Qatar and Distance Education

First-Year Retention Rate

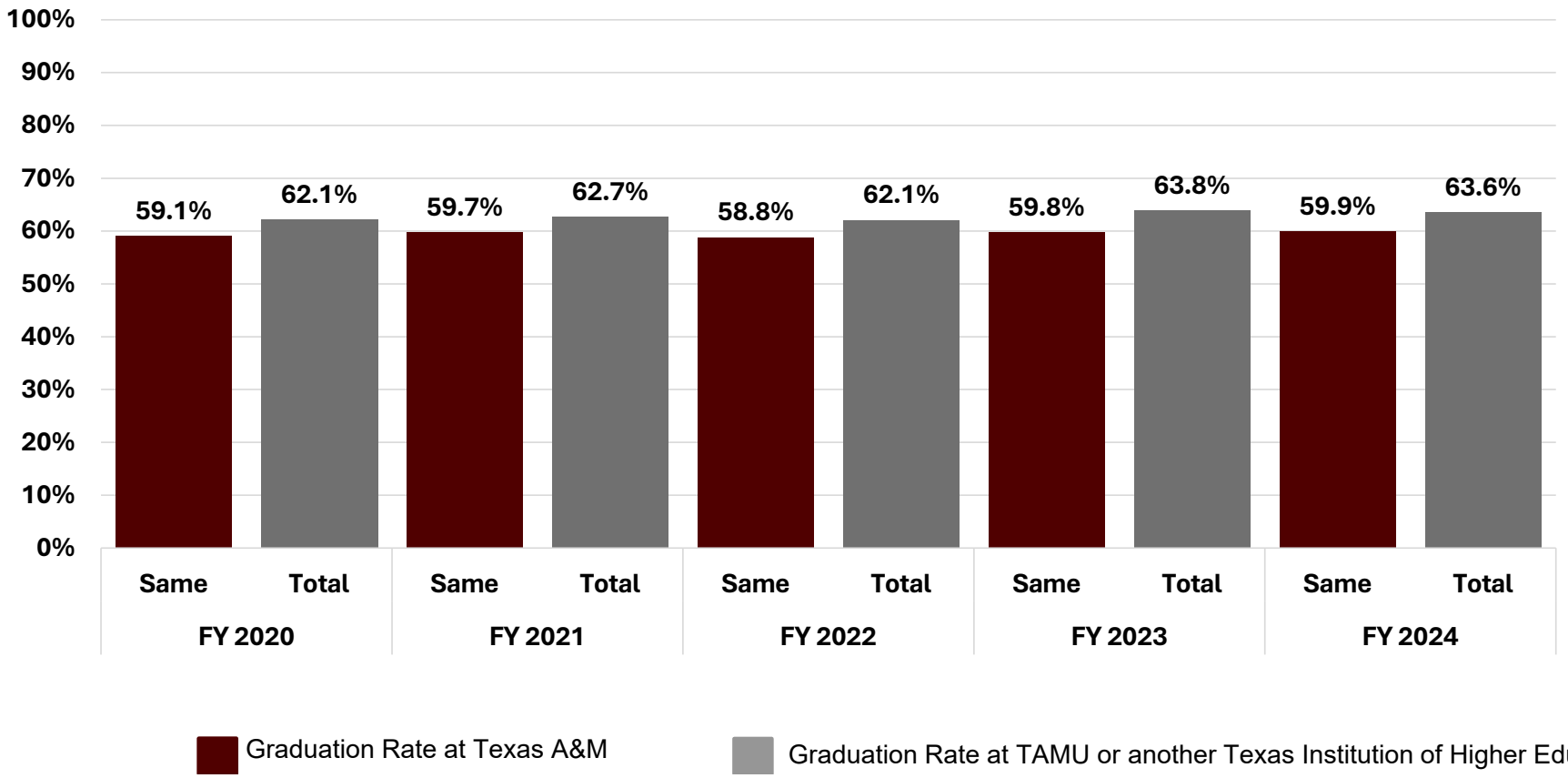


Source: THECB Accountability System, Interactive, Persistence Rates

Retention rate at Texas A&M University

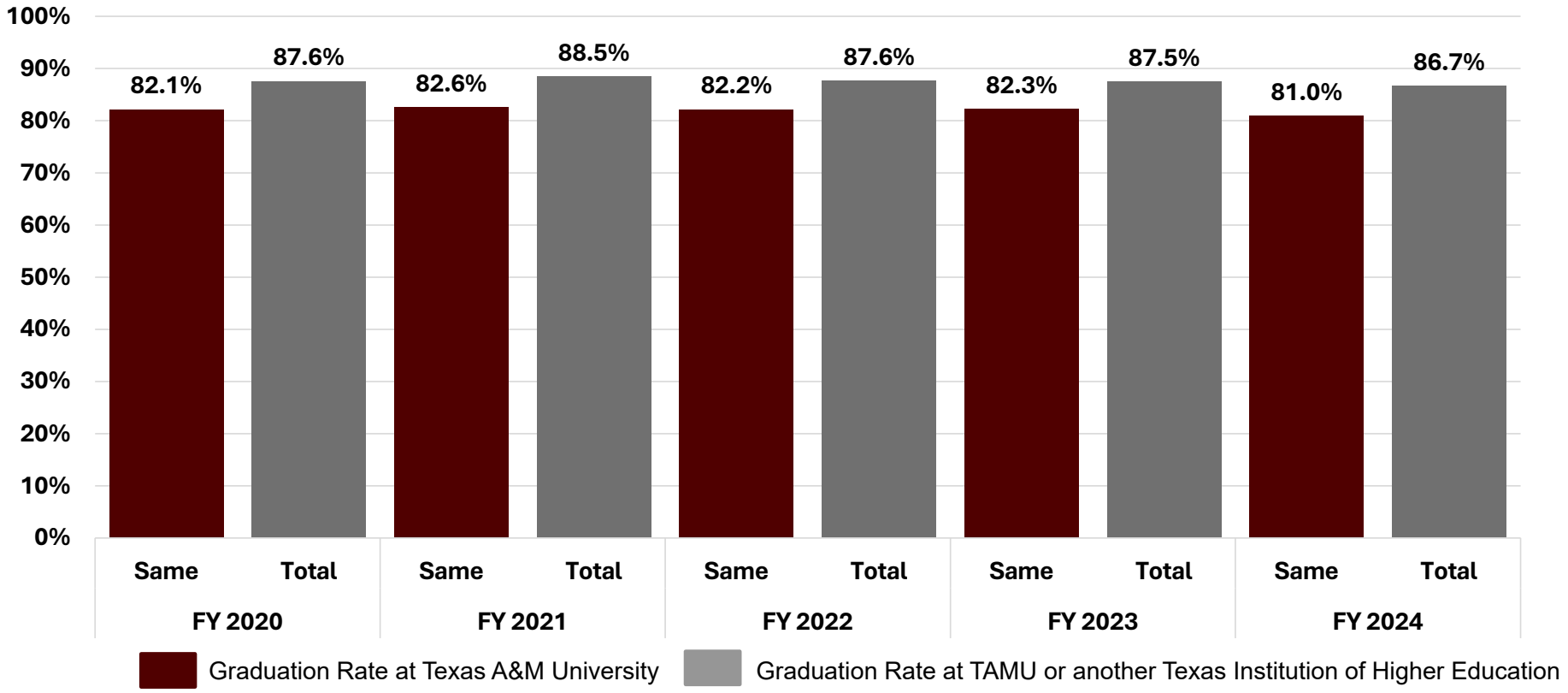
Retention at TAMU or another Texas Institution of Higher Education

4-Year Graduation Rate



Source: THECB Accountability System, Interactive, Persistence Rates

6-Year Graduation Rate

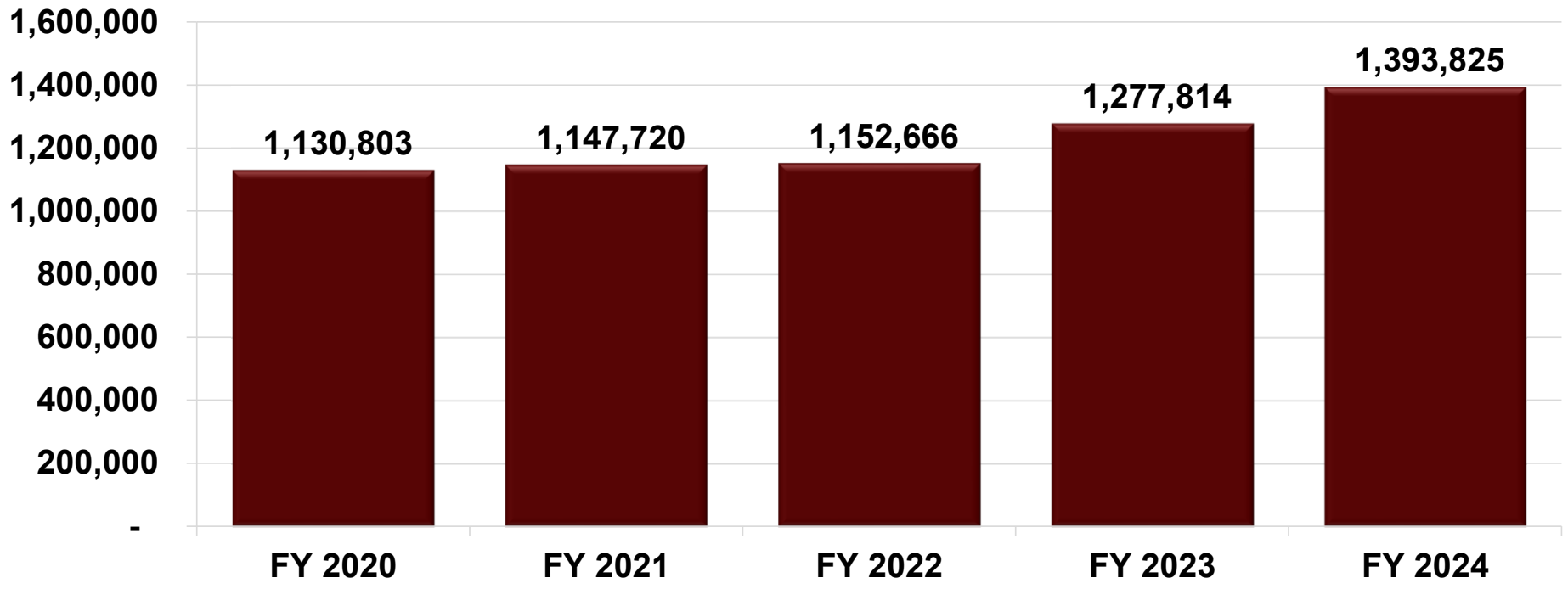


Source: THECB Accountability System, Interactive, Persistence Rates

Research Expenditures Reported to NSF

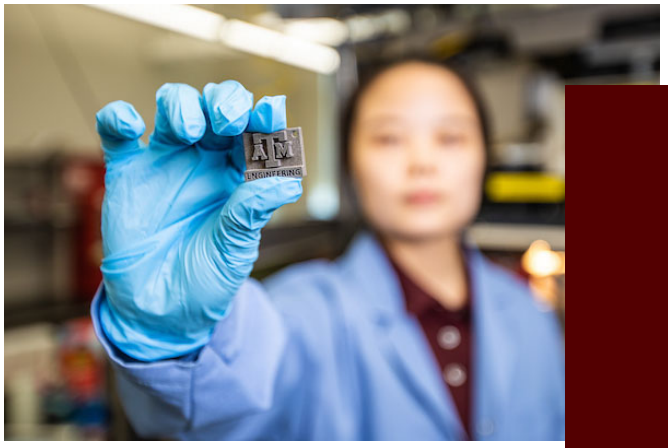
(in thousands)

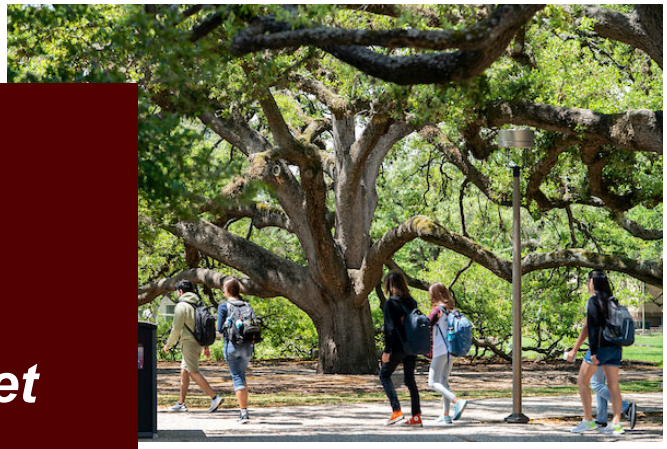
TEXAS A&M UNIVERSITY



Includes Research Agencies (AL-RSCH, AL-EXT, TEES, TTI, TFS, TVMDL, System Offices and TAMHSC beginning in FY13). This is the amount represented in NSF ranking as reported in the NSF Higher Education Research and Development (HERD) Survey.

Financial Performance





Legislative Update

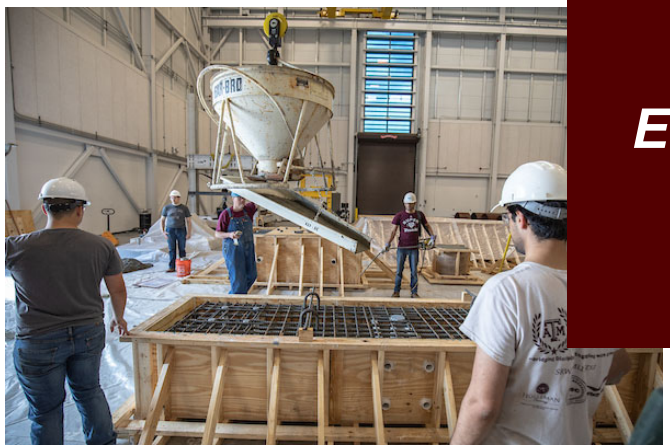
Health Center Fee

FY26 Proposed Budget

Reserves

Employee Turnover Rates

Employee Retention





Legislative Update

- Total amount of new funding for the biennium is $52.79M ($26.39M per year)
  - Unfunded Request - $45M for STEM Investment
  - Amounts included in the FY26 Budget:
    - $20.27M: Net General Revenue
    - $ 3.00M: Corps of Cadets Uniforms
    - $ 2.50M: Veterinary Emergency Team
    - $ 0.62M: Hollingsworth Center



* An additional $12.5M was also appropriated for Higher Education Group Insurance (HEGI) Contributions in FY26 and $6.15M for State paid benefits (retirement and FICA)

TAMU Health Center Fee

Texas A&M leadership would like to work with the Board of Regents and the Legislature in the 90th Legislative session to increase the cap for the Health Center Fee

- Beutel opened in 1973 with a vision of serving up to 22,000 students; a number that was surpassed in 1975.
- The fee cap was last increased from $25 to $75 during the 74th Legislative Session, effective June 16, 1995
- In Fall 1995, student headcount was 41,790. Projected Fall 2025 enrollment is 74,204; a 77% increase
- Inflation has outpaced the increase in the health center fee in the last 30 years (1995-2025).
- Not only are we fighting inflation prices and caring for more students, the need for medical care by our students is at record levels with clinic visits increasing 21% since 2013.

Strategic Budget Council

Primary

President (Chair) – Mark Welsh
Executive Vice President & Provost – Alan Sams
Chief Financial Officer – John Crawford
Chief Operating Officer – Peter Lange
Senior VP for Strategy and Business Services – Joe Pettibon
Vice President for Research – Costas Georghiades
Council of Dean's Representative – Nate Sharp
Speaker of the Faculty Senate – Andrew Klein
University Staff Council Chairperson – Katie St. Clair
Student Government Representative – Gia Viggiano

Ex-Officio

Deputy Chief Financial Officer – Jeff Burton
Associate Vice President for Budgets & Planning – Deborah Wright
Chief of Staff for the President – Susan Ballabina
Provost Chief of Staff – Tim Powers
Health Science Center Interim COO – Indra Reddy
Governmental Relations – Julie Kopycinski/Michael Hardy



Strategic Budget Council

- Created the Strategic Budget Council to provide budget guidance and review and prioritize all budget requests from the campus

- Every vice president and dean had a budget discussion with the Strategic Budget Council
  - VP's discussions were held in November and December
  - College/School discussions were held in January and February

- Emphasis on:
  - Self-Funding
  - Use of reserves
  - Safety/Security/Compliance
  - Capacity and Student Experience Study recommendations

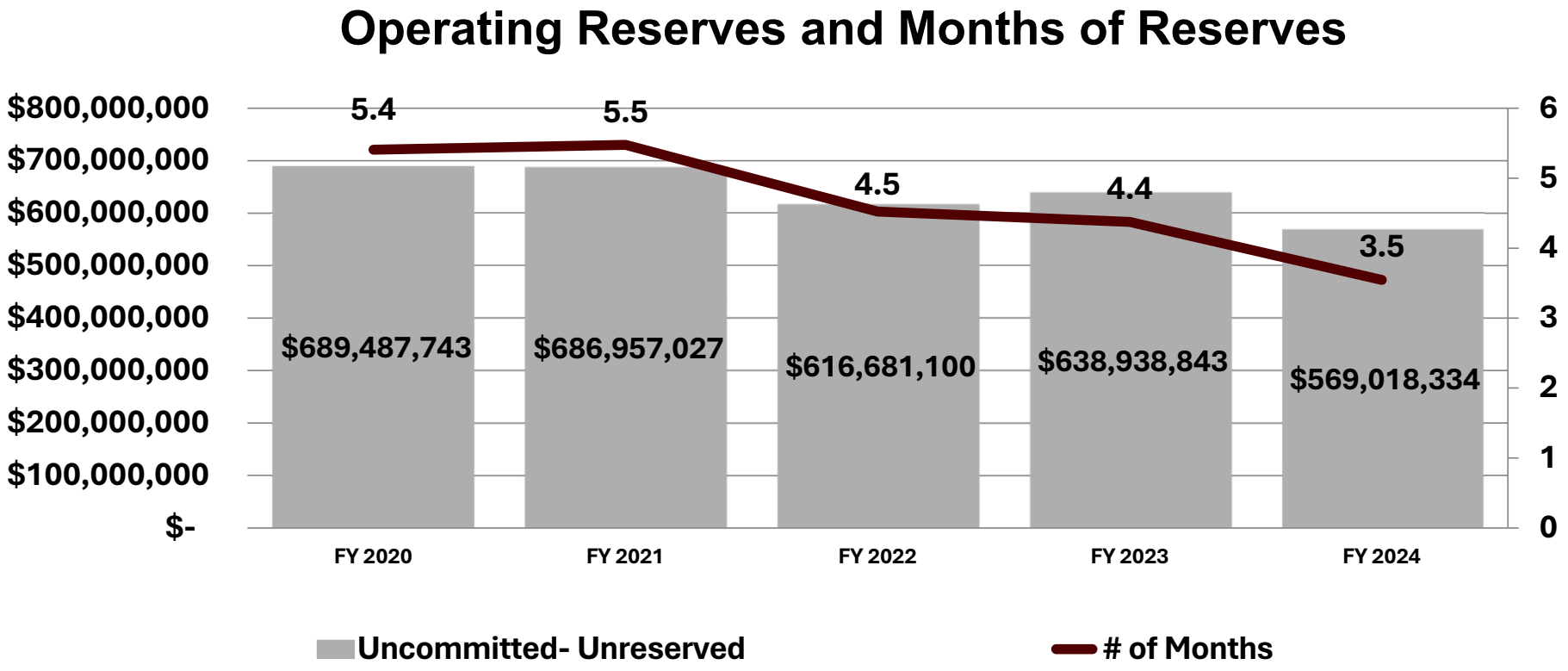
FY26 Proposed Revenue Budget

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
Tuition and Fees	$ 981,724	$ 1,016,717	$ 34,993	4%
State Appropriations	502,173	547,208	45,034	9%
Sales and Services	411,004	473,980	62,976	15%
Contracts and Grants	293,905	295,116	1,211	0%
Available University Fund	197,400	215,380	17,980	9%
Gifts	152,322	152,059	(263)	0%
Student Financial Assistance	100,000	101,480	1,480	1%
Investment Income	89,352	89,954	602	1%
Other Income	27,347	23,514	(3,833)	-14%
Scholarship Adjustments (Discounts)	(201,847)	(221,500)	(19,653)	10%
TOTAL REVENUES:	**$ 2,553,380**	**$ 2,693,908**	**$ 140,528**	**6%**

FY 2026 Proposed Expense Budget

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 2,553,380**	**$ 2,693,908**		
Expenses:				
Salaries - Faculty	$ 518,592	$ 536,602	$ 18,011	3%
Salaries - Non-Faculty	504,084	536,892	32,808	7%
Wages	97,265	87,202	(10,063)	-10%
Benefits	272,066	301,187	29,122	11%
Personnel Costs	$ 1,392,007	$ 1,461,884	$ 69,878	5%
Operations and Maintenance	740,881	766,556	25,675	3%
Scholarships	300,326	329,693	29,366	10%
Discounts	(201,847)	(221,500)	(19,653)	10%
Debt Service	144,137	155,345	11,208	8%
Utilities	79,116	82,675	3,559	4%
Capital Renovations & Equipment	37,997	68,388	30,391	80%
TOTAL EXPENSES:	**$ 2,492,617**	**$ 2,643,041**	**$ 150,424**	**6%**
Other Transfers:	(24,377)	(7,691)		
CHANGE IN NET POSITION (Rev-Exp+Transfer):	**$ 36,385**	**$ 43,176**		

Reserves (Uncommitted)



Employee Turnover

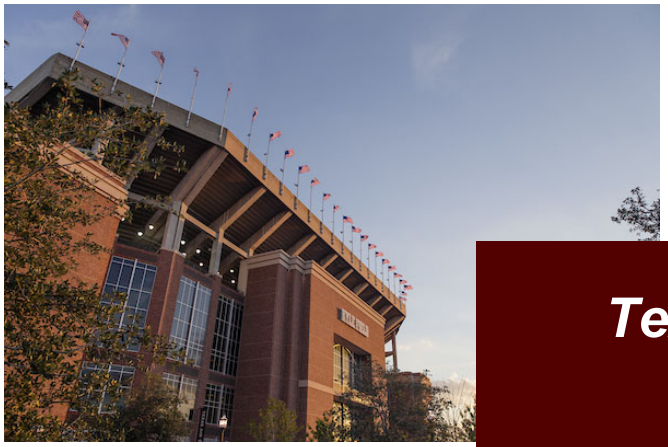
Fiscal Year	Faculty		Exec/Admin		Staff		Total	
	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	168	5.5%	62	7.7%	889	16.8%	1,119	12.2%
FY 2023	149	4.9%	43	4.8%	716	13.1%	908	9.6%
FY 2024	148	4.7%	68	7.1%	800	13.6%	1,016	10.1%

*The national Higher Education employee turnover rate for 2024 was 13.4%.

FY26 Employee Retention Plan (Merit)

FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
3% Performance Based Pool	$12,438,400	$15,996,500	$28,434,900
Faculty Promotions	1,007,400	-	1,007,400
Benefits	2,487,500	2,959,400	5,446,900
Total	**$15,933,300**	**$18,955,900**	**$34,889,200**

Auxiliary Operations





Texas A&M Athletics

Residence Life

Transportation Services





Auxiliary Operations: Athletics

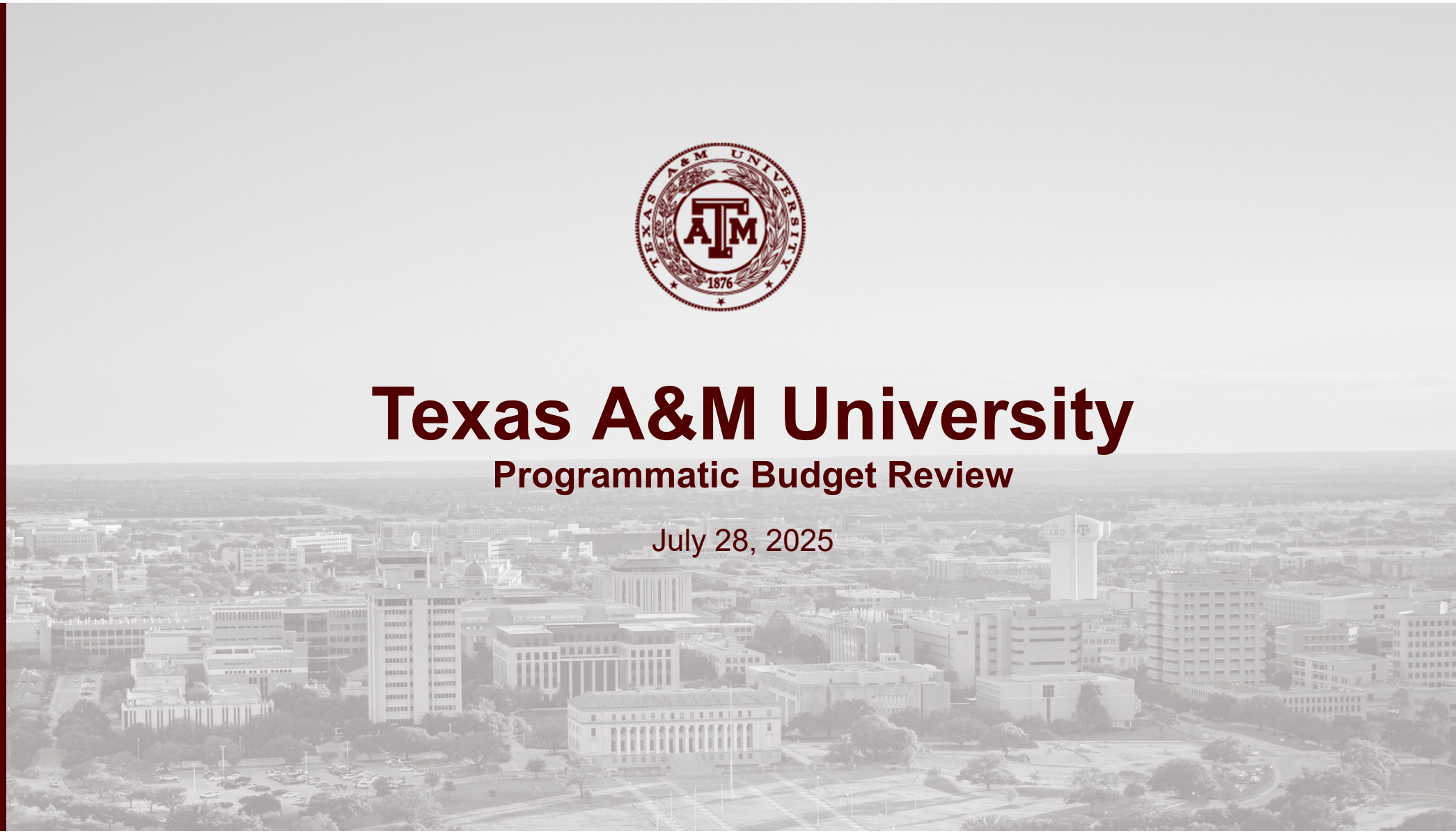
Athletics *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
Sales and Services	$ 165,929	$ 149,910	$ 171,431	$ 21,521	14.4%
Gifts/Other	72,649	47,993	44,227	(3,766)	-7.8%
Total Revenues:	**$ 238,578**	**$ 197,903**	**$ 215,658**	**$17,755**	**9.0%**
Expenses					
Personnel Costs:	$ 104,069	$ 80,932	$ 85,301	$ 4,369	5.4%
Utilities	6,212	6,158	6,679	521	8.5%
Scholarships	14,280	13,257	12,945	(312)	-2.4%
Revenue Share			20,500	20,500	
O&M and Equipment	102,767	71,670	75,672	4,002	5.6%
Debt Service	23,626	26,945	24,847	(2,098)	-7.8%
Total Expenses:	**$ 250,954**	**$ 198,962**	**$ 225,944**	**$ 6,482**	**3.3%**
Transfers					
Other Transfers (Licensing)	$ 10,851	$ 1,040	$ 3,040		
Total Transfers:	**$ 10,851**	**$ 1,040**	**$ 3,040**		
Net Income/(Loss)	**$ (1,525)**	**$ (19)**	**$ (7,246)**		

Auxiliary Operations: Residence Life

Resident Life *(in thousands)*	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance Amount	Budget Variance %
Revenue					
Sales and Services	$ 79,112	$ 76,926	$ 94,324	$ 17,398	22.6%
Other	2,803	2,500	2,470	(30)	-1.2%
Total Revenues:	**$ 81,915**	**$ 79,426**	**$ 96,794**	**$ 17,368**	**21.9%**
Expenses					
Personnel Costs:	$ 8,563	$ 11,350	$ 12,401	$ 1,051	9.3%
Utilities	9,433	10,000	11,738	1,738	17.4%
O&M and Equipment	18,163	20,214	25,847	5,633	27.9%
Debt Service	29,964	32,404	38,695	6,291	19.4%
Total Expenses:	**$ 66,123**	**$ 73,968**	**$ 88,681**	**$ 14,713**	**19.9%**
Transfers					
Other Transfers (Corps Funding)	$ (3,404)	$ (3,429)	$ (3,361)		
Net Income/(Loss):	**$ 12,388**	**$ 2,029**	**$ 4,752**		

Auxiliary Operations: Transportation

Transportation *(in thousands)*	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance Amount	Budget Variance %
Revenue					
Sales and Services	$ 45,144	$ 47,152	$ 52,478	$ 5,326	11.3%
Fees		151	151	-	0.0%
Other	2,911	490	533	43	8.8%
Total Revenues:	**$ 48,055**	**$ 47,793**	**$ 53,162**	**$ 5,369**	**11.2%**
Expenses					
Personnel Costs:	$ 18,044	$ 18,758	$ 22,382	$ 3,624	19.3%
Utilities	842	829	896	67	8.1%
O&M and Equipment	30,306	30,822	33,213	2,391	7.8%
Other	83	-	-	-	
Debt Service	6,274	7,325	7,307		
Total Expenses:	**$ 55,549**	**$ 57,734**	**$ 63,798**	**$ 6,082**	**10.5%**
Transfers					
Transfer from UAF	$ 9,793	$ 9,718	$ 10,430		
Net Income/(Loss):	**$ 2,299**	**$ (223)**	**$ (206)**		



Texas A&M University

Programmatic Budget Review

July 28, 2025



Texas A&M University

Programmatic Budget Review
Capital Plan and Deferred Maintenance

July 29, 2025

General (Ret.) Mark A. Welsh III

President, Texas A&M University

Capital Plan Update

TEXAS A&M UNIVERSITY

Executive Facilities Committee

Capital Project Update

Future Project Plans

Deferred Maintenance



Linda & Dennis Clark ‘68 Small Animal Teaching Hospital

Executive Facilities Committee

TEXAS A&M UNIVERSITY

Membership

President (Chair) - Mark Welsh
Executive Vice President & Provost - Alan Sams
Chief Financial Officer - John Crawford
Chief Operating Officer – Peter Lange
Senior VP for Strategy and Business Services - Joe Pettibon
Interim Vice President for Research – Costas Georghiades
Chief Facilities Officer – Les Williams
University Architect – Lilia Gonzales
Chief Government Relations Officer – Julie Kopycinski
Senior Associate Athletic Director – Craig Valka
President, Texas A&M Foundation – Tyson Voelkel
Speaker, Faculty Senate – Andrew Klein

Executive Facilities Committee

- Created the Executive Facilities Committee to provide project guidance, review and prioritize ALL project requests
- Meets monthly
- Reviews space requests external to division and for unidentified space
- Office of the University Architects guides the process from start to finish. This includes scale/scope of project, budget, timeline and planning.

Projects in Design or Construction

Projects in Design or Construction	Project Budget ($M)	Funding Source	% Construction Completed	Gross Square Footage	Projected Completion Date
Heldenfels 4th Floor Lab Renovation	$ 12	Cash	1%	19,567	Jan-26
Penberthy Road Expansion & Multi-Use Path	$ 6	RFS Parking Revenue/Cash	1%	N/A	Feb-26
CUP Generator Replacement	$ 27	RFS Utility Revenue	10%	4,904	Jun-26
HVAC System Hart Hall	$ 9	RFS Housing Revenue	0%	50,416	Jul-26
Space Institute	$ 200	General Revenue	15%	396,424	Nov-26
*Player Development Center at Blue Bell Park	$ 28	Gifts/RFS Seat License	0%	34,100	Dec-26
Linda & Dennis Clark '68 Small Animal Teaching Hospital	$ 181	PUF/CCAP/Gifts/AUF	9%	136,180	May-27
*Aplin Center	$ 250	PUF/RFS DT/Cash	0%	211,724	Feb-28
*Satellite Utility Plant 1 Expansion	$ 30	RFS Utility Revenue	0%	15,000	Feb-28
Total	$ 743				

*Projects currently in design

Linda & Dennis Clark ‘68 Small Animal Teaching Hospital

TEXAS A&M UNIVERSITY

- Provide exemplary clinical education
- Promote research-driven patient care
- Utilize state-of-the-art technologies
- $181M funded through gifts, RFS (CCAP), PUF and AUF
- 136K gross square feet





Space Collaboration Facility

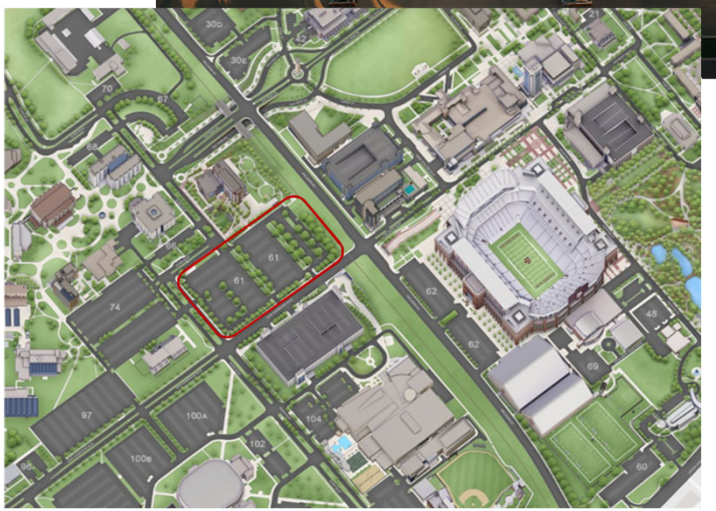
- Located adjacent to Johnson Space Center
- $200M funded from state legislature
- 32-acre ground lease with NASA
- Home to Texas A&M Space Institute



Aplin Center

- Located across Wellborn from the Texas A&M Hotel & Conference Center on West Campus
- Multi-disciplinary facility including food, hospitality and business programs as well as a new visitor center
- $250M funded by PUF, RFS designated tuition, cash
- 212K gross square feet



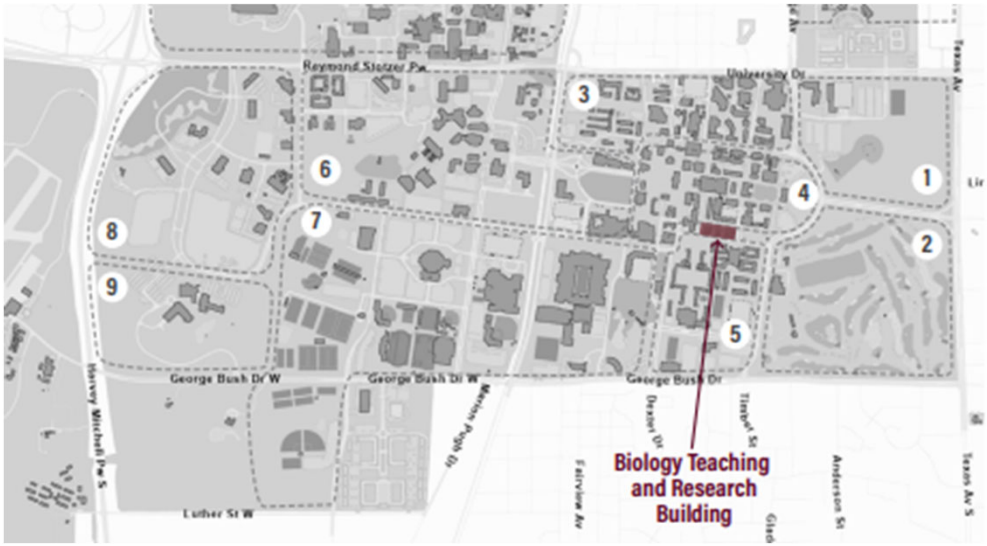


Proposed FY2026 Projects

Proposed FY2026 Projects	Planning Amount ($M)	Funding Source	Gross Square Footage	Projected Construction Start Date
Penberthy Turf Replacement	$ 5	RFS Rec Sports Revenue	N/A	Jun-26
Fowler, Hughes & Schuhmacher Halls Plumbing Replacement	$ 11	RFS Housing Revenue	135,610	Nov-26
Academic Building Restoration	$ 30	PUF/AUF	Exterior	Dec-26
Biology Teaching and Research Building	$ 220	RFS DT/AUF/Cash/Gifts	184,651	Dec-26
Discovery Drive Parking Garage	$ 104	RFS Transportation Revenue	657,500	Dec-26
Center for Learning Arts & Innovation	$ 235	RFS AUF/PUF/Cash	186,900	Dec-26
Total	$ 605			

Biology Teaching & Research

- 4-story building is planned to create a state-of-the-art, innovative, teaching-oriented facility that pushes the boundaries of a typical biology department
- Current facilities unable to provide stable utility services critical for teaching and research
- $220M funded by RFS designated tuition, gifts, cash
- 185K gross square feet



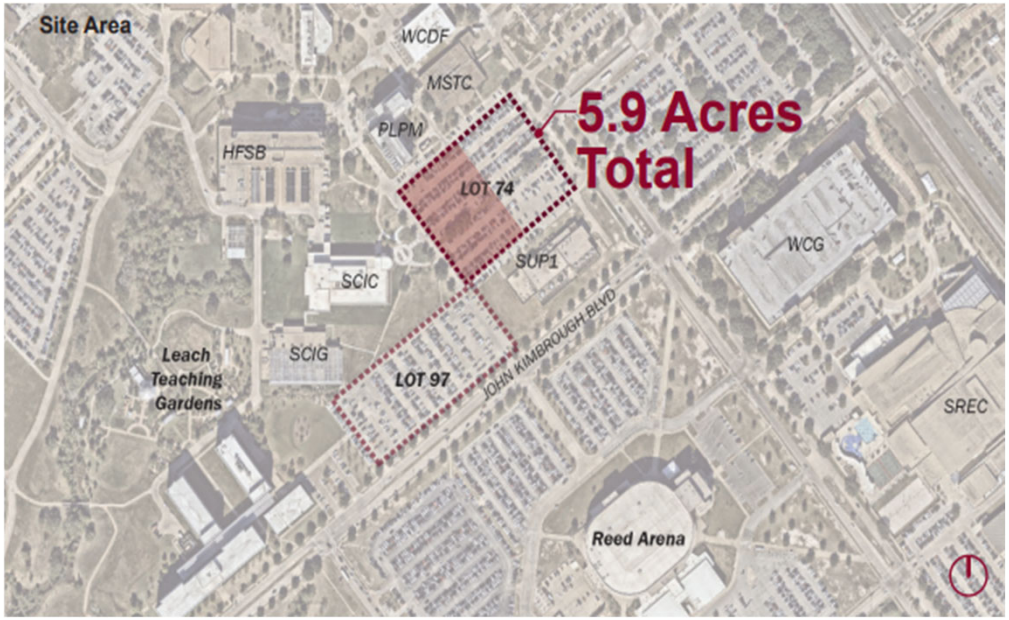
Center for Learning, Arts & Innovation

- Will provide a transformative space for higher education and research for the college of Performance, Visualization and Fine Arts

- $235M RFS designated tuition, PUF, cash

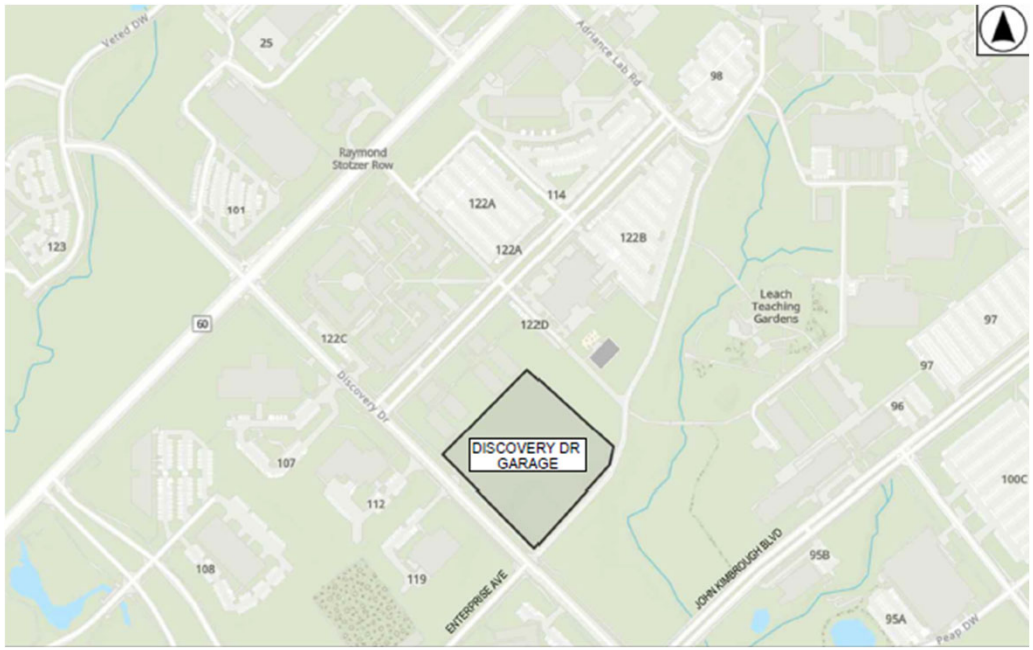
- 187K gross square feet, 5 stories

- Site on west campus current lot 74



Discovery Drive Parking Garage

- To be constructed on west campus to serve a variety of user groups including resident students, university employees, monthly permit holders, and public visitor parking
- Will add 1800 to 1900 parking spaces on west campus
- $104M RFS parking revenue
- 658K gross square feet

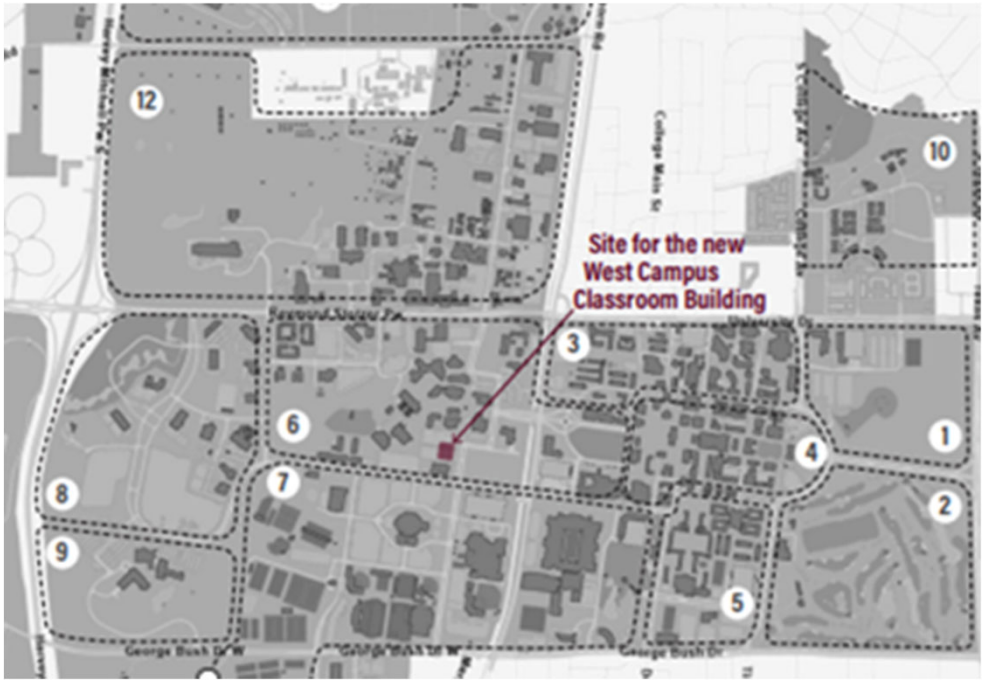


Future Years Proposed Projects

Future Years Proposed Projects	Cost Estimate ($M)	Estimated Square Footage
Heep Laboratory Building Renovation	$ 30	26,558
West Campus Learning Commons	$ 130	108,000
Mays Business Building #3	$ 192	150,000
Domestic Water Loop Extension	$ 5	N/A
Underwood Shower Replacement & Fire Life Safety Upgrades	$ 6	81,730
Engineering Research Building	$ 200	182,000
Virtual Production Institute - Fort Worth	$ 25	26,000
Total	$ 588	

West Campus Learning Commons

- Planned to create an academic union for instruction and student success that facilitates learning across the entire Texas A&M campus
- Need for additional classroom capacity
- Address issues with efficiency for students traveling between east and west campus
- $130M funded by PUF, AUF, RFS-Designated Tuition,
- 112K gross square feet



Anticipated Capital Priorities

FY 2027

- West campus - residence facilities, expansion of campus dining
- Duncan dining replacement
- Poultry Science Center
- Cyclotron Expansion

Beyond FY2027

- West campus – additional parking garages, recreational sports facility, west campus utility plant
- Trigon replacement
- University Health Services facility

Deferred Maintenance Steering Committee

TEXAS A&M UNIVERSITY

Membership

Chief Financial Officer (Co-Chair) - John Crawford
Chief Operating Officer (Co-Chair) – Peter Lange
Interim VP Student Affairs – Tom Reber
Chief Facilities Officer – Les Williams
Associate Vice President and Chief of Staff, HSC - Olga Rodriguez
Executive Associate Vice Chancellor and COO, Agrilife – Vic Seidel
Senior Associate Athletic Director – Craig Valka
Associate Dean, College of Architecture – Leslie Feigenbaum
Associate Professor, Department of Oceanography – Jessica Fitzsimmons
A.V.P., Division of Research – Matt Fry
Assistant Dean of Business Services, College of Education – Jill Hobbs
Assistant Vice President & Chief of Staff to the Provost – Tim Powers
Director, Facilities Management – Heather Quiram
Regional Director of Operations, SSC – Charles Darby
A.V.P., TAMU Galveston – Grant Shallenberger
Assistant Vice President for Finance – Operations (Ex Officio) – Jessica Kilby

Deferred Maintenance Steering Committee

- The Deferred Maintenance Steering Committee will provide input on decisions regarding deferred maintenance issues and to act as a conduit of information to and from campus stakeholders

- Gordian Solutions has currently been retained to perform a deferred maintenance evaluation which will properly identify the deferred maintenance needs of College Station and other locations which will provide a holistic view of the deferred maintenance needs

- Crucial objective for this team will be to properly align priorities so that the Gordian Cloud Platform can accurately identify where to deploy deferred maintenance funding

Deferred Maintenance Overview

- TAMU has a total of 25M gross square feet – 10M in Academic & Administrative (E&G) space and 15M in non-E&G and agency space
- The university, in academic, administrative, auxiliary, and other spaces, expects to expend approximately $90M annually in addressing DM
- The $90M includes:
  - Approximately $13M in DM addressed through major capital renovation projects of Academic and Administrative spaces
  - at least $30M allocated for smaller DM related projects, prioritized through the DM committee
  - And $31M annually through the big 3 auxiliaries (Athletics, Residence Life, Transportation Services)
  - $16M annually for utility infrastructure
  - University evaluating plans to increase expenditures in reducing DM

Current Deferred Maintenance Status

College Station is migrating to TAMUS Gordian platform (College Station, HSC, Law, Galveston, McAllen)

Current Progress:

- 7 campus visits completed
- 25.7M GSF assessed to date

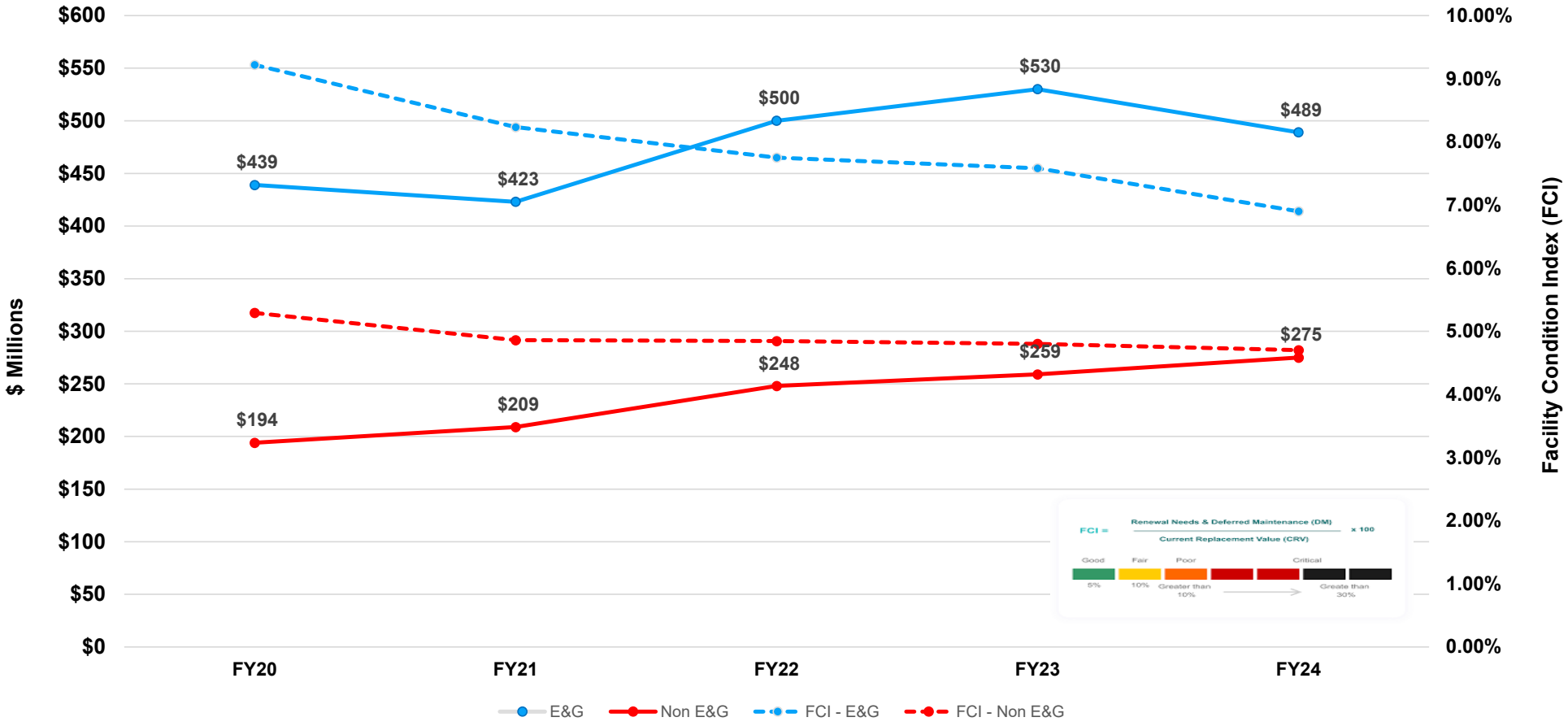
Remaining Visits:

- August 12th – 15th 2.2M+ GSF

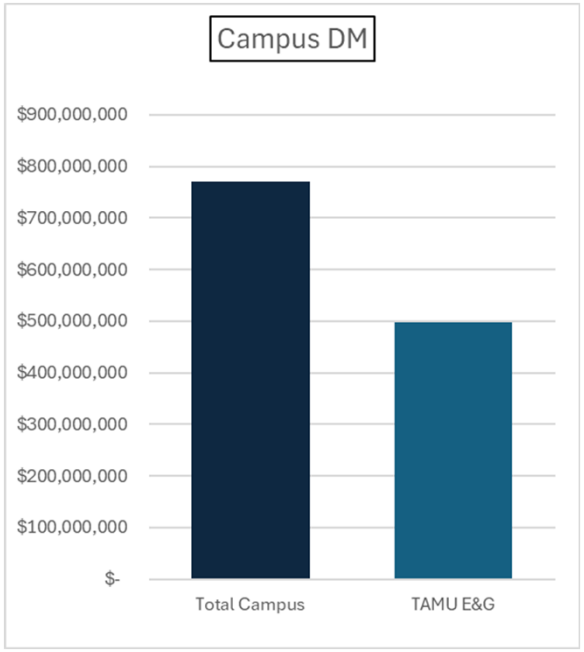
Next Steps

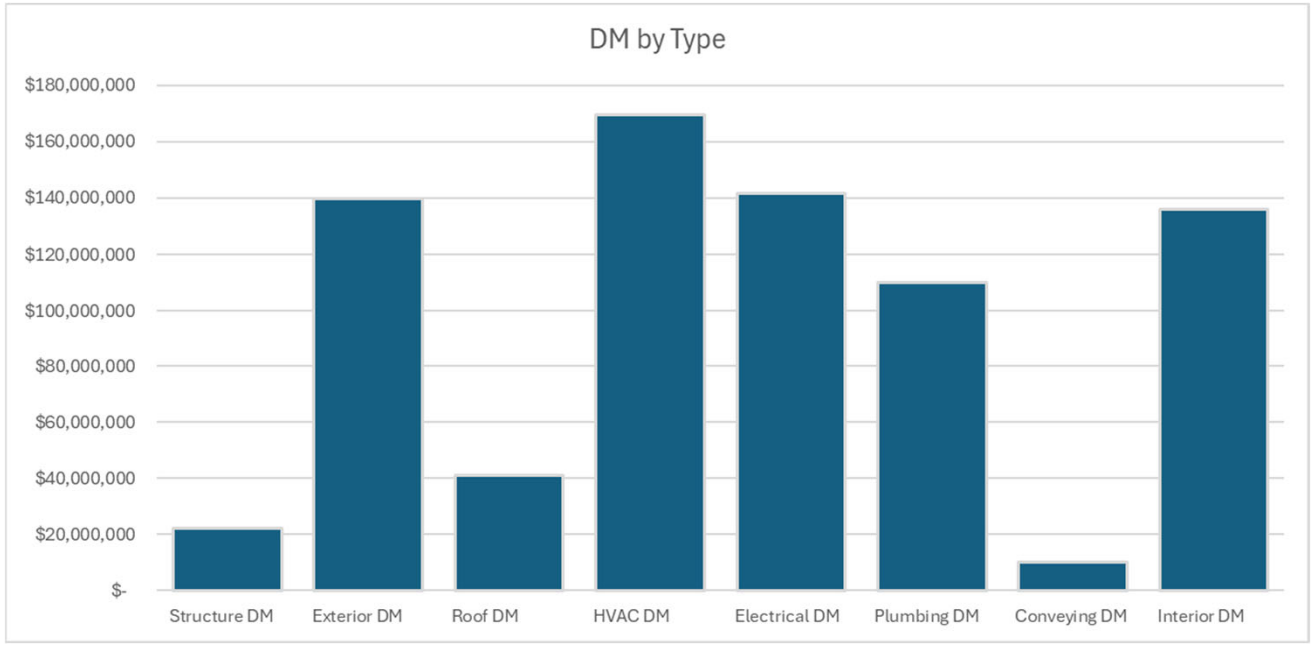
- Finalize data collection
- Review with DM committee – September/October of 2025
- Preliminary presentation by Gordian - December 2025
- Final presentation by Gordian - January 2026

Facility Condition Index Compared to Total Deferred Costs



FY24 Deferred Maintenance at TAMU





TEXAS A&M UNIVERSITY at GALVESTON

BUDGET NARRATIVE

Introduction:

Beginning in FY2022, a change was implemented in how TAMU Engineering students on our campus are counted. These students are now reflected in our overall headcount, and SCHs are therefore counted and weighted in our numbers for legislative formula funding. Additionally, an agreement was established to allocate applicable Tuition and Fees (T&F) between TAMU and TAMUG based on the proportion of instruction delivered by each institution's faculty. In FY2025, all tuition and fees were recorded in TAMUG's accounts, with a corresponding entry in a separate account to reflect the portion to be transferred to TAMU. For FY2026, this transfer is projected to be approximately $1.2 million in budgeted revenue, which is not available for TAMUG use and will be remitted to TAMU in accordance with the agreement.

Texas A&M University at Galveston received critical funding from the 89th Legislative Session, resulting in an overall increase of $13 million. This increase includes several line items detailed below, with approximately $1.2 million remaining available for general operations.
We intend to utilize these operational funds by requesting a 3% performance pool as part of our programmatic budget presentation.

Revenues:

Overall revenues for FY2026 are budgeted at a net increase of $15.3 million (17.0%). This is due to the following:

- State Appropriations increase of $13.0 million (43.2%) mostly due to the following special line items:
  - $8 million for the Texas A&M Maritime Academy
  - $3.5 million for the Institute for Disaster Resilient Texas
  - $239,000 for the Texas Comprehensive Research Fund
  - $95,000 for Oyster Study Funding
- Tuition and Fees revenue is budgeted to decrease by $765,000 (2.5%), primarily due to an overestimation of campus differential tuition in FY2025 and a reduction in projected revenue from differential tuition collected for Engineering students taught at the Galveston campus. Contracts and Grants are expected to increase by $2.4 million (19.5%) due to successful increases in grants awarded.
- Gifts increased $400,000 (33.3%) and Student Financial Assistance increased $250,000 (7.8%) to match the current year trend more closely.
- Investment Income is estimated conservatively to increase by $1.1 million (74.3%) due to realized gains and market stabilization.
- Discounts are budgeted to increase by $1.0 million (22.2%), which more closely matches the current year's trend in actuals.

BUDGET NARRATIVE CONTINUED

Expenses:

As a result of the budgeted revenues above, corresponding net expenses increased $15.8 million (17.9%). Changes are due to:

- Personnel Costs a net increase of $2.0 million (5.3%) based on the result of an employee performance plan, a pool set-aside for promotions for FY2026, and an increase in research staff from a corresponding increase in grants.
- Scholarships are budgeted to increase by $651,000 (9.7%) due to an increase in Student Financial Assistance and Gifts earmarked for scholarships as well as state-mandated set-asides in differential tuition for Engineering Students taught in Galveston.
- Operations & Maintenance is expected to increase by $13.3 million (45.4%) due to budgeting costs for the Texas A&M Maritime Academy, the Institute for Disaster Resilient Texas, Research grants, and contingency/current year reserves budgets.
- Other Transfers, as stated in the introduction, include a $1.2 million transfer to TAMU for the differential tuition net set-asides collected in Galveston for the Engineering Students taught in Galveston.

Debt Service:

An insignificant net increase in Debt Service of approximately $910,000 (5.6%).

Academic Building Complex	$4,810,108	Marine Terminal Renewal	$360,961	Student Services Building	$99,720
Engineering Classroom & Research	$2,937,433	Esco Project	$494,400	Parking Lot	$78,174
Ocean and Coastal Studies Building	$2,574,400	Waterfront Pavilion	$198,308	Student Life Building	$36,990
Purchase of Student Housing TAMMA Hall	$2,407,964	Dining Services Expansion	$128,658	Purchase of Student Housing	$437,314
Residence Hall Construction & Renovation	$1,514,494	Marine Terminal Flagship	$105,210	Sea Turtle Rehab Hospital	$1,000,941

Reserves:

- FY2023 Reserve balances were $26.3 million or 5.2 months.
- FY2024 Reserve balances were $28.4 million or 5.4 months.
- Projected FY2025 Reserve balances are expected to remain around $28 - $30 million or 5.6 months. Some portion of these reserves may be used due to possible one-time capital needs.
- Projected FY2026 Reserve balances are expected to remain around $30 million or 5.6 months. Some portion of these reserves may be used in FY2027.

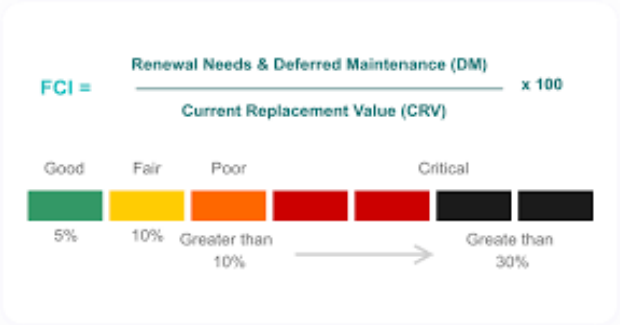
BUDGET NARRATIVE CONTINUED

Capital Plan:

- New Items:
  - Texas A&M Maritime Academy Hall Building Envelope Repair $35 million.
  - Sea Turtle Rehabilitation Hospital and Outreach Center: $17 million, with a proposed addition of $4 million.
  - Campus Facility Improvements $8.6 million
- The new NSMV vessel delivery is expected in late 2025. Infrastructure and dock improvement projects are ongoing.
- New Engineering Building Construction is ongoing.
- Unfunded Items:
  - Immersive & Simulation Learning Building, which is Phase III of our original planned classroom building project.
  - Campus Resiliency

Deferred Maintenance:

As of FY2024, TAMUG is reporting a Facilities Condition Index (FCI) of less than 4%, placing the campus in the "Good" category, as reflected in the index below. Rising inflation over the past three years remains a concern and significantly impacts future cost projections. In addition to normal accumulation of Deferred Maintenance, increased construction and repair costs contribute to higher estimated totals in our out years. Although TAMUG is still considered a young campus at 60 years, we must begin developing a strategic plan to increase investments in deferred maintenance budgets to ensure the FCI remains stable over time.



Texas A&M University at Galveston
Programmatic Budget Review
FY2026
Proposed Operating Budget

DRIVING THE BLUE ECONOMY


DRIVING THE
BLUE ECONOMY
TEXAS A&M UNIVERSITY AT GALVESTON

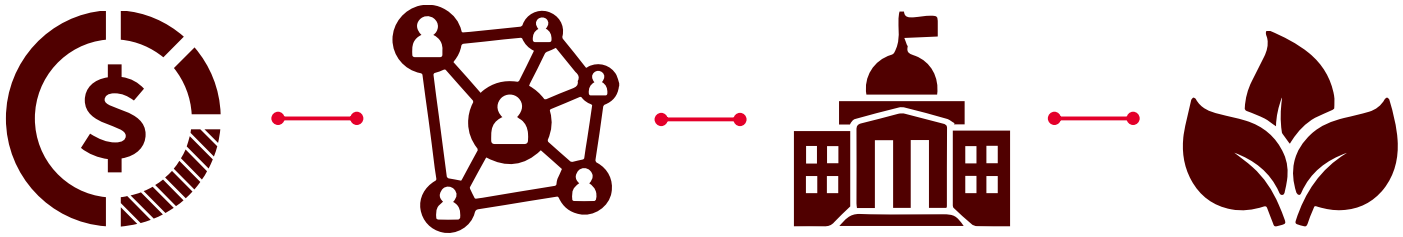
MISSION

Texas A&M University at Galveston is the island campus of Texas A&M University dedicated to developing leaders who are changing the world. We educate nearly 2,200 undergraduate and graduate students annually in marine and maritime programs whose commitment to our Core Values positions them to fuel the blue economy now and in the future.

Established by the Texas Legislature and defined in Texas Education Code 87.201, our core is special-purpose in serving undergraduate and graduate instruction in marine and maritime studies in science, engineering and business and for research and public service related to the general field of marine resources.

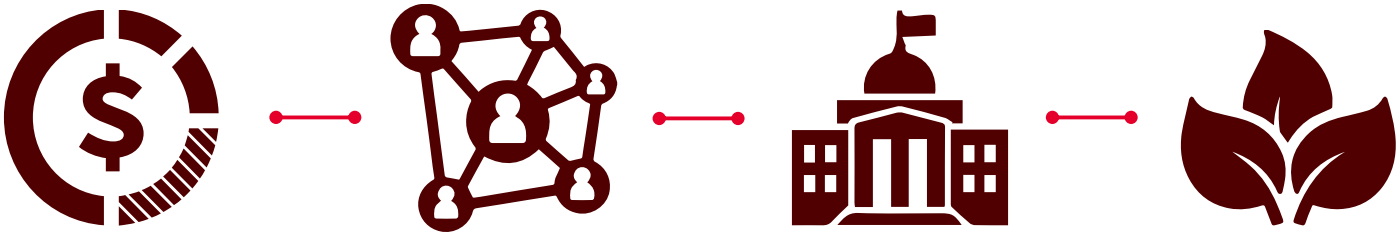
DRIVING THE BLUE ECONOMY

Our Strength
Driving the Blue Economy



DRIVING THE BLUE ECONOMY

The blue economy is the **economic, social, political,** and **ecological** vitality of our oceans and surrounding ecosystems.



DRIVING THE BLUE ECONOMY

AREAS OF SIGNIFICANT IMPACT

- Grow Maritime Academy to meet workforce needs
- Maritime transportation & administration
- Engineering solutions/urban planning/coastal community development
- Environmental sustainability
- Maritime public policy
- Marine and subsea engineering
- Maritime cultural studies
- Marine safety and cybersecurity



DRIVING THE BLUE ECONOMY

EDUCATION & TRAINING

- 15 Undergraduate, 6 Graduate Programs
- Blue Science, Humanities, Business, Engineering & Transportation
- Complementary Minors
  - Diving
  - Cybersecurity
  - Ocean/Coastal Resources
- Degree Programs Translate to Shoreside Industries
- License Option *(Undergraduate and Graduate)*
  - Maritime Transportation
  - Marine Engineering Technology
  - Maritime Business Administration
  - Marine Biology

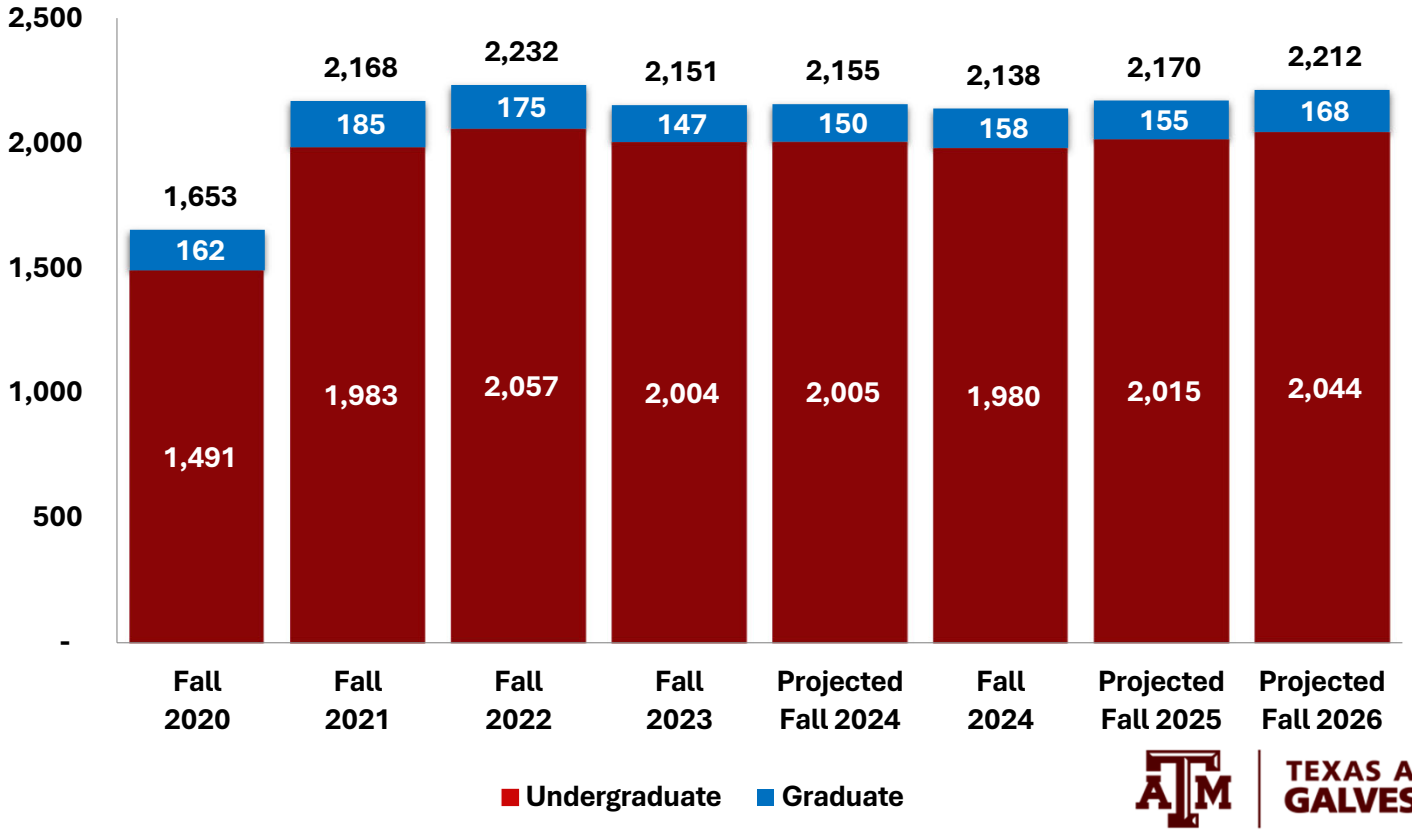
DRIVING THE BLUE ECONOMY



SECTION 1: ACADEMICS

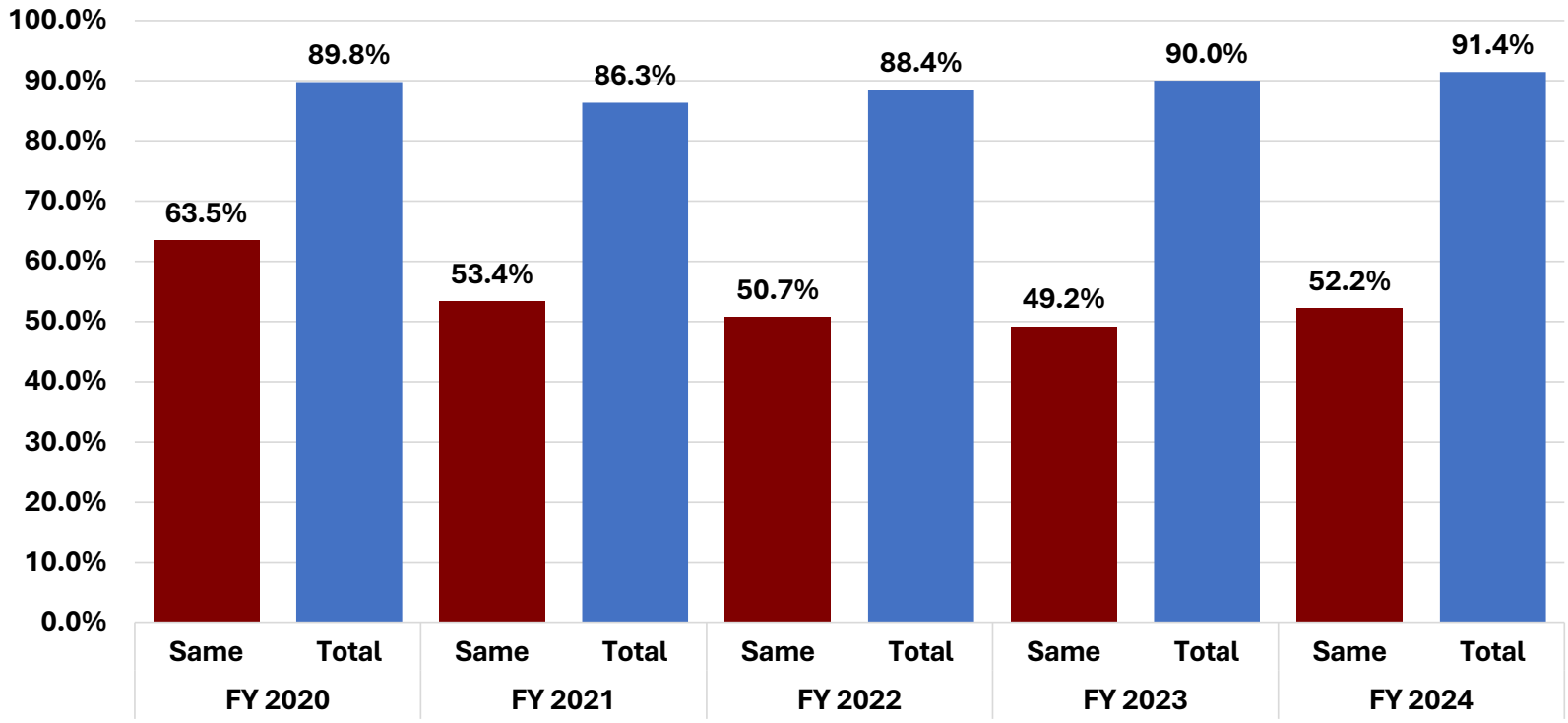
TEXAS A&M UNIVERSITY AT GALVESTON

5-Year Enrollment Trend



TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

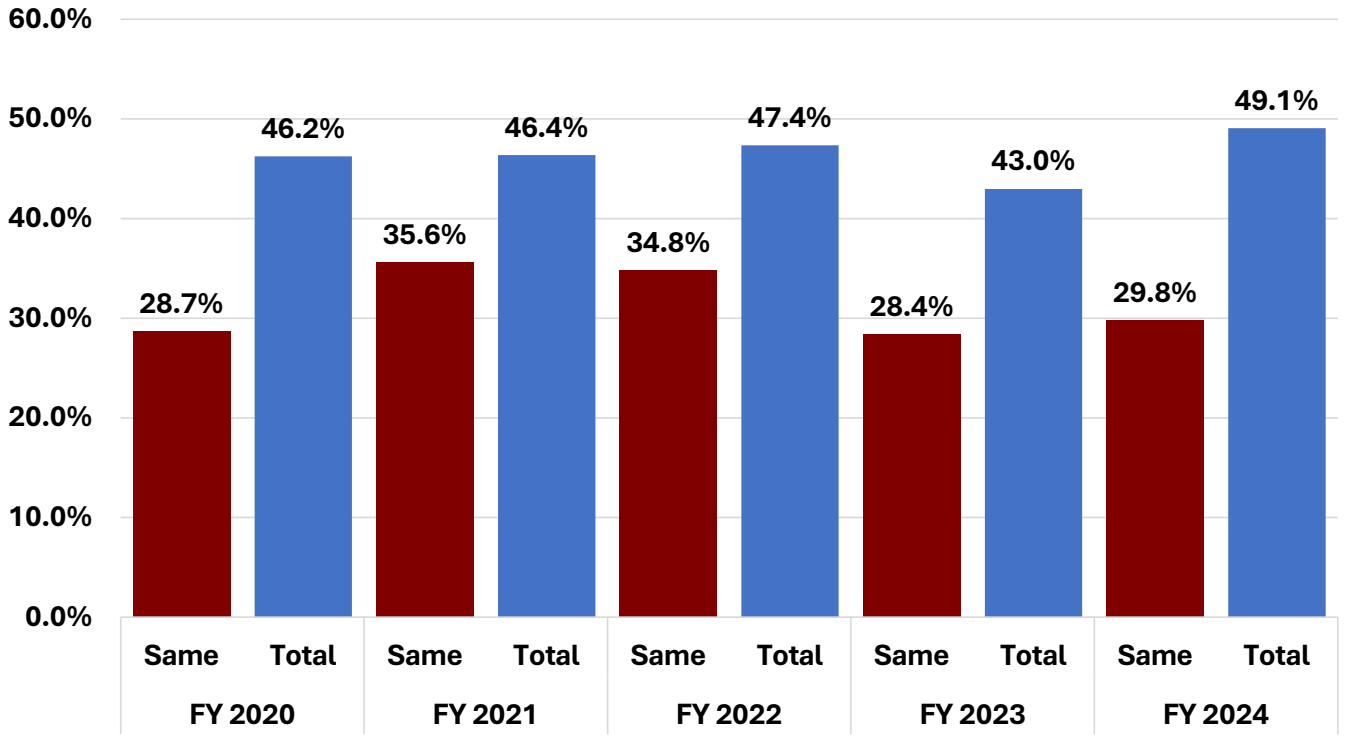
First Year Persistence Rate



Same is persistence rate at TAMUG; Total is persistence at TAMUG or another Texas Institution of Higher Education.

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

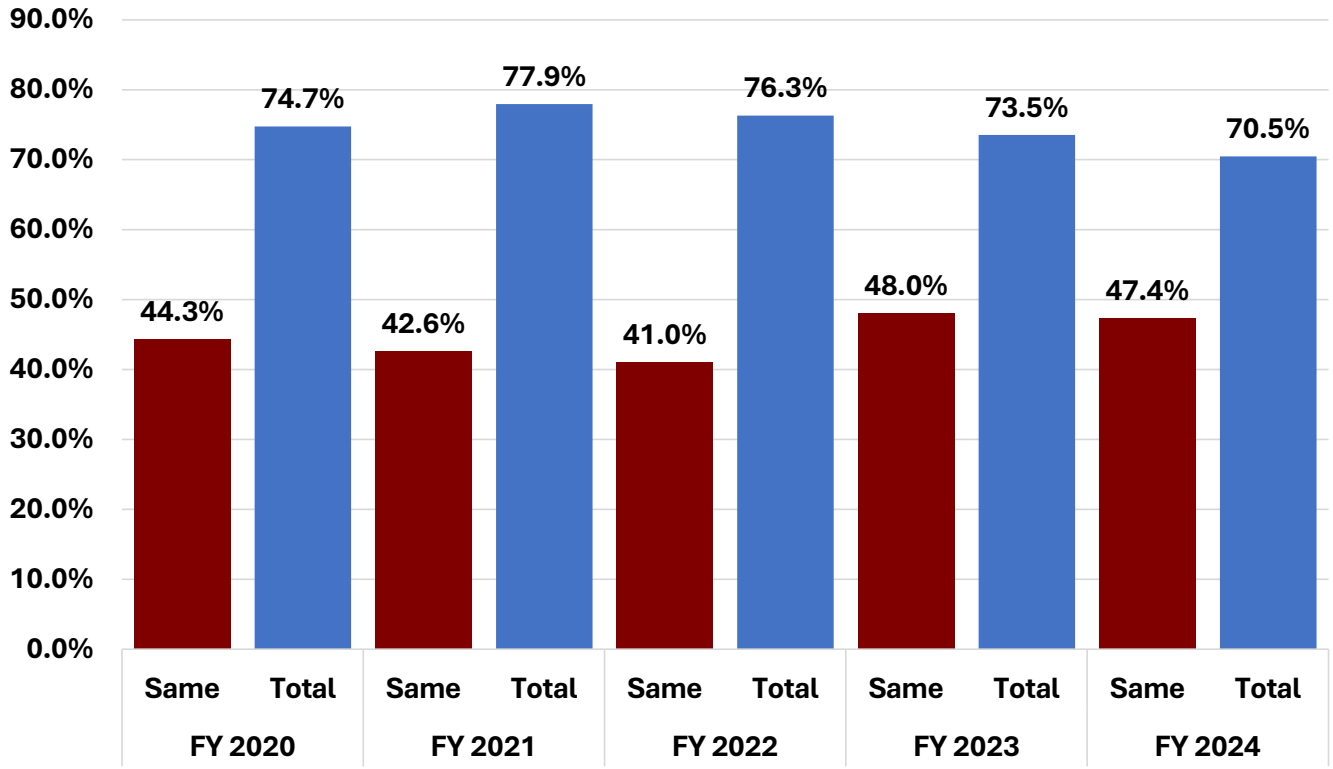
4-Year Graduation Rates



Same is persistence rate at TAMUG; Total is persistence at TAMUG or another Texas Institution of Higher Education.

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

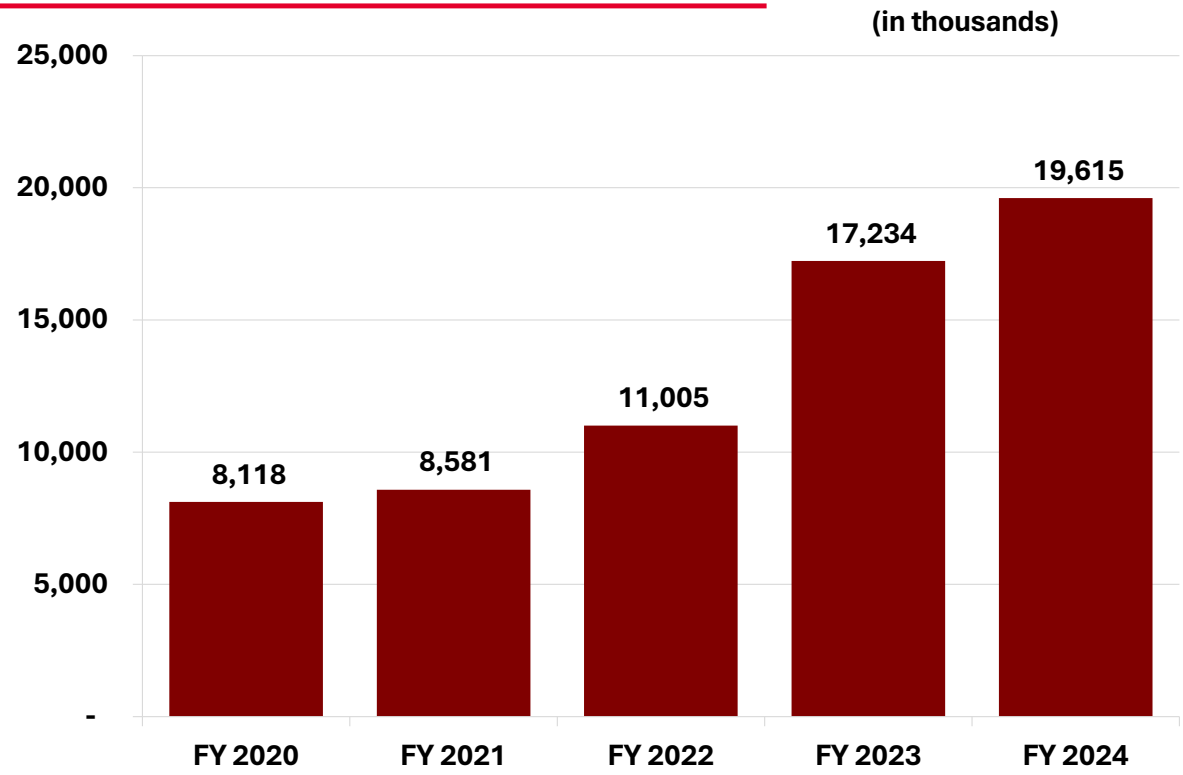
6-Year Graduation Rates



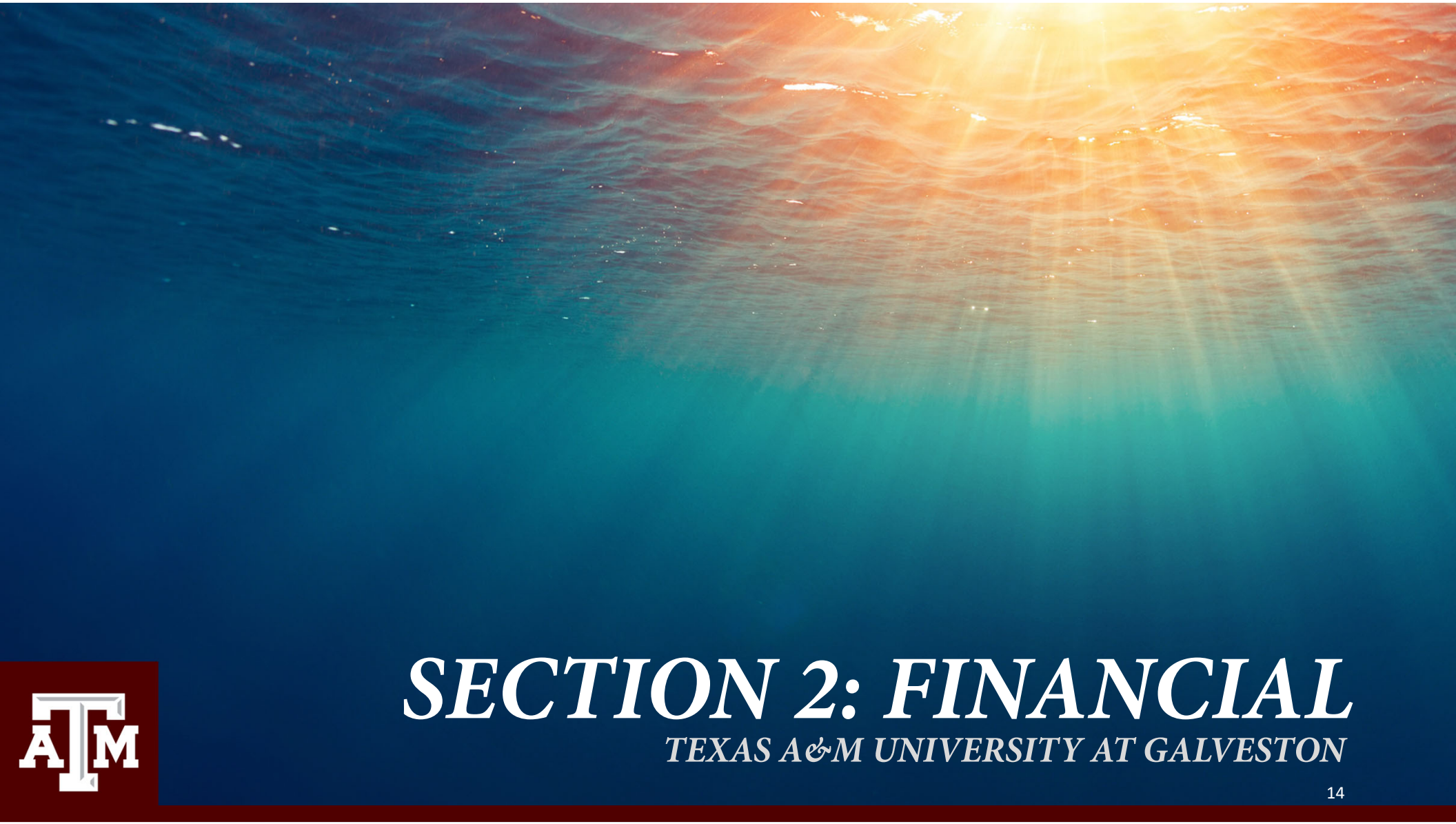
Same is persistence rate at TAMUG; Total is persistence at TAMUG or another Texas Institution of Higher Education.

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

Research Expenditures reported to NSF



TEXAS A&M UNIVERSITY GALVESTON CAMPUS.



SECTION 2: FINANCIAL

TEXAS A&M UNIVERSITY AT GALVESTON

Legislative Update

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
I&O Formula	$ 25,557	$ 26,441	$ 884
HEGI	1,806	2,245	439
Hazlewood	777	628	(148)
Oyster Funding	-	95	95
Subtotal	**$ 28,140**	**$ 29,409**	**$ 1,269**
Exceptional Items			
TAMU Maritime Academy	$ -	$ 8,000	$ 8,000
Disaster Resilient Texas	-	3,500	3,500
Subtotal	**$ -**	**$ 11,500**	**$ 11,500**
Estimated State Paid Benefits	**$ 1,901**	**$ 2,100**	**$ 199**
State Appropriations Total:	**$ 30,041**	**$ 43,010**	**$ 12,969**

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

FY2026 Proposed Revenue Budget

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed Budget	Budget Variance $	Budget Variance %
State Appropriations	$ 30,041	$ 43,010	$ 12,969	43.2%
Tuition and Fees (Gross)	30,959	30,194	(765)	-2.5%
Contracts and Grants	12,570	15,020	2,450	19.5%
Student Financial Assistance	3,200	3,450	250	7.8%
Gifts	1,200	1,600	400	33.3%
Sales and Services	15,260	15,122	(138)	-0.9%
Investment Income	1,553	2,708	1,154	74.3%
Discounts	(4,694)	(5,736)	(1,041)	22.2%
TOTAL REVENUES	**$ 90,089**	**$ 105,367**	**$ 15,279**	**17.0%**

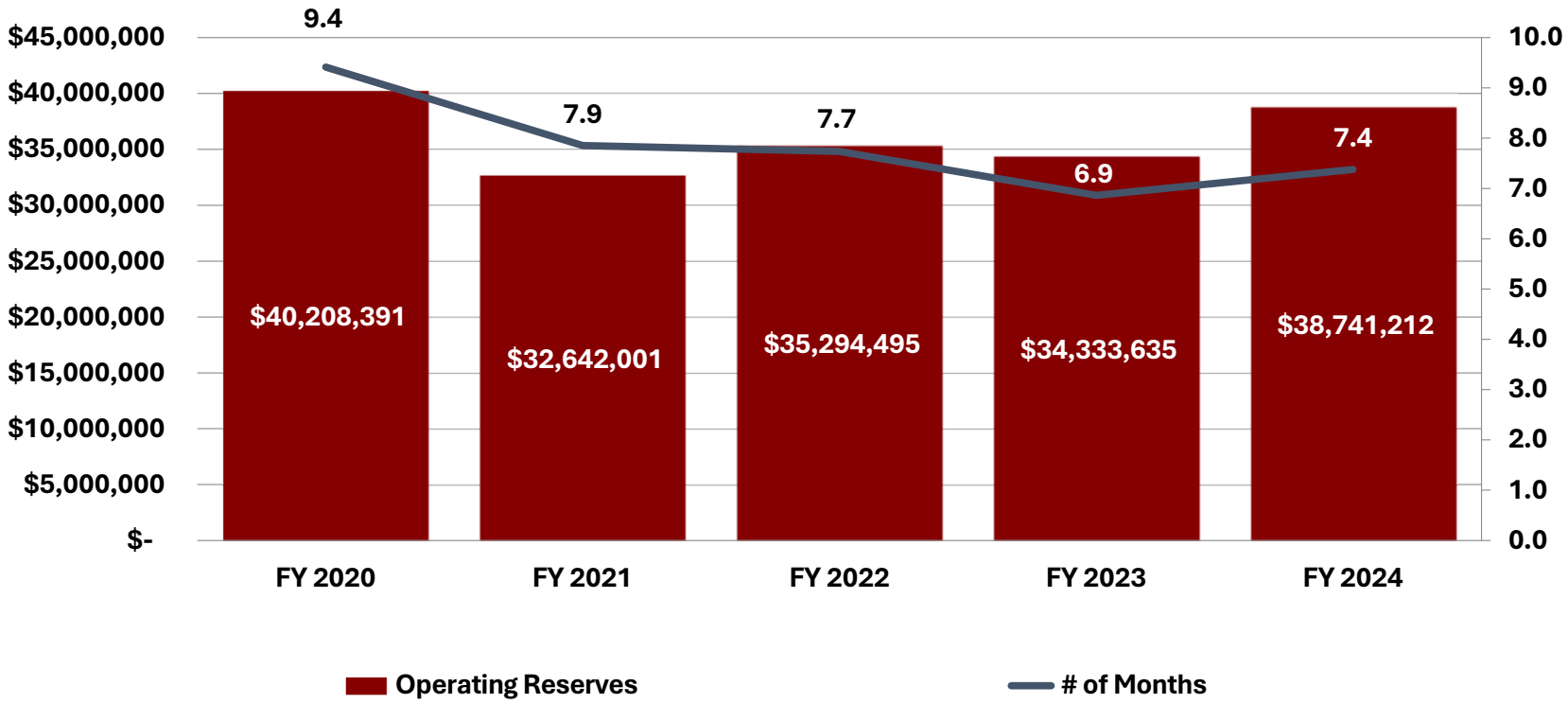
TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

FY2026 Proposed Expenditure Budget

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed Budget	Budget Variance $	Budget Variance %
Total Revenues:	**$ 90,089**	**$ 105,367**		
EXPENSES				
Salaries - Faculty	14,056	14,533	477	3.4%
Salaries - Non-Faculty	13,634	14,123	489	3.6%
Wages	1,895	2,226	332	17.5%
Benefits	8,580	9,305	725	8.5%
Personnel Costs	**38,165**	**40,188**	**2,023**	**5.3%**
Utilities	**1,811**	**1,811**	**-**	**0%**
Scholarships	**6,685**	**7,336**	**651**	**9.7%**
Discounts	**(4,694)**	**(5,736)**	**(1,041)**	**22.2%**
Equipment (capitalized)	**1,025**	**1,025**	**-**	**0%**
Operations and Maintenance	**29,236**	**42,512**	**13,276**	**45.4%**
Debt Service	**16,275**	**17,185**	**910**	**5.6%**
TOTAL EXPENSES	**$ 88,503**	**$ 104,321**	**$ 15,819**	**17.9%**
Other Transfers:	**(258)**	**(31)**		
Change in Net Position (Rev-Exp+Transfer):	**$ 1,328**	**$ 1,015**		

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

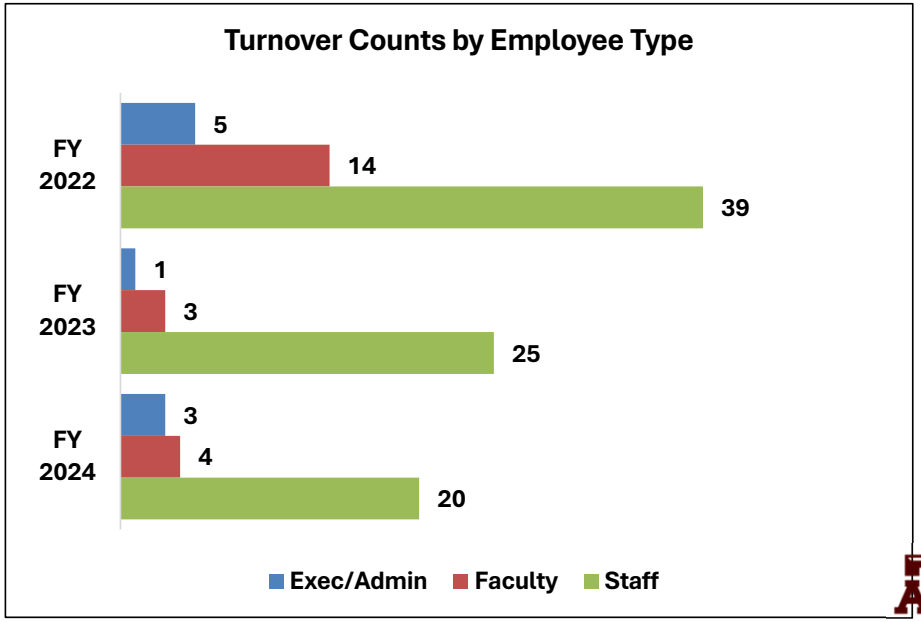
Reserves & Months of Reserves



TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

Employee Turnover Count & Rate (%)

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*5*	*12.6%*	*14*	*10.9%*	*39*	*31.9%*	*58*	*20.0%*
FY 2023	*1*	*2.6%*	*3*	*2.4%*	*25*	*21.2%*	*29*	*10.3%*
FY 2024	*3*	*7.7%*	*4*	*3.1%*	*20*	*14.9%*	*27*	*8.9%*

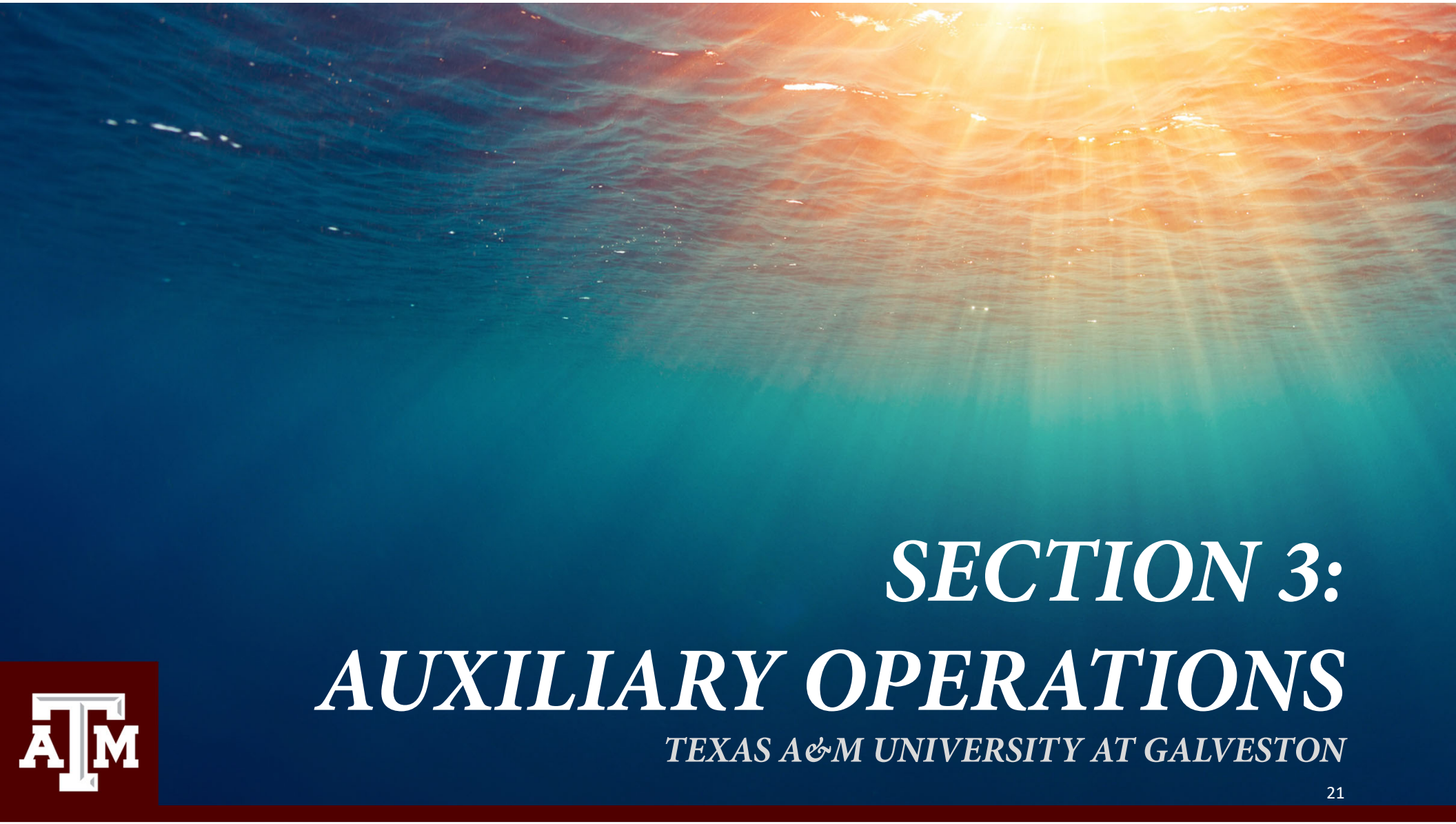


TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

FY2026 Employee Retention Plan

	Faculty	Staff	Total
3% Performance Based Pool	341,300	253,700	595,000
Promotions	62,500	-	62,500
Benefits	*74,700*	*47,000*	*121,700*
Total:	**$ 478,500**	**$300,700**	**$ 779,200**

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.



SECTION 3: AUXILIARY OPERATIONS

TEXAS A&M UNIVERSITY AT GALVESTON

Auxiliary Budgets – Residence Life

(in thousands)	Actuals FY 2024	Budget FY 2025	Budget FY 2026	Budget Variance Amount	Budget Variance %
Total Revenues - Sales & Services	**$ 11,141**	**$ 11,321**	**$ 11,033**	**$ (287)**	**-2.5%**
Personnel Costs	$ 1,016	$ 1,230	$ 1,208	$ (23)	-1.9%
Utilities	581	573	573	-	0.0%
O&M and Equipment	4,215	3,704	3,770	66	1.8%
Debt Service (includes RFS Transfer)	3,429	4,596	4,505	(91)	-2.0%
Total Expenses	**$ 9,241**	**$ 10,104**	**$ 10,056**	**$ (49)**	**-0.5%**
Net Income/(Loss)	**$ 1,900**	**$ 1,217**	**$ 978**		

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

Auxiliary Budgets – Bookstore & Parking

Bookstore *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Total Revenues - Sales & Services	**$ 757**	**$ 800**	**$ 800**	**$ -**	**0.0%**
Personnel Costs	$ 339	$ 356	$ 312	$ (44)	-12.4%
O&M and Equipment	576	444	488	44	10.0%
Total Expenses	**$ 915**	**$ 800**	**$ 800**	**$ -**	**0.0%**
Net Income/(Loss)	**$ (158)**	**$ -**	**$ -**		

Parking *(in thousands)*	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Total Revenues - Sales & Services	**$ 448**	**$ 374**	**$ 374**	**$ -**	**0.0%**
Personnel Costs	$ 36	$ 93	$ 93	$ -	0.1%
O&M and Equipment	171	165	165	-	0.0%
Debt Service (includes RFS Transfer)	79	81	78	(3)	-3.2%
Total Expenses	**$ 286**	**$ 339**	**$ 337**	**$ (3)**	**-0.8%**
Net Income/(Loss)	**$ 163**	**$ 35**	**$ 37**		

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.


DRIVING THE
BLUE ECONOMY
TEXAS A&M UNIVERSITY AT GALVESTON

Texas A&M University at Galveston
Programmatic Budget Review
Capital Plan and Deferred Maintenance
FY2026

DRIVING THE BLUE ECONOMY


DRIVING THE
BLUE ECONOMY
TEXAS A&M UNIVERSITY AT GALVESTON

OUR BUILDING STRATEGY

Texas A&M University at Galveston is committed to providing the best possible office and classroom experience for our staff and students. This involves careful master planning and balancing space needs with the maintenance of current spaces.

DRIVING THE BLUE ECONOMY



CAPITAL PLAN UPDATE

TEXAS A&M UNIVERSITY AT GALVESTON

CAPITAL PLAN

*In Thousands

APPROVED PROJECTS	Planning Amount	Primary Funding Source	Current Status	Cumulative Prior Years
Infrastructure, Dock Imp & Ship FF&E Phase II	72,500	Federal Funds, General Rev		2,747
Engr Classroom & Research Building	51,966	RFS (CCAP), AUF, Cash		30,873
TAMU Maritime Academy Hall Bldg Env Repair	35,000	Cash		
Sea Turtle Rehabilitation Hospital & Educational	17,000	PUF, RFS, Gifts		
Campus Facility Improvements	8,586	RFS, Cash		
Physical Plant Projects/Equipment/Other	2,500	General Revenue		
TOTAL APPROVED PROJECTS	$187,553			33,620
PROPOSED PROJECTS				
Infrastructure, Dock Imp & Ship FF&E Phase I	5,000	Federal Funds	Ongoing	
Sea Turtle Rehabilitation Hospital & Educational	4,000	Donation		
TOTAL PROPOSED	9,000			
TOTAL CAPITAL PLAN	$196,553			33,620

CAPITAL PLAN - CCAP PROJECT

*In Thousands

APPROVED PROJECTS	Amount Received From Legislature	Other Funding (AUF & Cash)	Total
Engr Classroom & Research Building	33,692	18,274	51,966

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

CAPITAL PLAN UNFUNDED PROJECTS

*In Thousands

UNFUNDED PROJECTS	Planning Amount
Immersive & Simulation Learning Environment	80,250
Campus Resiliency	61,252
TOTAL APPROVED PROJECTS	$141,502

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

STATUS OF CURRENT CONSTRUCTION

Engineering Classroom and Research Building

- Currently scheduled for substantial completion at the end of November 2025

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

STATUS OF PENDING CONSTRUCTION

Infrastructure, Dock Improvements & Ship Furniture, Fixtures &Equipment -- Phase II

- Design is complete
- Awaiting review and approval of the cooperative agreement between the University and the United States Maritime Administration
- Anticipate to request approval for construction during August Board of Regents meeting

TAMU Maritime Academy Hall Building Envelope Repair

- Architectural/Engineering work continues
- Construction is scheduled to begin at the conclusion of the Fall 2025 semester
- Phasing schedule established that allows for 75% of the building (beginning Spring 2026) to remain occupied throughout the project
- Weather permitting, substantial completion anticipated Summer 2027

Sea Turtle Hospital and Educational Outreach Center

- System Facilities Planning and Construction has issued solicitation for Request for Qualifications for architectural and engineering services

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

MASTER PLAN UPDATE

Current master plan was completed in 2020

- No updates to the 2020 master plan are scheduled

TEXAS A&M UNIVERSITY
GALVESTON CAMPUS.

MANAGING FUTURE MAINTENANCE

- The campus continues to spend between $1.0-1.5 million on maintenance items and expects that to continue
- Revenues now being received by the campus for engineering students are expected to support the future maintenance needs of the new Engineering Classroom and Research Building (ECRB)
- Should revenue shortfalls occur in the future, the campus will offset the need for maintenance dollars through reductions in other areas

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

SPACE UTILIZATION SUMMARY

- Texas Higher Education Coordinating Board space utilization data has not been received for Fall 2024
- Fall 2023 scores were as follows:
  - Classroom score: 51
  - Class Lab score: 76
  - Overall score: 127
- These scores reflect a modest increase in utilization from the previous, pre-pandemic scores from Fall 2019

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.



DEFERRED MAINTENANCE UPDATE

TEXAS A&M UNIVERSITY AT GALVESTON

Deferred Maintenance

Deferred Maintenance (DM)									
DM (In Millions)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
E&G	$2.42	$2.97	$3.60	$7.30	$9.41	$9.62	$9.84	$10.06	$10.29
Non E&G	$4.49	$5.11	$5.82	$7.12	$8.26	$8.45	$8.64	$8.83	$9.03
Campus Replacement Value (CRV)									
CRV (In Millions)	FY20	FY21	FY22	FY23	FY24				
E&G	$205	$218	$235	$245	$ 258				
Non-E&G	$260	$372	$402	$446	$ 470				
Facilities Condition Index (FCI) = (DM)/(CRV)									
FCI	FY20	FY21	FY22	FY23	FY24				
FCI - E&G	1.18%	1.36%	1.53%	2.98%	3.65%				
FCI - Non E&G	1.73%	1.38%	1.45%	1.59%	1.76%				

TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

Deferred Maintenance Continued



TEXAS A&M UNIVERSITY GALVESTON CAMPUS.

BUILDINGS CONSIDERED FOR DEMOLITION

None

DRIVING THE BLUE ECONOMY


DRIVING THE
BLUE ECONOMY
TEXAS A&M UNIVERSITY AT GALVESTON

TEXAS A&M HEALTH SCIENCE CENTER

BUDGET NARRATIVE

Introduction:

Texas A&M University Health Science Center (Texas A&M Health) is committed to serving the citizens of the State of Texas and understands that valuable financial resources provided must be utilized in an efficient and effective manner. At Texas A&M Health, service is at the core of what we do. Each of our schools was built on the same responsibility to our community. By meeting the needs of the disadvantaged, the vulnerable and those in most need, we have answered that call. Texas A&M Health continues to embrace the strategic planning process completed in FY 2021, laying out a transformative direction for the health sciences within Texas A&M.

Revenues:

Total Revenues for FY 2026 are budgeted at $481 million, an increase of $32.4 million (7%), compared to the FY 2025 budget:

- State Appropriations revenue is budgeted to increase $29.5 million (14%), as compared to FY 2025. The additional funding is attributed to increased Dental Clinic Operations of $3 million, additional TX-REP funding of $7.5 million, increased formula funding of $14.2 million, and additional State Paid Benefits of $4.8 million.
- Tuition and Fees revenue is budgeted to increase $3 million (5%), due to increased enrollment.
- Contracts and Grants revenue is relatively flat, compared to FY 2025.
- The Sales and Services revenue budget remains essentially level compared to FY 2025 and includes the Medicaid 1115 Waiver activity as well as clinical activities. Texas A&M Health is seeking Texas A&M University System Board of Regents approval to continue participating in the program during FY 2026.

Expenses:

Total Expenditures for FY 2026 are budgeted at $502 million, an increase of $29.7 million (6%), compared to the FY 2025 budget. FY 2026 Institutional priorities include:

- Strengthen existing and develop new Academic, Clinical, and Research partnerships.
- Increased recruitment of Research and Clinical Faculty.
- Clinical and research enterprise growth and sustainability

BUDGET NARRATIVE CONTINUED

- Personnel Costs – Recruiting and retaining faculty and staff is critical to the mission of Texas A&M Health and is a primary focus. Contingent upon Board approval, Texas A&M Health proposes a 3% performance-based employee retention plan program, totaling $7.4 million (including benefits). Funding for merit raises must be sustainable while one-time payments may be from one-time sources. The retention plan program includes merit raises, one-time payments, and faculty promotions.
- Capitalized Equipment is budgeted to increase $2.1 million (17%), this effort is to better align the budget to reflect actuals and echoes the steady growth in research and instruction.
- The Revenue Financing System (RFS) Debt Service transfer to the System Office remains consistent with the FY 2025 budget. Other transfers increased $10 million (36%), compared to the FY2025 budget due to increased Permanent University Funds (PUF) provided by the System Office for equipment purchases.

Reserves:

- The FY 2024 Current Reserve balance is $130.8 million, which equals 4.4 months of reserves.
- The FY 2025 Projected Reserve balance is anticipated to remain relatively flat.
- Projection for FY 2026 – it is anticipated reserves will remain consistent with FY 2025 levels.

Capital Plan:

- Alkek IBT Building Lab Expansion/Renovation & EnMed Buildout remains on the Capital Plan, funded with $70 million CCAP and $30 million PUF debt.
- The Nursing Education & Research Center in McAllen remains on the Capital Plan, funded with $30 million CCAP and an additional $17.3 million funded from Available University Funds.
- EnMed Discovery Tower Labs & Offices project is funded with $13.5 million Available University Funds and $2 million in other funds. This project will build out two floors of shelled space with office and dry laboratory space for new and existing research faculty in the EnMed program.
- The School of Dentistry Main Building Renovation is a $22.4 million renovation to its previous clinic space to provide updated, state-of-the-art education and research space.

BUDGET NARRATIVE CONTINUED

- Health Education & Research Building in Hidalgo County is projected to meet the demonstrated need for education and research facilities in Hidalgo County, funded with $25 million General Revenue and an additional $25 million Available University Funds provided by TAMU.
- Alkek Building Roof & Exhaust Fan Replacement project is funded with $6.9 million PUF debt and will significantly reduce existing deferred maintenance.
- Medical Sciences Library – Level 1 Renovations is a proposed project to renovate offices and conference space for the School of Public Health.
- Health Professions Education Building Lecture Hall Expansion is a proposed project to increase classroom seating and update technology used by students and instructors.



HEALTH

FY 2026 PBR-Proposed Operating Budget

July 2025

Indra K. Reddy, PhD
Interim Chief Operating Officer and
Vice President for Texas A&M Health



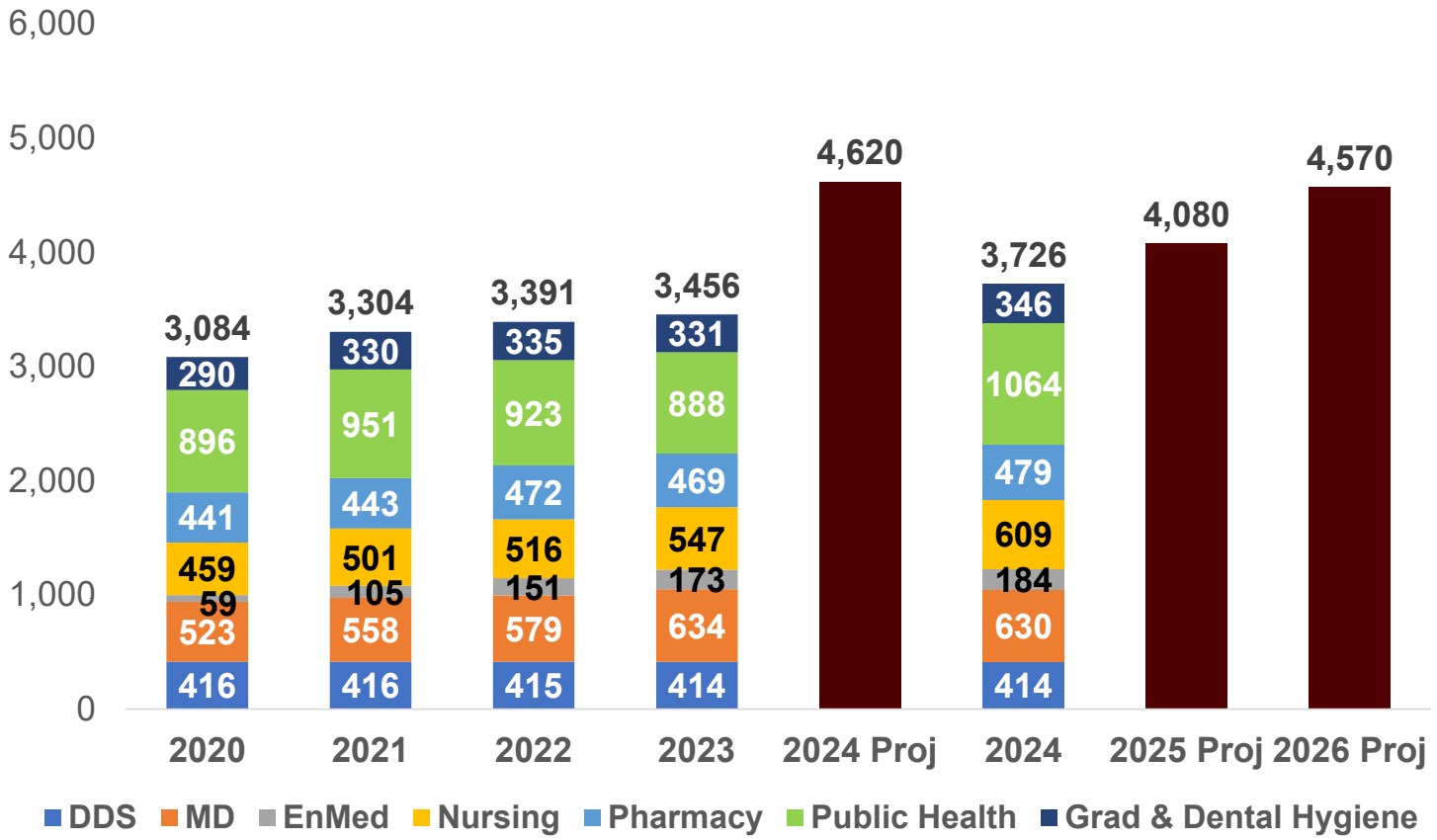
HEALTH

As the sole Health Related Institution in the A&M System, Texas A&M Health drives education, research, and care that transforms lives. Rooted in service and powered by innovation, we're not just training the future of health – we're shaping it.



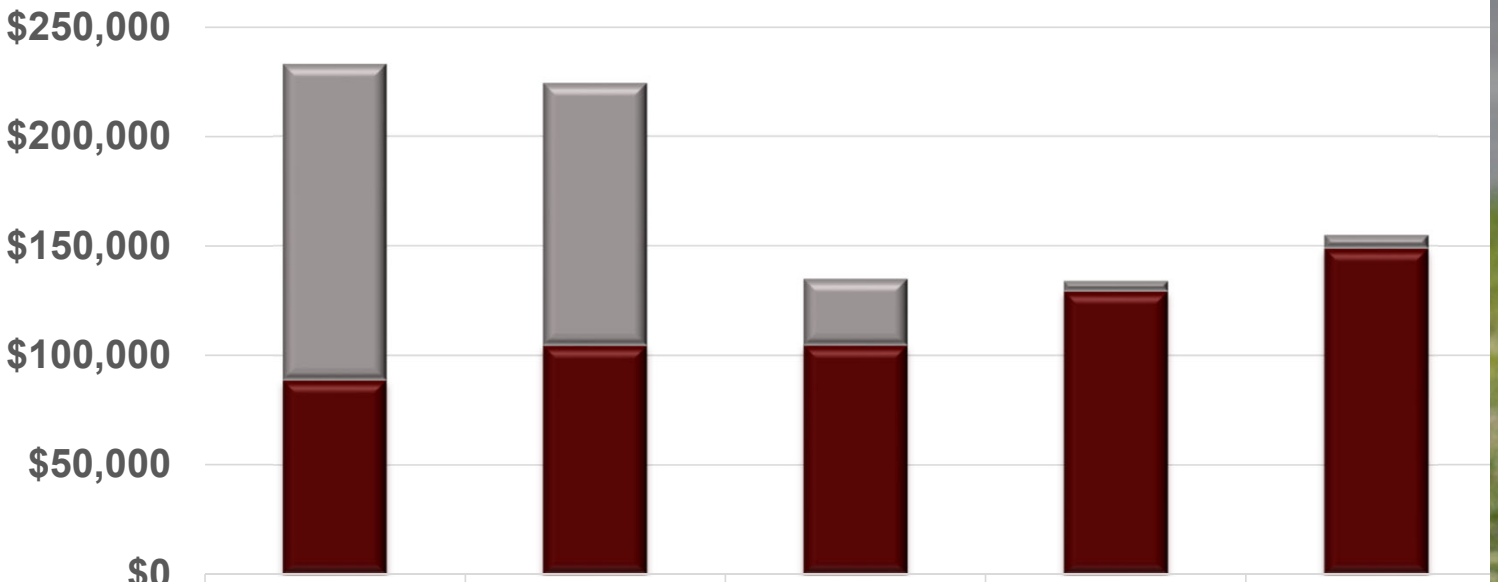
ACADEMICS

Five Year Fall Enrollment



FINANCIAL

Research Expenditures reported to NSF (in thousands)



	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
TOTAL	$233,020	$224,237	$134,992	$133,990	$154,926
CIADM	$144,285	$119,743	$30,392	$4,755	$6,099
TAMHSC	$88,735	$104,494	$104,600	$129,235	$148,827



FINANCIAL

FY 2025-26 Legislative Update

Legislative Items:	FY 2025 ($ in M)	FY 2026 ($ in M)	Variance ($ in M)
State Appropriations			
General Revenue (formulas & CCAP)	$ 163.80	$ 178.20	$ 14.40
Hazlewood Funding	0.40	0.40	-
HEGI	10.30	12.90	2.60
Subtotal	**$ 174.50**	**$ 191.50**	**$ 17.00**
Exceptional Items			
Dental Clinical Education	-	3.00	3.00
TX-REP	$ 7.50	$ 15.00	$ 7.50
All Other	12.40	12.40	-
Subtotal	**$ 19.90**	**$ 27.40**	**$ 7.50**
Estimated State Paid Benefits	**$ 12.80**	**$ 14.90**	**$ 2.10**
State Appropriations Total:	**$ 207.20**	**$ 233.80**	**$ 26.60**

FINANCIAL

Fall 2025 Tuition and Fee Rate Adjustment

Resident Undergraduate Students (enrolled in 15 SCHs)

	VARIABLE RATE		GUARANTEED RATE	
	Fall 24	Fall 25	Fall 24	Fall 25
Dental Hygiene (2 yr pgm)	$5,530	$5,530	$5,992	$5,992
Nursing (2 yr pgm)	$5,775	$5,775	$6,237	$6,237
Nursing Online (1 yr pgm)	$5,455	$5,455	*not applicable*	*not applicable*
Public Health (3rd & 4th years)	$5,775	$5,775	$6,237	$6,237

Students will not pay a higher rate in Fall 25 than they paid in Fall 24.

FINANCIAL

FY 2026 Proposed Revenue Budget and Variance

(in thousands)	FY 2025 Budget	FY 2026 Proposed	Budget Variance Amount	%
State Appropriations	$ 207,261	$ 236,754	$ 29,494	14%
Contracts and Grants	78,541	79,326	785	1%
Sales and Services	68,560	68,092	(467)	-1%
Tuition and Fees	61,474	64,464	2,990	5%
Available University Fund	22,000	22,000	-	0%
Investment Income	7,351	7,425	74	1%
Gifts	4,450	4,673	223	5%
Student Financial Assistance	1,375	1,375	-	0%
Other Income	1,331	1,344	13	1%
Discounts	(4,006)	(4,714)	(707)	18%
TOTAL REVENUES	**$ 448,336**	**$ 480,739**	**$ 32,404**	**7%**

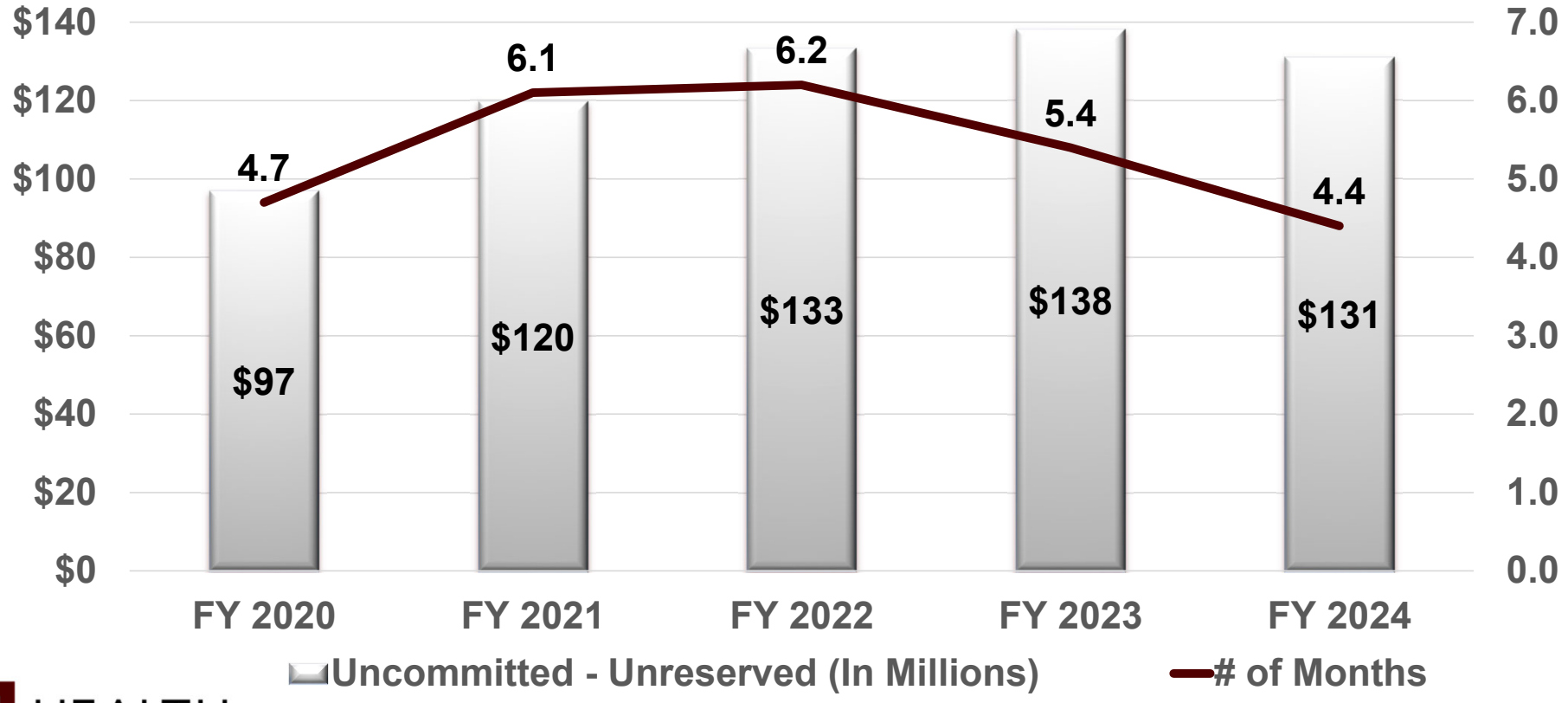
FINANCIAL

FY 2026 Proposed Expense Budget and Variance

(in thousands)	FY 2025 Budget	FY 2026 Proposed	Budget Variance Amount	Budget Variance %
TOTAL REVENUES:	**$ 448,336**	**$ 480,739**		
Expenses:				
Salaries - Faculty	$ 82,889	$ 87,862	$ 4,973	6%
Salaries - Non-Faculty	106,467	112,855	6,389	6%
Wages	4,662	5,175	513	11%
Benefits	48,929	53,391	4,461	9%
Personnel Costs	$ 242,947	$ 259,284	$ 16,337	7%
Utilities	8,919	9,210	291	3%
Scholarships	8,473	9,909	1,436	17%
Discounts	(4,006)	(4,714)	(707)	18%
Equipment	12,482	14,598	2,116	17%
Operations and Maintenance	175,918	187,173	11,255	6%
Debt Service	27,622	26,626	(996)	-4%
TOTAL EXPENSES:	**$ 472,354**	**$ 502,087**	**$ 29,733**	**6%**
Other Transfers:	17,857	27,857		
Net Position Change	**$ (6,161)**	**$ 6,510**		

FINANCIAL

Reserves and Months of Reserves



HEALTH

FINANCIAL

Employee Turnover

Fiscal Year	Exec/Admin		Faculty		Staff		Total	
	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	*4*	*3.7%*	*35*	*6.5%*	*210*	*23.1%*	*249*	*16.0%*
FY 2023	*17*	*13.7%*	*39*	*6.6%*	*207*	*19.2%*	*263*	*14.7%*
FY 2024	*10*	*7.6%*	*38*	*6.0%*	*201*	*16.8%*	*249*	*12.7%*

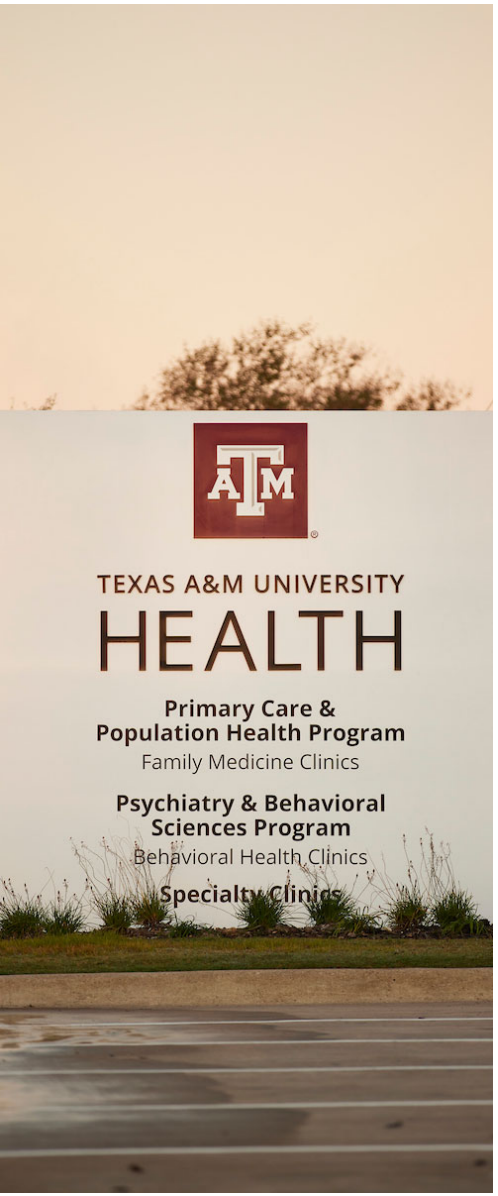
FINANCIAL

FY 2026 Proposed
Employee Retention Plan (in thousands)

Faculty:		
3% Performance Based Pool	$	2,878
Promotions		75
Benefits		546
Faculty Subtotal:	$	3,499
Staff:		
3% Performance Based Pool	$	3,328
Benefits		616
Staff Subtotal:	$	3,944
Total:	$	7,443







CLINICAL PRACTICE

FY 2026 Proposed Budget (in thousands)

	Actuals	Budget		Budget Variance	
	FY 2024	FY 2025	FY 2026	Amount	%
Revenue					
GR-Dental Clinic	$ -	$ -	$ 3,000	$ 3,000	
Patient Income	$ 32,991	$ 33,051	$ 32,421	$ (630)	-1.9%
Contract/Other	18,745	20,199	19,138	(1,061)	-5.3%
Total Revenues	$ 51,736	$ 53,250	$ 54,559	$ 1,309	2.5%
Expenses					
Personnel	$ 39,685	$ 42,968	$ 43,574	$ 606	1.4%
O&M and Equip	15,719	12,836	14,906	2,070	16.1%
Total Expenses	$ 55,404	$ 55,804	$ 58,480	$ 2,676	4.8%
Net Income/(Loss)	$ (3,668)	$ (2,554)	$ (3,921)	$ (1,367)	54%
Patient Visits	308,925	311,888	324,620	12,732	4.1%



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TEXAS A&M HEALTH

FY 2026 PBR-Capital Plan & Deferred Maintenance

July 2025

Indra K. Reddy, PhD
Interim Chief Operating Officer and
Vice President for Texas A&M Health

CAPITAL PLAN
Approved Projects

APPROVED: Project Name	Total Planning Amount (In K)	Funding Sources			Current Status	Gross Square Feet
		PUF Debt Proceeds	RFS Debt Proceeds	Other		
Alkek IBT Building Lab Expansion/Renovation & EnMed Build-out (Houston)	$ 100,000	$ 30,103	$ 69,897		Design	116,568
Nursing Education & Research Center (McAllen)*	$ 47,249		$ 29,949	$ 17,300	Construction	53,041
EnMed Discovery Tower Labs & Offices Buildout - Ph I (Houston)	$ 15,500			$ 15,500	Construction	26,200
School of Dentistry Main Building Renovation (Dallas)	$ 22,400	$ 18,130		$ 4,270	Construction	34,917
Health Education and Research Building (McAllen)**	$ 50,000			$ 50,000	Planning	46,000

*TAMU will provide $12.975 million AUF to fund this project.
**Project will not move forward until POR is complete. TAMU will provide $25 million AUF to fund this project.

CAPITAL PLAN CONTINUED…

Approved Projects

APPROVED: Project Name	Total Planning Amount (In K)	Funding Sources: PUF Debt Proceeds	Funding Sources: RFS Debt Proceeds	Funding Sources: Other	Current Status	Gross Square Feet
Alkek Building Roof & Exhaust Fan Replacement	$ 6,865	$ 6,865			Construction	N/A
Physical Plant Projects/Eqpt/Other	$ 80,456	$ 80,456			In Progress	

CAPITAL PLAN CONTINUED…

Proposed Projects

PROPOSED: Project Name	Projected FY Start Date	Total Planning Amount (In K)	Funding Sources			Current Status	Gross Square Feet
			PUF Debt Proceeds	RFS Debt Proceeds	Other		
Medical Sciences Library - Level 1 Renovations***	2026	$ 11,600	$ 8,100		$ 3,500	Planning	20,000
Health Professions Education Building Lecture Hall Expansion	2027	$ 4,500			$ 4,500	Planning	5,010

***TAMU will provide $3.5 million Designated Tuition to fund this project.

Alkek IBT Building Lab Expansion/Renovation & EnMed Build-out

Houston

- Renovate & upgrade Albert B. Alkek Building and Discovery Tower
- Alkek: converted non-research space into fully equipped research space and update existing lab space to offer cutting-edge research labs.
- Discovery Tower: buildout one floor to account for displaced Alkek space.
- Expanding research presence in Houston through a world-class research facility.
- 117k gross square feet

Nursing Research and Education Center (NERC)

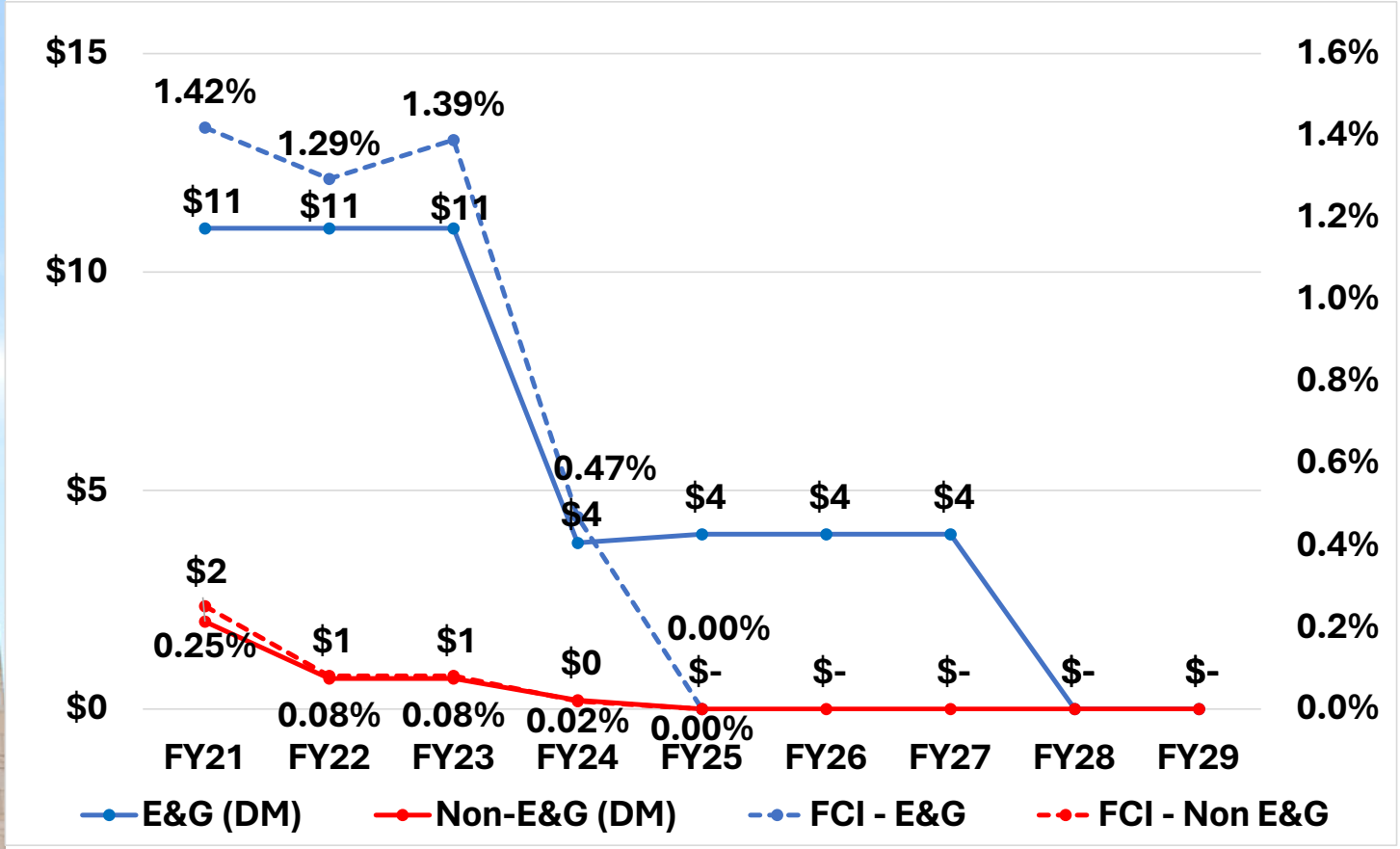
McAllen



- Opening January 2026
- State-of-the-art education facility for up to 200 BSN students.
- Flexible general instruction spaces, teaching labs, administrative offices, and student spaces.
- Simulation lab space and patient care space offer students unique hands-on experience to learn.
- Located at the Texas A&M University Higher Education Center (HEC)
- 53K gross square feet



Facility Condition Index (in millions)





TEXAS A&M HEALTH

TEXAS DIVISION OF EMERGENCY MANAGEMENT

BUDGET NARRATIVE

Introduction:

Entering its sixth year as part of The Texas A&M University System in FY 2025, the Texas Division of Emergency Management (TDEM) proudly administers the emergency management program for the State by assisting counties, municipalities, tribal governments, and state agencies in support of their emergency management programs to help prevent or lessen the impact of emergencies and disasters. With approximately 560 employees, TDEM is divided into eight geographic regions, each subdivided into the state's 25 disaster districts (including the Capitol District) to provide localized ties to TDEM for local partners across the state.

TDEM's mission continues to encompass the coordination of programs to increase public awareness regarding threats and hazards; support of preparedness through planning, training, and exercise assistance; coordination of state-level response to disasters; and administration of disaster recovery, and hazard mitigation programs statewide. In addition, TDEM is entrusted with managing over $23 billion in federal preparedness and disaster grant programs.

Over the past 74 years, Texas has endured more than 380 federally declared disasters and over 105 major declared disasters. Since joining The Texas A&M University System, TDEM has responded to numerous disasters, including 8 federally declared major disaster declarations and over 30 gubernatorial disaster declarations, including the historic COVID-19 pandemic, winter storms, multiple hurricanes, border support, severe weather, and devastating wildfires. To aid in these response and recovery efforts, TDEM opened two regional warehouse and staging areas for emergency management resources, one in San Antonio and one on the RELLIS campus, and a third is currently under construction in Fort Worth. These facilities contain mission critical resources, including response supplies and equipment, to assist state partners and local jurisdictions in response, preparedness, mitigation, and recovery efforts from disasters.

Additionally, TDEM's workforce development initiative continues to be a success with the continuation of the Texas Emergency Management Academy, which aims to train the next generation of the emergency management workforce with all-hazards training. The third cadet class graduated in April 2025, and two additional cohorts are set to begin in Fall 2025, one on the A&M-San Antonio campus and one located in Fort Worth at the new TDEM facility.

BUDGET NARRATIVE CONTINUED

Revenues:

TDEM's FY 2026 budgeted revenues reflect a net decrease of $128.6 million (-15%), compared to the FY 2025 budget. This reduction is primarily based on the upcoming FEMA closeout deadline of the COVID-19 Public Assistance program on September 30, 2025, resulting in the decline of COVID-19 pass-through funding to local and state entities. Of the $757.8 million revenue budget:

- State Appropriations increased by $166.4 million (>500%) due to additional state funding provided in the 89th legislative session for:
  - Operation Facilities and Staging Areas ($135 million),
  - Vehicle purchases ($7.8 million),
  - The Potter County and Jackson County Emergency Operations Center pass-throughs ($10 million),
  - Continued annualized funding for Fleet Operations and Maintenance Support ($1.697 million),
  - Continued annualized funding for Keeping Texas Prepared ($7.275 million),
  - State Electric Grid Council ($241,000),
  - The State Peer Support Network for First Responders ($1.975 million), and
  - State Paid Benefits and other state funding adjustments to annualize budgets ($2.416 million).
- Federal Appropriations decreased approximately $294.9 million (-35%). The reduction is largely due to the expected continuous progress in closing COVID-19 projects.
- Contracts and Grants revenue is projected to decrease by $148,000 (-1%), primarily due to the fluctuation of other non-disaster grant activity.

Expenses:

Corresponding to the decline in revenues, total expenses in FY 2026 are budgeted to decrease $272 million (-30%), compared to the FY 2025 budget. The change is primarily due to pass-through funding estimates for the Texas COVID-19 Pandemic. Other highlights include:

- Personnel costs are budgeted to increase $4 million (6%) in FY 2026 which is primarily due to the growth of the Texas Emergency Management Academy and new staffing to support TDEM's federal grant programs.
- Equipment budget has increased $7.4 million (>500%) due to the state funding provided to acquire new vehicles.
- Operations and Maintenance costs include a decrease of $283.3 million (-34%) linked to the projected decline of COVID-19 pass-throughs.

BUDGET NARRATIVE CONTINUED

Other Transfers:

Other Transfers to Plant Funds represent the $135 million of state funding appropriated through the 89th Legislature for the purpose of enhancing regional operation facilities and staging areas to help ensure the agency has in each region dedicated office space, an emergency operations center, staging capability and materials and supplies available to support state response and local partners.

Capital Plan:

TDEM's new Headquarters and State Emergency Operations Center (SEOC), is scheduled for substantial completion in the fourth quarter of 2026. This modern, world-class, state-of-the-art facility will support the agency's mission of managing the comprehensive all-hazards emergency management program for the state, providing the ability to configure operations, as needed, per event, and facilitate the emergency response operations.

Modifications to the new Fort Worth Warehouse include the build-out of 12,382 sq.ft. of office and training space and 7,575 sq. ft. of first responder space within the 116,541 sq. ft. facility. Additionally, site improvements will add four RV stations in the parking area and a new generator which are scheduled for substantial completion in the third quarter of 2025 with full building occupancy being scheduled for October 2025. The facility will house a new Texas Emergency Management Academy class and is also scheduled to accommodate the World Cup support services in June 2026.

Additionally, as referenced above, the state appropriated $135 million to TDEM for Regional Operations Facilities and Resource Staging Areas to support response efforts. Planning is underway to ensure these new facilities are strategically located throughout the state to reduce the delivery time of resources, reduce the cost for transportation during a disaster, quicken the accessibility and ease of use for local jurisdictions; and pre-establish locations for resource staging and deliberate planning for use during disasters. The location of one of the new facilities will be in the Houston-Galveston area.

TDEM

THE TEXAS A&M UNIVERSITY SYSTEM

Fiscal Year 2026

PROGRAMMATIC BUDGET REVIEW

W. Nim Kidd

Vice Chancellor for Disaster and Emergency Services

Chief, Texas Division of Emergency Management

July 28, 2025



MISSION

Helping Texas communities mitigate, prepare for, respond to, and recover from events, emergencies, or disasters.

RESPONSIBILITY

TDEM is responsible for the comprehensive all-hazard emergency management program for the state and provides emergency management assistance for its jurisdictions.

PREPAREDNESS

RECOVERY & MITIGATION

RESPONSE

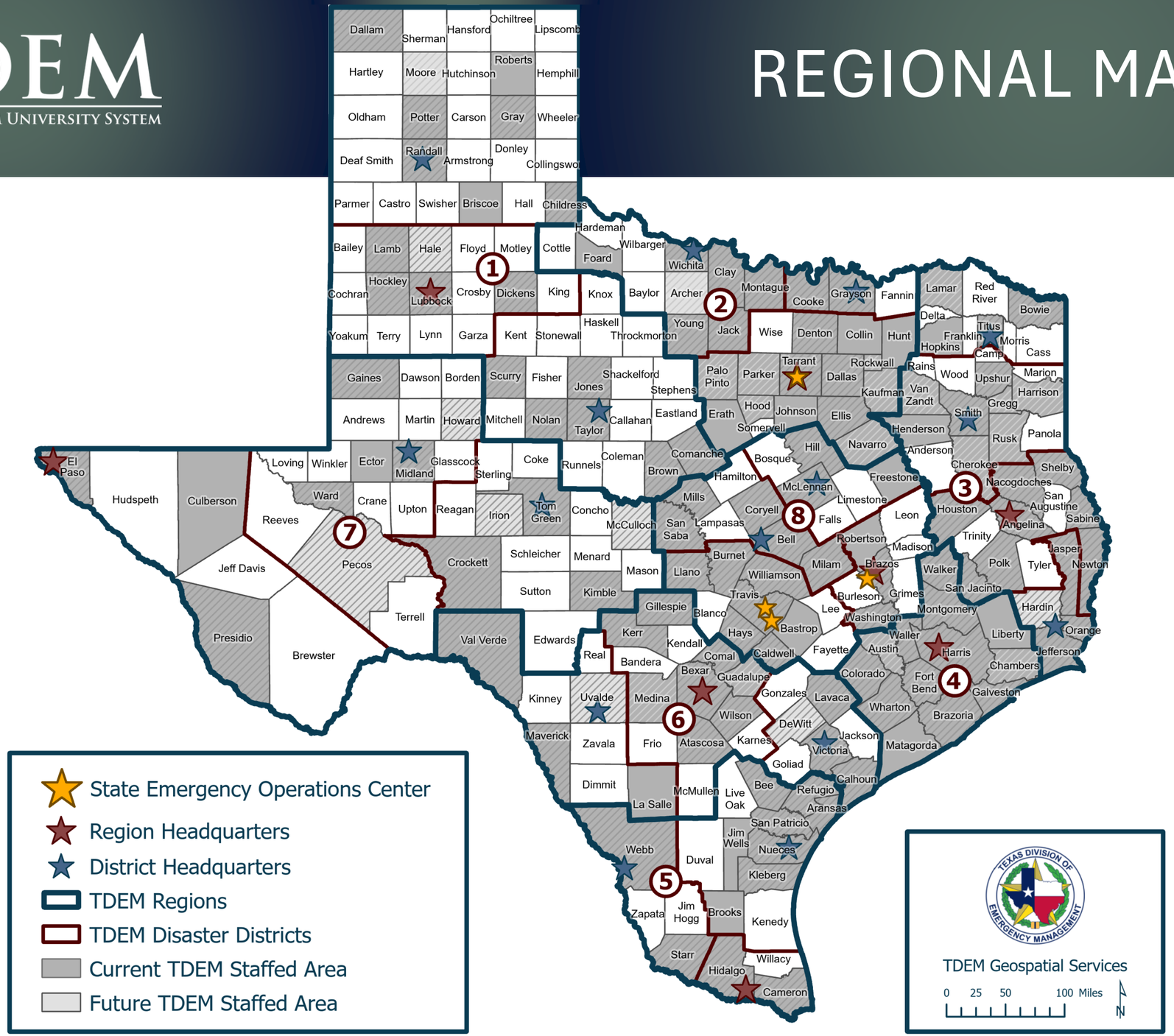
STATE OPERATIONS CENTER

AGENCY ADMINISTRATION

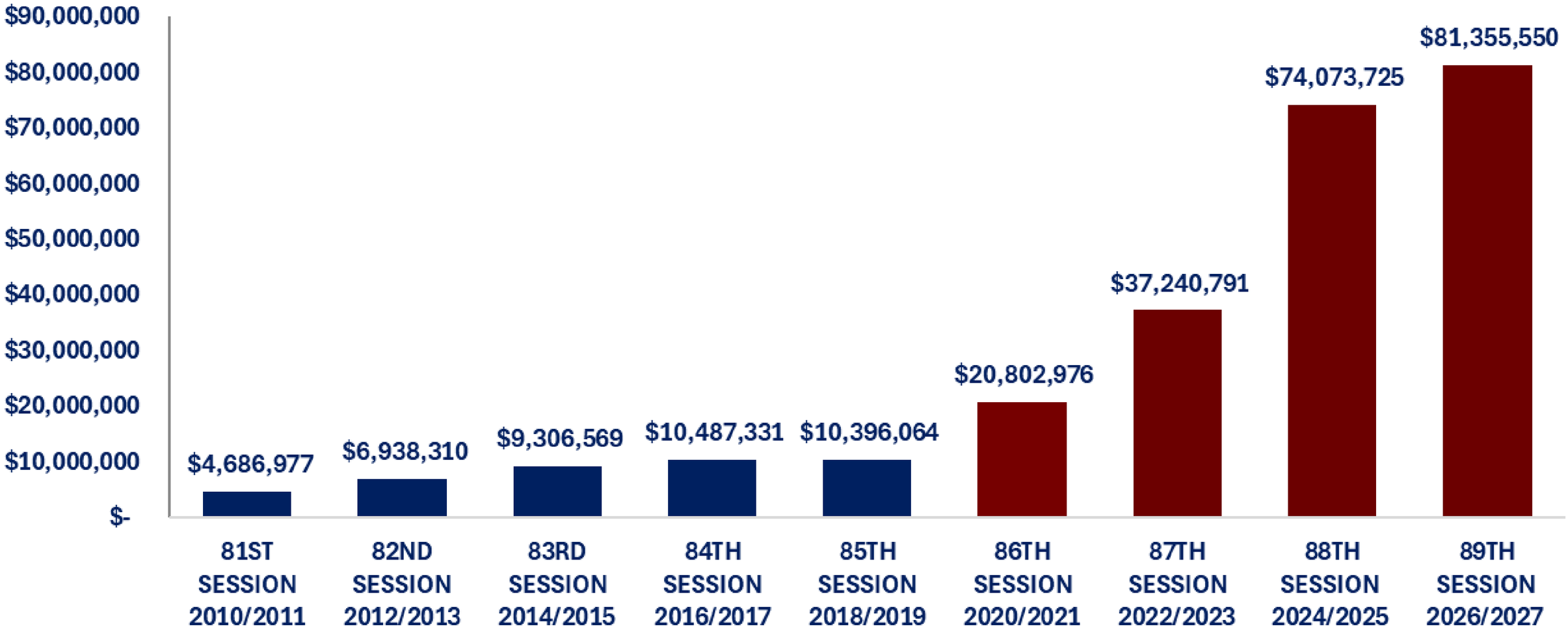
FEDERAL FUNDS MANAGEMENT

TDEM
THE TEXAS A&M UNIVERSITY SYSTEM

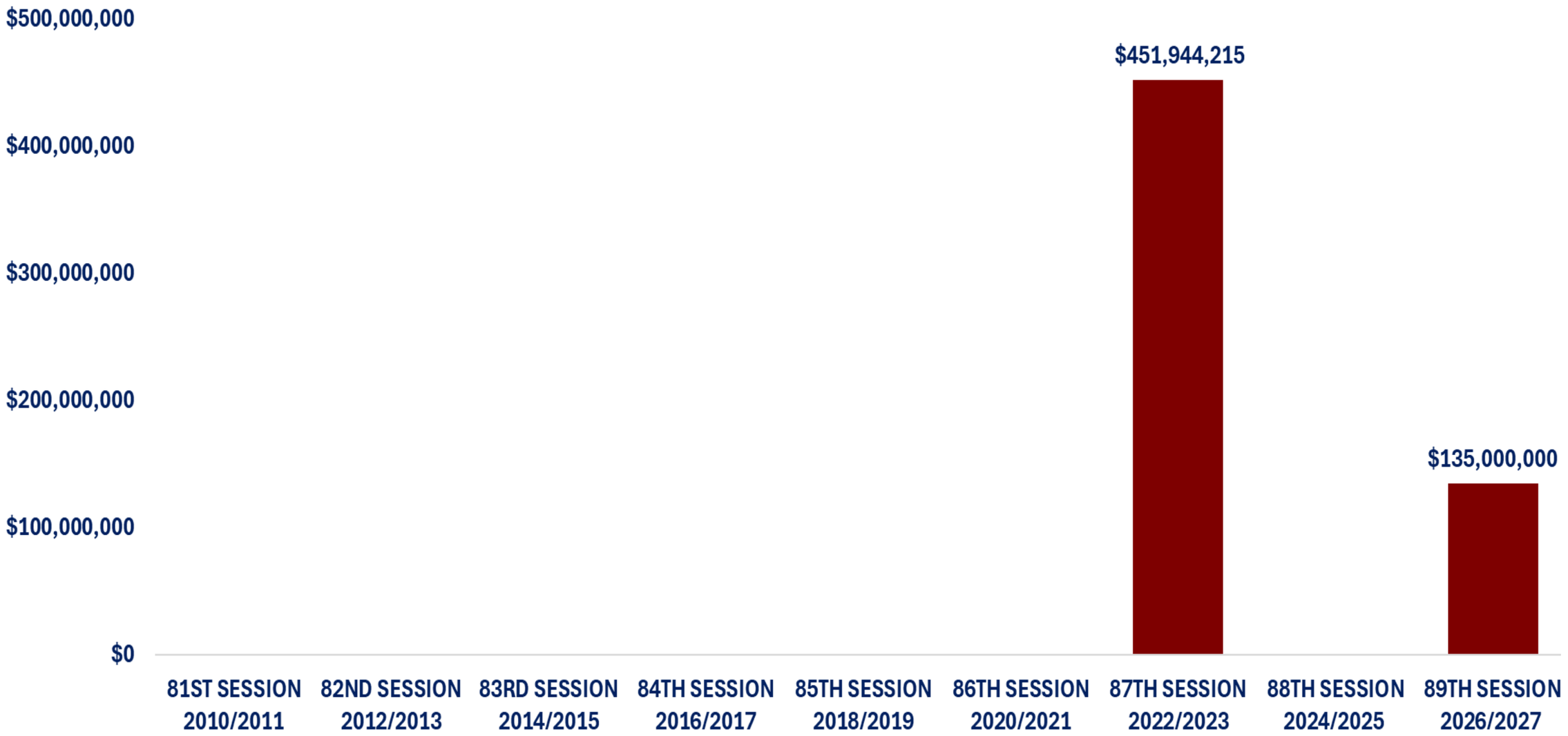
REGIONAL MAP



STATE LEGISLATIVE BIENNIAL APPROPRIATIONS for OPERATIONS



STATE APPROPRIATIONS & GRANTS for CAPITAL PROJECTS



TDEM
THE TEXAS A&M UNIVERSITY SYSTEM

LEGISLATIVE IMPACT (IN THOUSANDS)

LEGISLATIVE ITEMS	FY 2025	FY 2026	VARIANCE
STATE APPROPRIATIONS			
General Revenue	$ 24,987	$ 34,030	$ 9,043
Potter and Jackson County EOC (Pass-Thru)	-	10,000	10,000
Opioid Funding	500	500	-
SB75 State Electric Grid Council	-	241	241
HB35 State Peer Support Network for First Responders	-	1,975	1,975
Higher Education Group Insurance	667	1,539	874
SUBTOTAL	**$ 26,154**	**$ 48,285**	**$ 22,133**
EXCEPTIONAL ITEMS			
HB500 Operation Facilities and Staging Areas	-	135,000	135,000
HB500 Motor Vehicles	-	7,800	7,800
SUBTOTAL	**$ -**	**$ 142,800**	**$ 142,800**
ESTIMATED STATE PAID BENEFITS	**$ 1,940**	**$ 3,413**	**$ 1,471**
STATE APPROPRIATIONS TOTAL	**$ 28,094**	**$ 194,498**	**$ 166,404**

FEDERAL FUNDS MANAGEMENT



TOTAL FUNDS: $23.606 BILLION

DISASTER FUNDS: $23.584 BILLION

PREPAREDNESS FUNDS: $21.9 MILLION

- **Emergency Management Performance Grant***
  $19.6 Million
- **Hazardous Materials Emergency Preparedness***
  $1.5 Million
- **Waste Isolation Pilot Plant, Pantex Plant, and State Homeland Security Program (Preparing TX)***
  $815K

*Funding is restricted by grant terms and conditions

TDEM
THE TEXAS A&M UNIVERSITY SYSTEM

DISASTER GRANTS

	OPEN GRANTS	OPEN PROJECTS	PROJECT VALUE
FIRE MANAGEMENT ASSISTANCE GRANTS	16	21	$19,679,725
HAZARD MITIGATION (HM)	16	492	$2,119,142,987
PUBLIC ASSISTANCE (PA)	17	4,333	$21,248,797,871
PRE-DISASTER MITIGATION (PDM) BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES (BRIC)	7	37	$196,750,478
TOTALS	**56**	**4,883**	**$23,584,371,061**

OPEN GRANTS PROJECT STATUS TIMELINE

(July 1, 2010) Chief Kidd became the Chief of TDEM

(Sept. 1 2019) TDEM joined Texas A&M University System

GRANT TIMELINE: 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

EVENT - (56)	# SUBRECIPIENTS	# PROJECTS	ELIGIBLE AMOUNT	# CLOSED PROJECTS	# OPEN PROJECTS
Ike	1,016	15,837	$2,319,498,394.39	15,630	207
West Explosion	10	32	$38,125,209.91	20	12
2013 Severe Storms	25	136	$10,068,337.21	135	1
May 2015 Severe Storms	440	2,318	$251,811,979.91	2,278	40
Nov 2015 Severe Storms	86	420	$55,129,169.24	409	11
Mar 2016 Winter Storms	62	255	$44,936,412.23	242	13
Apr 2016 Severe Storms	103	486	$54,923,282.02	476	10
Jun 2016 Severe Storms	178	836	$79,659,865.46	820	16
Harvey	975	7,004	$4,325,987,592.35	4,930	2,074
Harbor Bay Fire	9	10	$3,400,064.00	8	2
2018 Severe Storms	6	6	$5,923,848.00	1	5
Feb 2019 Severe Storms	106	513	$73,456,660.76	424	89
Jul 2019 Severe Storms	5	5	$2,553,558.66	2	3
Copper Breaks Fire	3	3	$605,909.33	1	2
Imelda	12	12	$13,468,248.00	3	9
BRIC 2020	4	4	$305,201.35	0	4
COVID-19 Pandemic	339	1,287	$14,473,039,569.82	729	558
Laura (EM)	68	108	$63,358,127.86	108	0
PDM19 (EMT-2021-PC-0004)	10	11	$1,258,379.18	9	2
Laura (DR)	61	173	$90,314,094.67	60	113
BRIC 2021	4	4	$1,456,070.00	0	4
2021 Severe Winter Storms	505	908	$172,170,470.05	583	325
COVID-19 Pandemic	151	203	$616,791,002.22	4	199
BRIC-FY22 (EMT-2022-BR-016)	5	5	$2,344,488.18	0	5
County Line Fire	12	19	$8,650,026.08	6	13
North 207 Fire	3	9	$735,498.72	6	3
Kidd Fire	4	7	$2,842,378.29	4	3
Wheat Field Fire	2	4	$1,305,839.79	2	2
Big L Fire	5	7	$576,924.42	4	3
Mesquite Heat Fire	3	6	$2,142,970.51	4	2
Hard Castle Fire	2	3	$4,743,561.11	1	2
Chalk Mountain Fire	2	4	$6,747,750.30	2	2
LPDM FY22 (EMT-2022-PD-0001)	3	7	$53,014,587.02	0	7
LPDM FY23 (EMT-2023-PD-0003)	6	8	$123,137,959.23	0	8
Severe Winter Storm Mara	89	192	$122,551,813.41	113	79
Smokehouse Creek Fire	3	3	$324,664.07	2	1
Windy Duece Fire	0	0	$2,626,962.67	0	0
May 2024 Severe Storms	203	544	$206,679,838.55	18	526
Hurricane Beryl	227	527	$332,470,559.37	6	521
LPDM FY24 (EMT-2024-PD-0003)	7	7	$15,233,793.33	0	7
❖ Welder Complex Fire	0	0	$-	0	0
❖ Duke Fire	0	0	$-	0	0
❖ Rest Area Fire	0	0	$-	0	0
❖ Crabapple Fire	0	0	$-	0	0
❖ Double S Fire	0	0	$-	0	0
❖ Pauline Road Fire	0	0	$-	0	0
	4,754	31,923	$23,584,371,061.67	27,040	4,883

Grants include:

- Hazard Mitigation Grant Program (HMGP)
- Public Assistance (PA)
- Pre-Disaster Mitigation/ Building Resilient Infrastructure and Communities (PDM/ BRIC)
- Fire Management Assistance Grant (FMAG)
- Legislative Pre-Disaster Mitigation (LPDM)

as of June 17, 2025

❖ *Six FMAG declared fires are in the preliminary stages of the grant management cycle and have not yet been obligated by FEMA.*

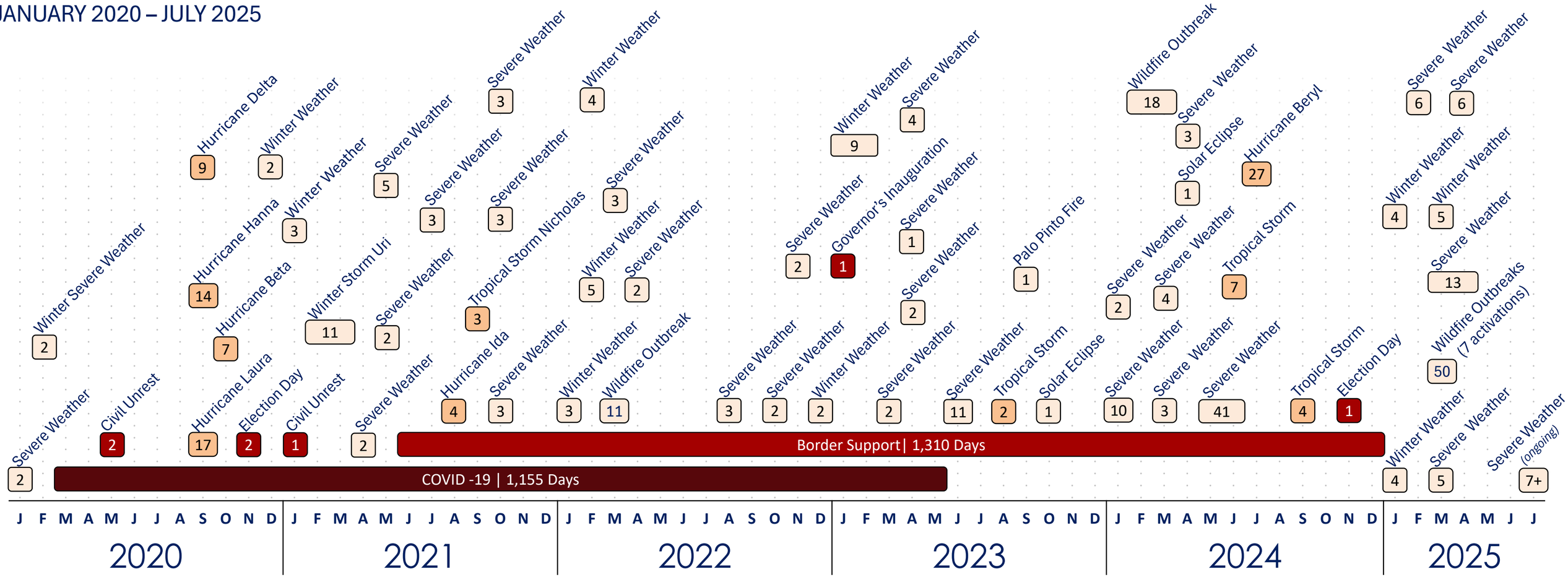
STATEWIDE IMPACT

MEASURES:	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 (as of May. 2025)
Emergency Preparedness					
# of Local Governments Planning Documents Reviewed	2,165	2,399	1,873	1,356	1,145
Response & Recovery Coordination					
# of Emergency Incidents Coordinated	5,221	4,761	7,432	10,437	7,183

TDEM
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STATE OPERATIONS CENTER ACTIVATION TIMELINE

JANUARY 2020 – JULY 2025



1,155 Days	- COVID-19	94 Days	- Hurricane or Tropical Storm
1,317 Days	- Man-made Event	291+ Days	- Non-Hurricane Natural Event

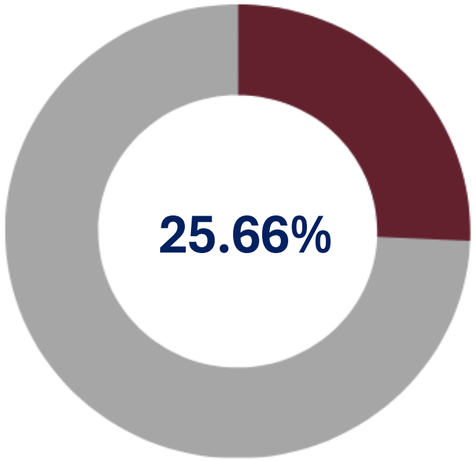
70 *activations in 67 months*

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FY 2026 REVENUE BUDGET
(IN THOUSANDS)

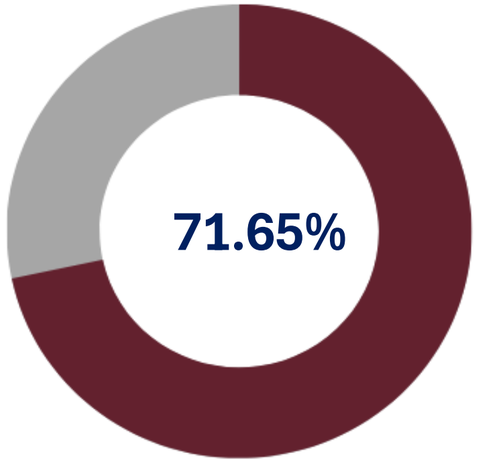
REVENUES	FY 2025	FY 2026	Variance $	Variance %
State Appropriations	$ 28,094	$ 194,498	$ 166,404	>500%
Federal Appropriations	837,919	543,012	(294,907)	-35%
Contracts & Grants	18,979	18,831	(148)	-1%
Sales & Services	1,300	1,300	-	n/a
Investment Income	200	200	-	n/a
TOTAL REVENUES	**$ 886,492**	**$ 757,842**	**$ (128,650)**	**-15%**

FY 2026 REVENUE BUDGET



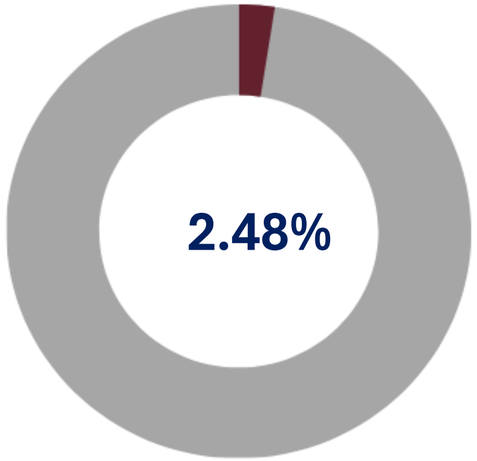
STATE APPROPRIATIONS

$194,498,277



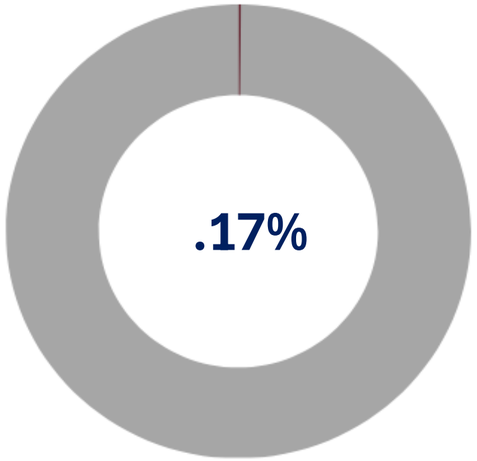
FEDERAL APPROPRIATIONS

$543,012,168



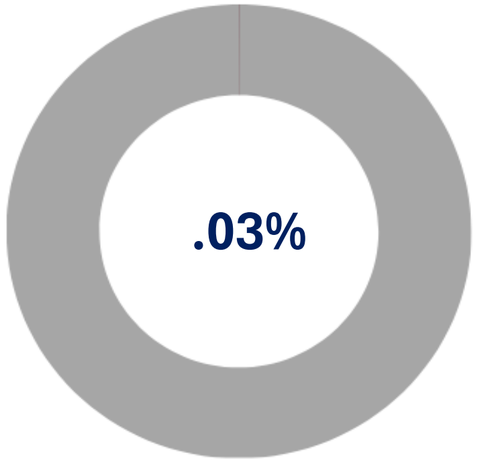
CONTRACTS & GRANTS

$18,831,164



SALES & SERVICES

$1,300,000



INVESTMENT INCOME

$200,000

TOTAL REVENUE BUDGET = $757,841,609

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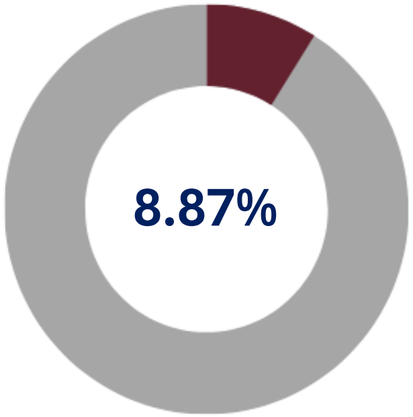
FY 2026 EXPENDITURE BUDGET
(IN THOUSANDS)

	FY 2025	FY 2026	Variance $	Variance %
TOTAL REVENUES	**$ 886,492**	**$ 757,842**	**$ (128,650)**	**-15%**
EXPENSES				
Salaries & Wages	$ 53,003	$ 55,244	$ 2,241	4%
Benefits	13,835	15,586	1,752	13%
Utilities	807	807	-	n/a
Equipment	423	7,800	7,377	>500%
Operations & Maintenance	59,295	72,022	12,727	21%
Pass-Thru To State & Local	767,454	471,383	(296,071)	-39%
TOTAL EXPENSES	**$ 894,816**	**$ 622,842**	**$ (271,974)**	**-30%**
OTHER TRANSFERS	**$ -**	**$ (135,000)[2]**		
NET POSITION CHANGE	**$ (8,324)[1]**	**$ -**		

[1] Advanced state funding for Keeping Texas Prepared allocated across the biennium.

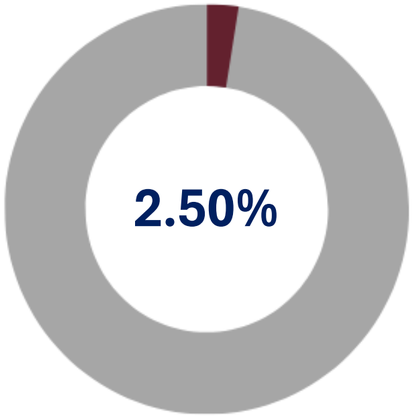
[2] Funding designated for the Operation Facilities and Staging Areas.

FY 2026 EXPENDITURE BUDGET



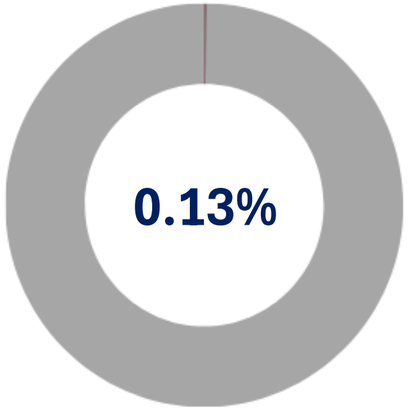
SALARIES

$55,243,886



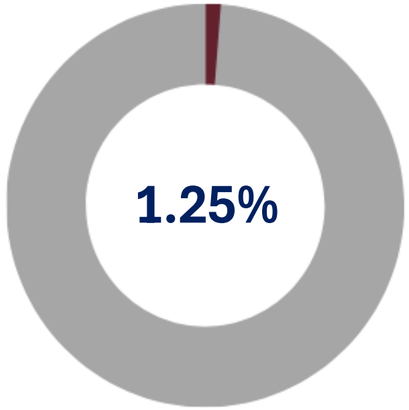
BENEFITS

$15,586,394



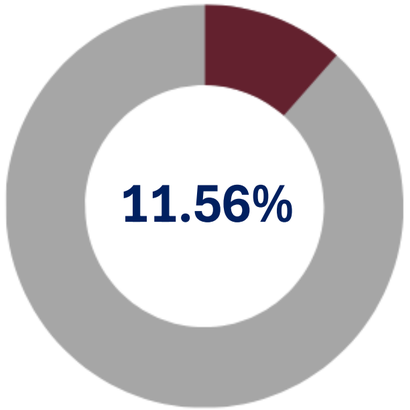
UTILITIES

$806,780



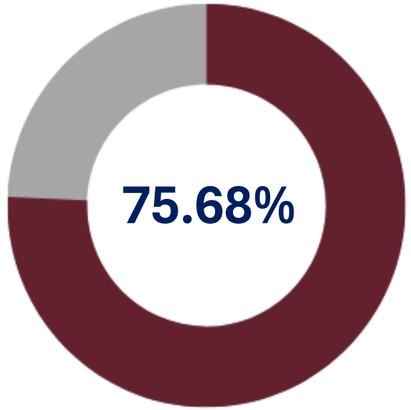
EQUIPMENT (CAPITALIZED)

$7,800,000



OPERATIONS & MAINTENANCE

$72,022,025



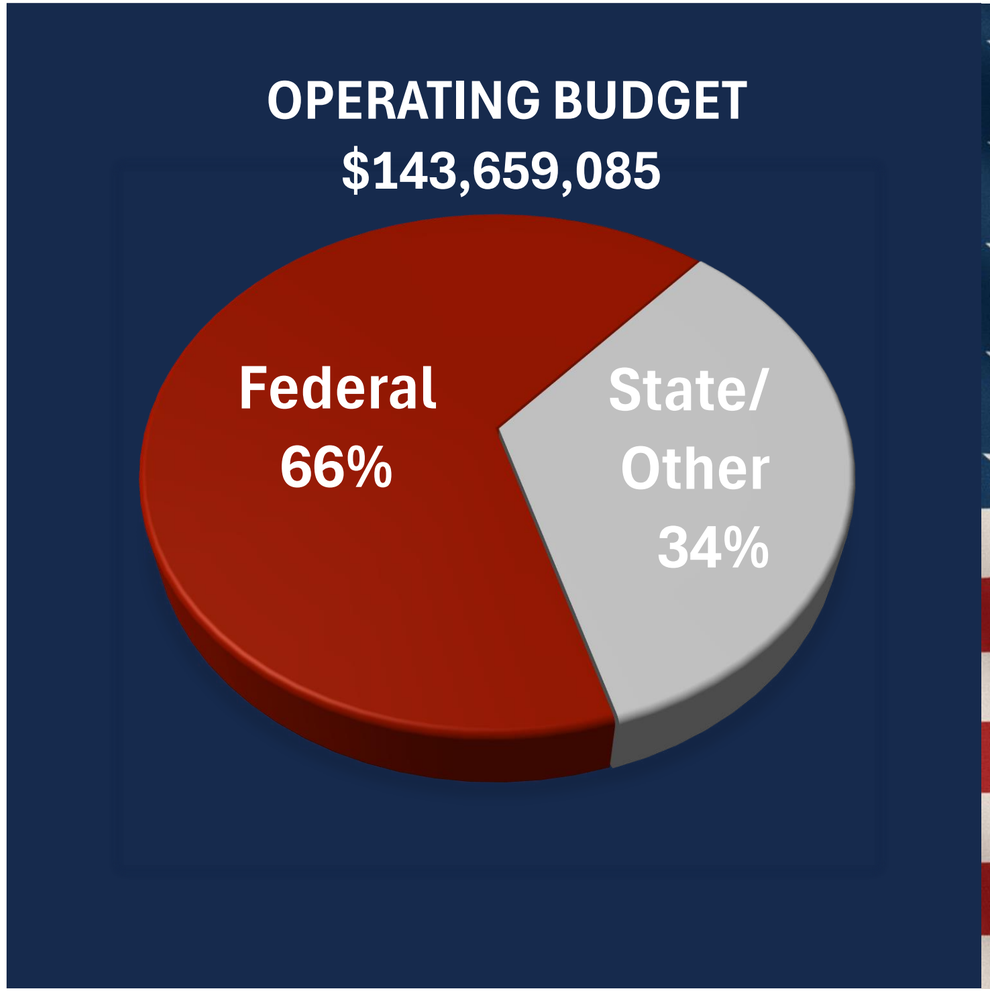
PASS-THRU

$471,382,524

TOTAL EXPENDITURE BUDGET = $622,841,609

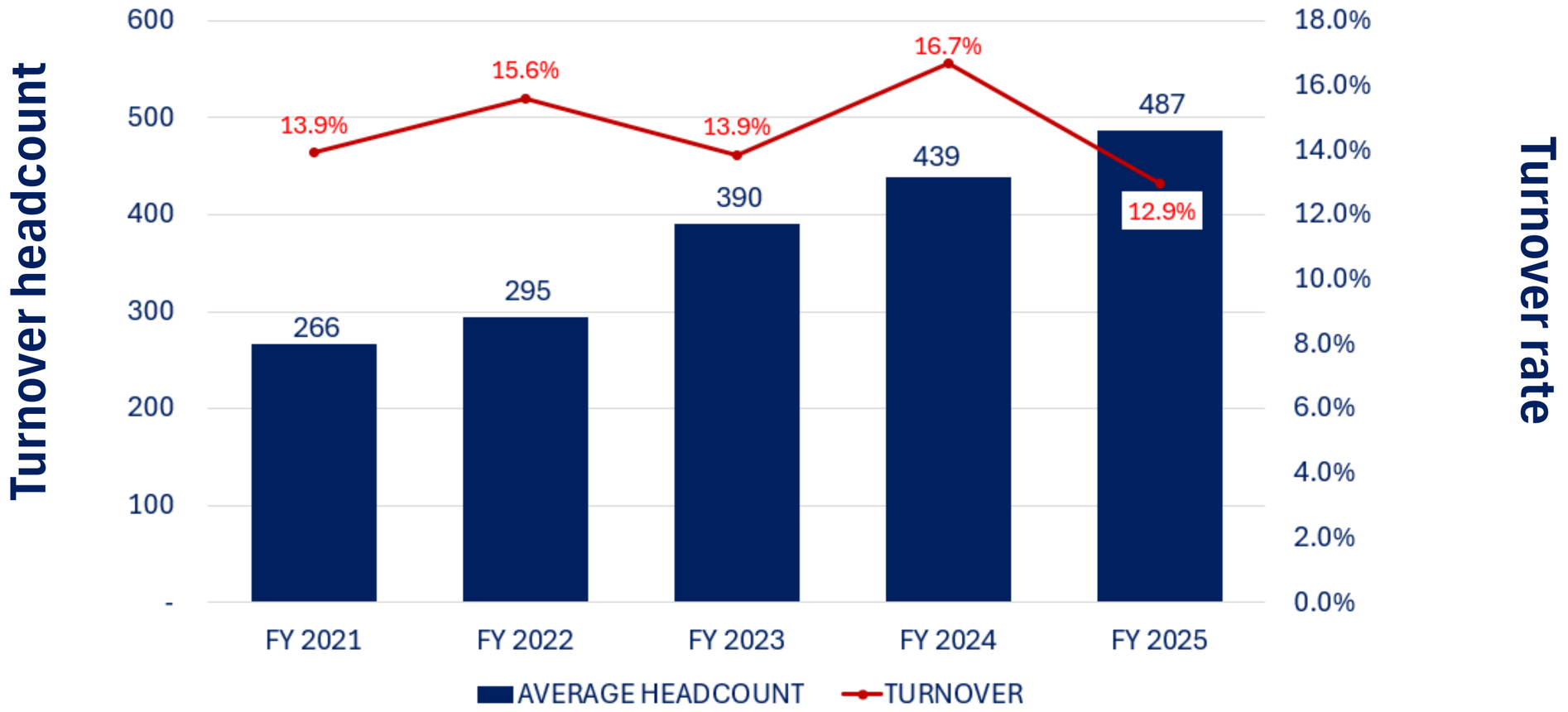
TDEM OPERATIONS BUDGET = $143,659,085

FY 2026 TDEM OPERATING BUDGET





FY 2021-FY 2025
YTD Turnover and Headcount



FY 2026 EMPLOYEE RETENTION RATE



PERFORMANCE BASED POOL, 0-4 % (Contingent Upon Available Funding)	**$2,204,500**
BENEFITS	**407,900**
TOTAL	**$2,612,400**









TEXAS DIVISION OF EMERGENCY MANAGEMENT

TDEM

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Fiscal Year 2026

PROGRAMMATIC BUDGET REVIEW

Capital Plan

W. Nim Kidd
Vice Chancellor for Disaster and Emergency Services
Chief, Texas Division of Emergency Management

July 29, 2025

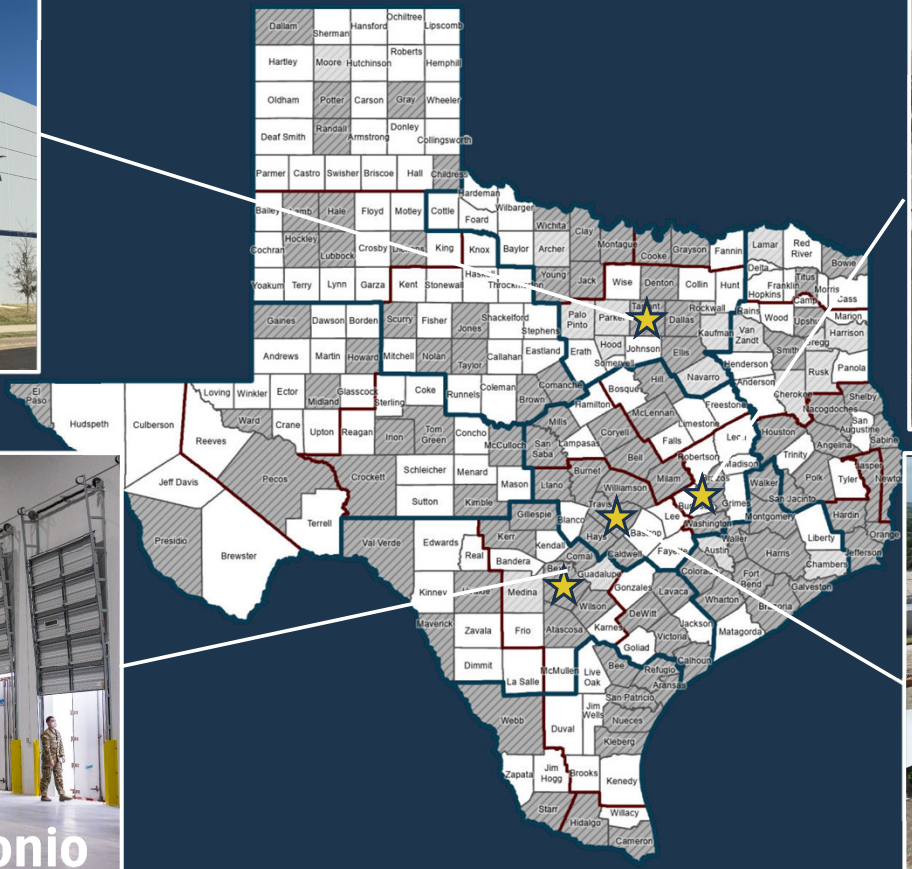
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FACILITY MAP

Storage & Staging Area



Fort Worth



Region 8 Staging Area & Emergency Operations Center



Bryan/College Station

Storage & Staging Area



San Antonio



Future TDEM Headquarters & State Emergency Operations Center

Austin

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FY 2026 CAPITAL PLAN

	PLANNING AMOUNT ($M)	PRIMARY FUNDING SOURCE	CURRENT STATUS	GROSS SQUARE FOOTAGE
APPROVED PROJECTS				
NEW HEADQUARTERS & STATE EMERGENCY OPERATIONS CENTER	$423.2M	STATE APPROPRIATIONS	UNDER CONSTRUCTION	332,467
FORT WORTH WAREHOUSE MODIFICATIONS	$6.07M	STATE APPROPRIATIONS	UNDER CONSTRUCTION	137,000
PROPOSED PROJECTS				
OPERATION FACILITIES AND STAGING AREAS	$135M	STATE APPROPRIATIONS	PLANNING	292,500



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NEW HEADQUARTERS & STATE EMERGENCY OPERATIONS CENTER



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NEW HEADQUARTERS & STATE EMERGENCY OPERATIONS CENTER





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FORT WORTH WAREHOUSE MODIFICATIONS - NEW FORT WORTH ACADEMY







PLANNED FACILITIES MAINTENANCE



- Intentional and strategic planned facility maintenance.
- Utilizing dedicated state funds.
- Setting aside long-term funding for future repairs and replacement.

FY 2026 FACILITIES MAINTENANCE
INTEGRATED TECHNOLOGY APPROACH



Smart Building System Integration

- Real-time monitoring and automated diagnostics
- Seamless data exchange between all building systems
- Centralized dashboard for comprehensive facility oversight

Computerized Maintenance Management System (CMMS)

- Automated work order generation based on system alerts
- Complete asset lifecycle tracking and management
- Scheduled maintenance, routing and resource allocation

Energy Management Applications

- Continuous monitoring of energy consumption patterns
- Early detection of equipment inefficiencies
- Automated optimization of building systems performance

Predictive AI Analytics

- Machine learning algorithms identify potential failures before they occur
- Historical data analysis to predict maintenance needs
- Risk-based prioritization of maintenance activities









TEXAS DIVISION OF EMERGENCY MANAGEMENT

TDEM

THE TEXAS A&M UNIVERSITY SYSTEM











BUDGET NARRATIVE

Introduction:

The vision for AgriLife Research is to ensure healthy lives and livelihoods that continue to improve through abundant, affordable, and high-quality food and agricultural products in Texas and around the world. The agency works to find innovative solutions that create adaptive agricultural systems — systems that can meet the demand of a growing population, changing climate, fluctuating economic conditions, unpredictable geopolitical environments, declining resources, and public health crises. We make fundamental scientific discoveries and apply them to creating new technologies that enhance the sustainability and resilience of adaptive agricultural systems. These efforts provide the translational research necessary for developing and producing high-quality, safe, and sustainable food and fiber systems with local, national, and global impact. These agile systems can meet the needs of food and fiber, clean water and air, functional landscapes, improved health and well-being, and the sustainability of resources for generations to come.

The following are four strategic priority areas that comprise the focus of AgriLife Research: 1) Discovery and innovation of technologies and science-based solutions that enhance agricultural and ecological systems and the life sciences; 2) Translational research necessary to develop and produce high-quality, safe, and sustainable food and fiber systems with local, national, and global impacts; 3) Efficiency, profitability, and resiliency of agriculture, natural resources, and food systems in the state of Texas and around the world; and 4) Dissemination and facilitation of the adoption of scientific evidence at the intersection of nutrition, human health, and agriculture.

During the past year we have enhanced our research capacity and outputs to benefit the lives and livelihoods of all Texans and beyond by: 1) Investing in faculty and staff recruitment and retention; 2) Investing in faculty support programs and other initiatives to enhance the ability of faculty to secure extramural funding and advance scholarship; 3) Improving research infrastructure and facilitating access to state-of-the-art equipment, facilities, instrumentation, and services; 4) Integrating the research administrative management of the School of Veterinary Medicine and Biomedical Sciences and associated faculty with AgriLife Research; 5) Recognizing and rewarding faculty and staff successes by nominating them for internal and external awards; 6) Supporting training of next-generation scientists, including graduate students and postdoctoral researchers; 7) Fostering communication with internal stakeholders and nurturing relationships with external stakeholder groups; and, 8) Developing mechanisms for securing funding from private entities and other stakeholder groups to advance the AgriLife Research mission.

BUDGET NARRATIVE CONTINUED

Revenues

Texas A&M AgriLife Research has budgeted an increase of $16.2 million (5.6%) in revenue in FY 2026 due to an expected increase of sponsored research of $11.5 million (8.45%) and an increase in state appropriations and Group Insurance Premiums:

- State Appropriations are projected to increase by $3.2 million (3%) over FY 2025 due to an increase in the inside Brazos County Infrastructure., group insurance, and estimated state paid benefit support.
- Contracts and Grants revenue is projected to increase by $11.5 million from FY 2025, an 8% increase over the prior year. AgriLife continues to be successful in obtaining grant funding.
- Sales and Services, Investment Income and Gift revenue are each projected to improve over FY 2026.

Expenses:

FY 2026 Total Expenditures are projected to increase by $6.86 million (2%) over FY 2025, due to an increase in personnel, utility, and benefit costs:

- Overall, the FY 2026 expense budget increased from $290.3 million in FY 2025 to $297.2 million in FY 2026.
- AgriLife Research has planned for an increase of 4.09% in personnel costs. This is driven by the following:
    - AgriLife Research will allow a 2% salary performance pool across all funds, with up to an additional 2% unit funded add-to-base or one-time merit for a total of $4.13 million.
- Anticipated promotions and other market adjustments are projected at $20,000.
- FY 2026 and Operations and Maintenance expenses are expected to decrease by 1.91% as the repairs at Vernon are nearing completion. Equipment expenses are also expected to decrease 12.2% over FY 2025 also due to Vernon repairs nearing completion and successful updates made to aged equipment and labs at the Centers around the state in FY 2025.

BUDGET NARRATIVE CONTINUED

Reserves:

- FY 2023 Reserve balance was $42.6 million, or 3.3 months.
- FY 2024 Reserve balance decreased slightly to $42.5 million, or 2.8 months.
- FY 2025 Reserve balance is estimated at approximately $40 million, or 2.6 months.
- FY 2026 Projected Reserve balance is estimated at $37.9 million, or 2.4 months.

Capital Plan:

- AgriLife Research has five approved projects on the Capital Plan:
    - New building on the West Texas A&M campus at Canyon to house the Amarillo Research and Extension Center. The Amarillo Center is being relocated to Canyon to better serve the west Texas communities.
    - Vernon Research and Extension Center: Repair/renovation of the Vernon Center resulting from tornado damage in May 2022.
    - Meat Sciences & Technology Center: This facility will be a modern, food processing, teaching, and research facility at Texas A&M RELLIS to support faculty in the Department of Animal Science and Department of Poultry Science.
    - CEA Research Greenhouse: This project will provide a high-tech Greenhouse complex for Controlled Environment Agriculture (CEA) in Dallas to address current and emerging issues in Urban Agriculture.
    - AgriTech Innovation Farm Hub: The new hub facility will enhance capabilities at McGregor with a state-of-the-art, cyber-physical infrastructure, providing our world-class faculty and staff a dynamic system in which to develop new technologies that will impact the world.

FY 2026 Programmatic Budget Reviews

G. Cliff Lamb, Ph.D., Director

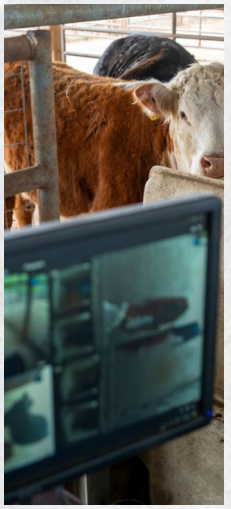
July 28, 2025

Vision and Mission

Vision
Healthy lives and livelihoods improved through abundant, affordable, and high-quality food and agricultural products in Texas and around the world

Mission
Create, learn, and share knowledge about agriculture and the life sciences that nourishes health, strengthens communities, protects natural resources, and supports economies.







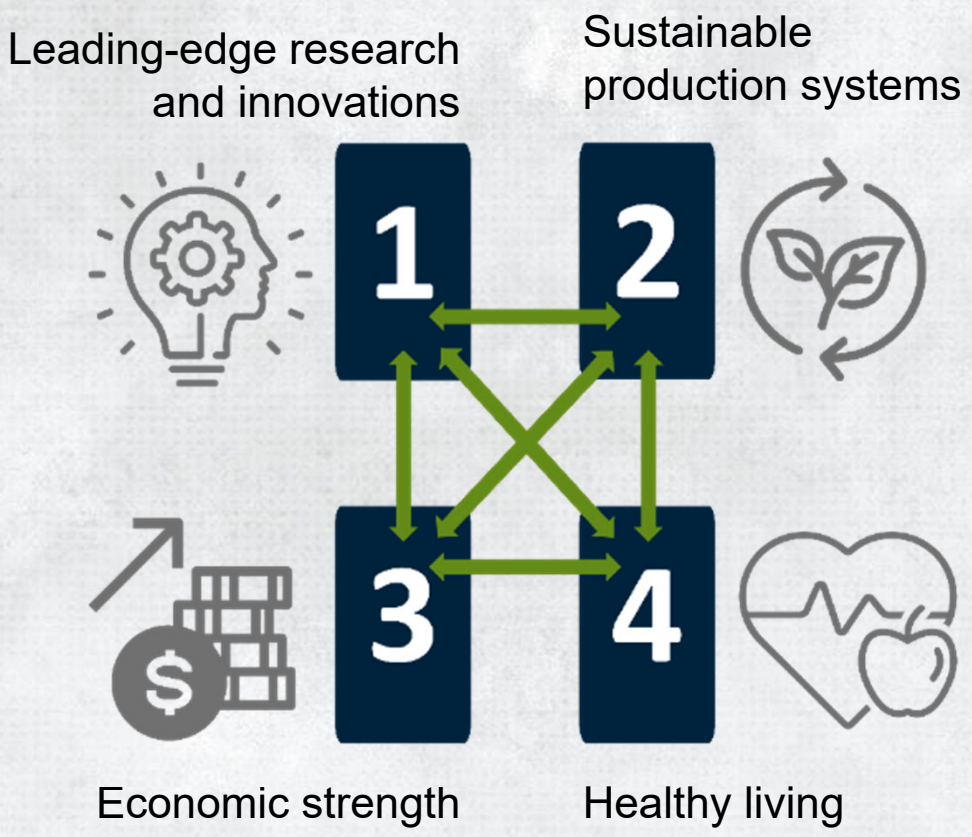


TEXAS A&M AGRILIFE RESEARCH

Strategic Plan

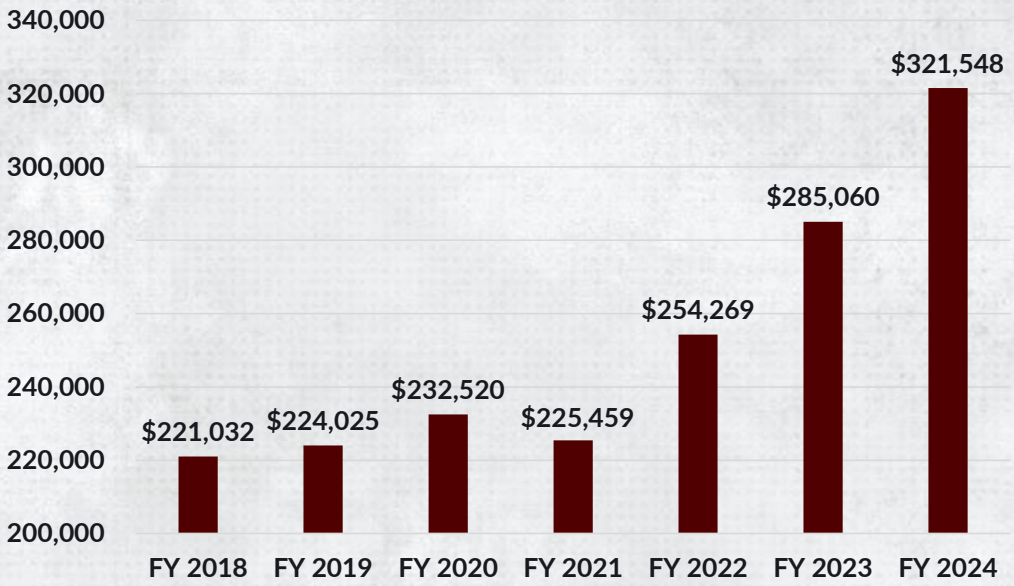
A guide for the next 5 years

FOUR SYNERGISTIC STRATEGIC PRIORITIES



Research Expenditures per NSF Report

In thousands





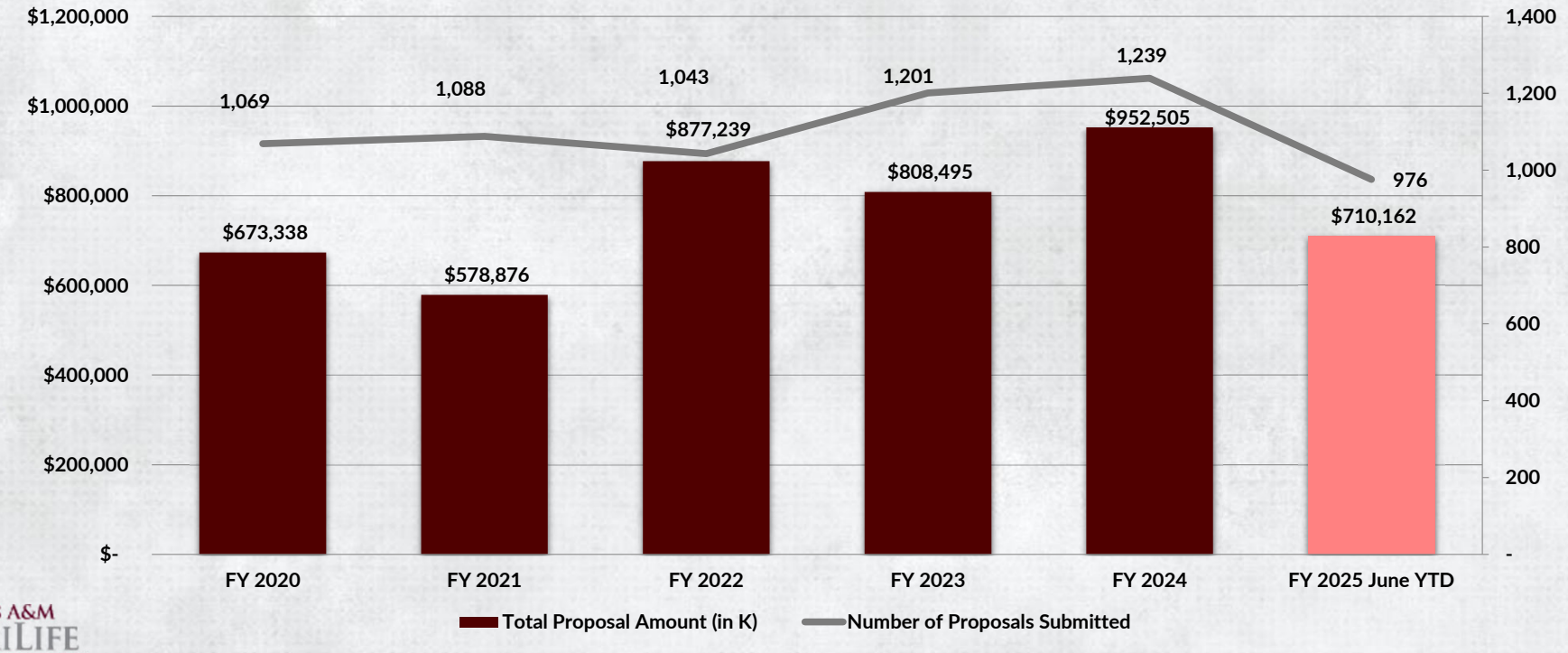




TEXAS A&M AGRILIFE RESEARCH

Proposal Activity

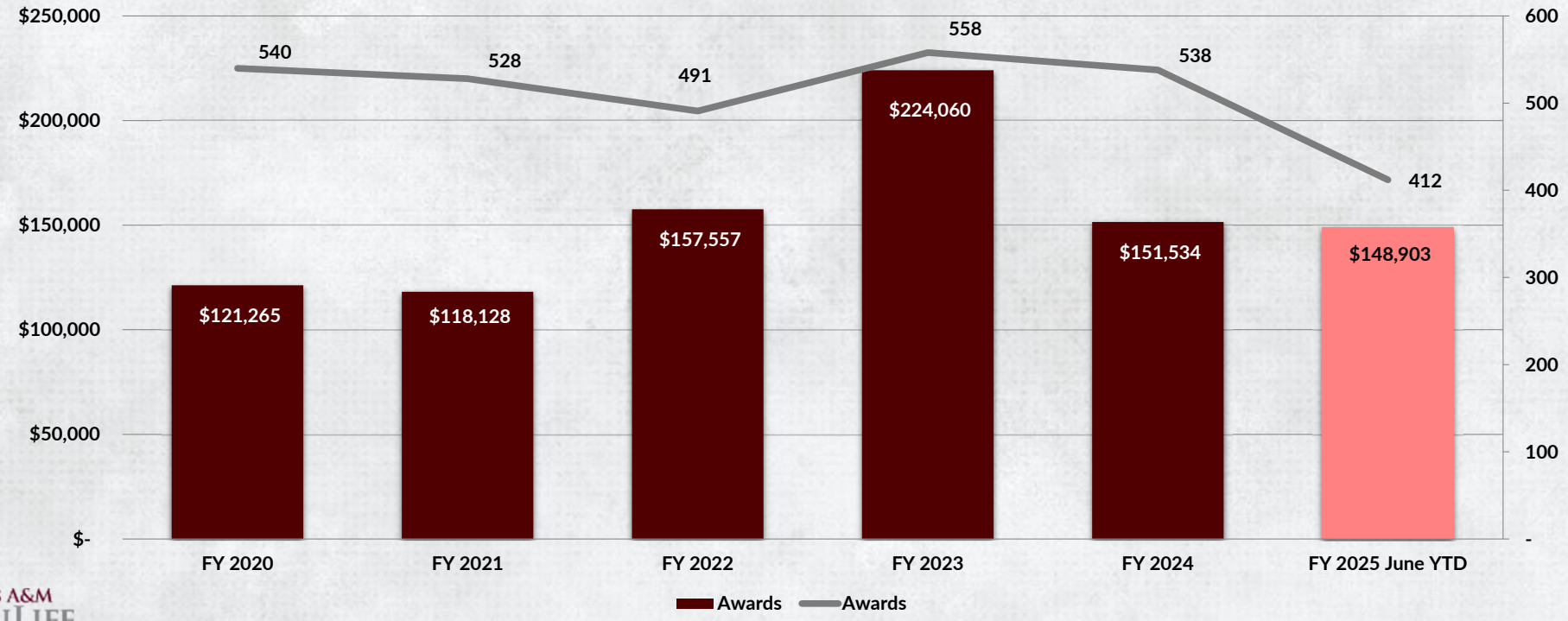
In thousands



TEXAS A&M AGRILIFE RESEARCH

Award Activity

In thousands

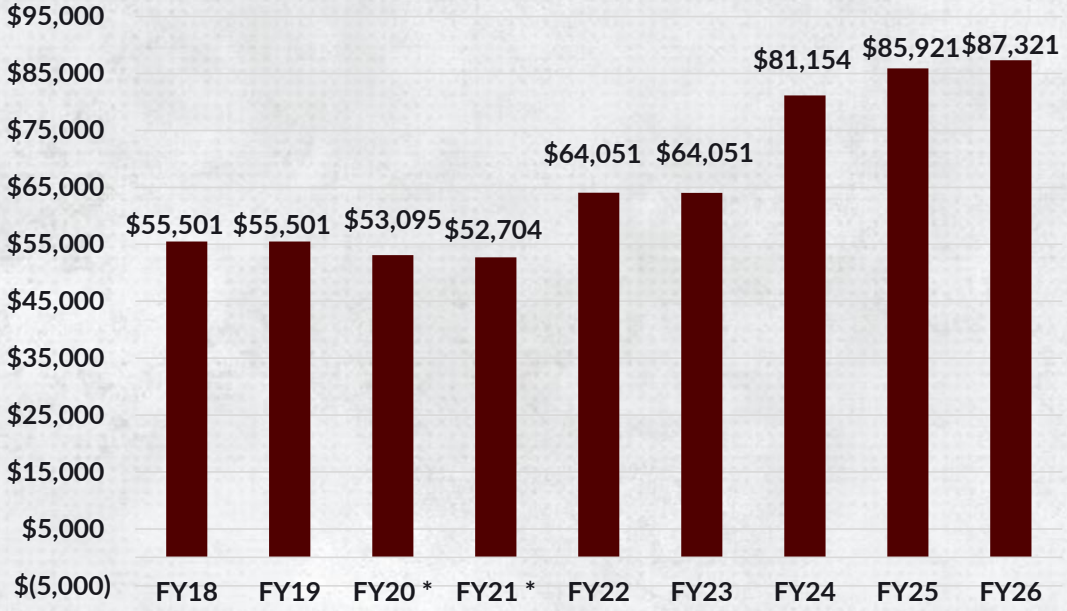


Texas A&M AgriLife Research

State Appropriations – GR/GR-D

In thousands





'FY23 includes $9 million per year for Advancing Health through Agriculture Exceptional Item, FY24/FY25 inc
5 million for increase capacity at the Centers and $4.5 million and $9.3 million for state mandated salary incre

General Revenue * Includes 5% Reduction

TEXAS A&M AGRILIFE RESEARCH

Legislative Impacts
In millions

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations			
General Revenue - Regular	$ 63.66	$ 86.86	$ 23.20
General Revenue - Mandated Increase	9.30	-	(9.30)
General Revenue - Dedicated	0.46	0.46	-
Subtotal	**$ 73.42**	**$ 87.32**	**$ 13.90**
Exceptional Items			
Building Capacity	12.50	-	(12.50)
Subtotal	**$ 12.50**	**$ -**	**$ (12.50)**
Estimated State Paid Benefits	**18.23**	**20.08**	**1.85**
State Appropriations Total:	**$ 104.15**	**$ 107.33**	**$ 3.18**





TEXAS A&M AGRILIFE RESEARCH

FY 2026 Proposed Revenue Budget

In thousands

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 104,151	$ 107,327	$ 3,176	3.0%
Federal Appropriations	9,920	9,881	$ (39)	-0.4%
Contracts and Grants	136,313	147,827	$ 11,515	8.4%
Gifts	1,538	1,575	$ 37	2.4%
Sales and Services	27,950	29,280	$ 1,330	4.8%
Investment Income	6,578	6,737	$ 159	2.4%
TOTAL REVENUES:	**$ 286,449**	**$ 302,626**	**$ 16,177**	**5.6%**





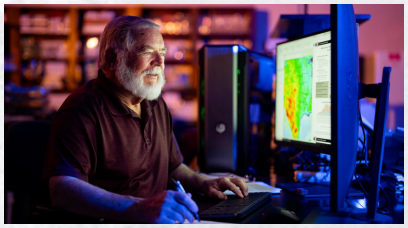


Texas A&M AgriLife Research

FY 2026 Proposed Expense Budget

In thousands



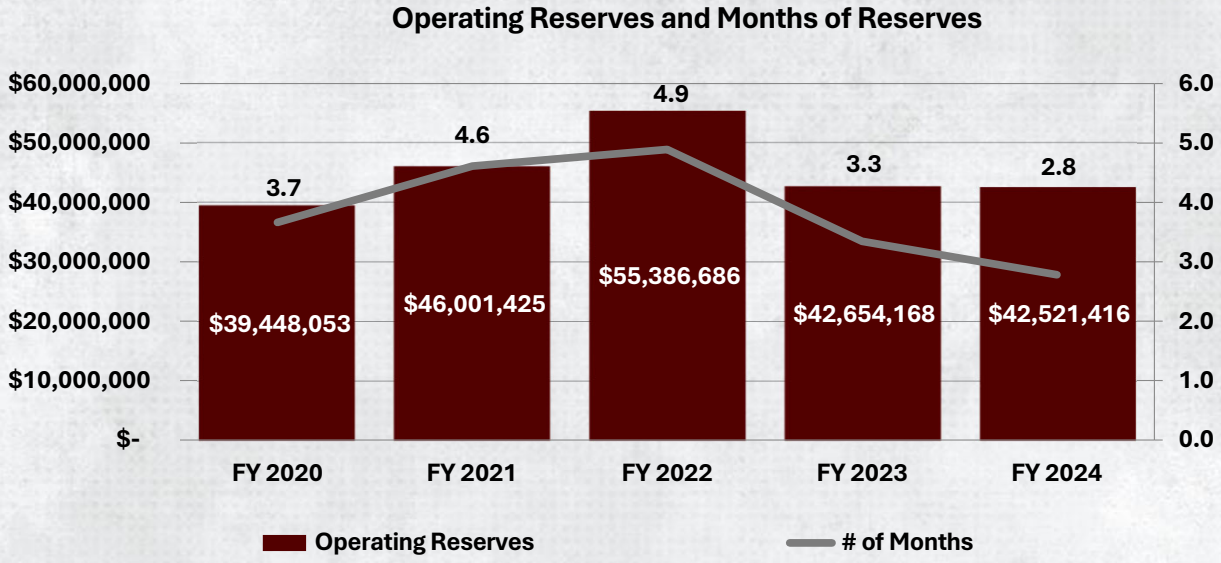




EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 286,449**	**$ 302,626**		
Expenses:				
Salaries - Faculty	$ 29,474	$ 30,662	$ 1,188	4.0%
Salaries - Non-Faculty	78,879	82,399	$ 3,520	4.5%
Wages	7,588	7,622	$ 34	0.4%
Benefits	35,414	37,351	$ 1,937	5.5%
Personnel Costs	$ 151,355	$ 158,033	$ 6,679	4.4%
Utilities	5,614	6,158	$ 545	9.7%
Scholarships	3,521	3,797	$ 276	7.9%
Equipment	23,557	20,679	$ (2,877)	-12.2%
Operations and Maintenance (Net)	103,077	101,119	$ (1,959)	-1.9%
Debt Service	3,148	7,349	$ 4,201	133.5%
TOTAL EXPENDITURES:	**$ 290,270**	**$ 297,135**	$ 6,865	2.4%
Other Transfers:	-	-		
CHANGE IN NET POSITION (Rev+Exp+Transfer):	**$ (3,821)**	**$ 5,491**		

TEXAS A&M AGRILIFE RESEARCH

Reserves and Months of Reserves

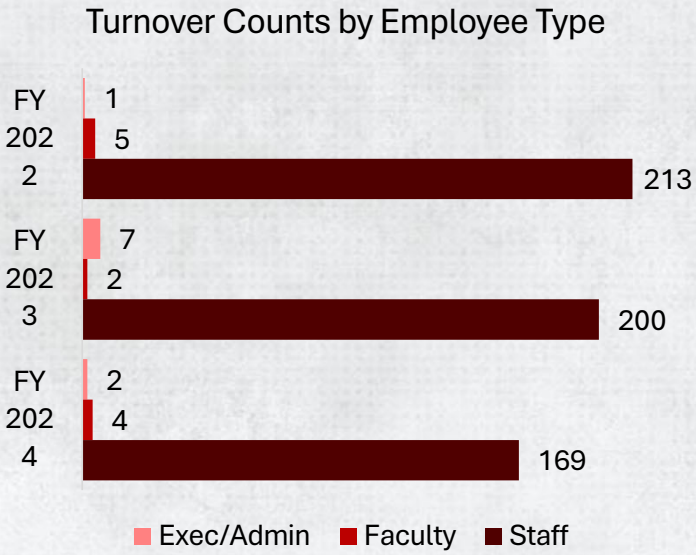




TEXAS A&M AGRILIFE RESEARCH

Employee Turnover

	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	**Count**	**Rate**	**Count**	**Rate**	**Count**	**Rate**	**Count**	**Rate**
FY 2022	1	1.5%	5	6.4%	213	21.1%	219	19.0%
FY 2023	7	9.2%	2	2.4%	200	19.2%	209	17.4%
FY 2024	2	2.6%	4	4.5%	169	15.8%	175	14.1%



FY 2026 Employee Retention Plan

FY 2026 EMPLOYEE RETENTION PLAN	Faculty	Staff	Total
2-4% Performance Based Pool	1,210,300	2,919,900	4,130,200
Promotions	15,400	-	15,400
Market Adjustments	-	-	-
Benefits	*226,800*	*540,200*	*767,000*
Total:	**$ 1,452,500**	**$ 3,460,100**	**$ 4,912,600**







New Goals and Objectives

Enhancing capacity in data-driven intelligent agricultural systems
(precision agriculture or smart farming)

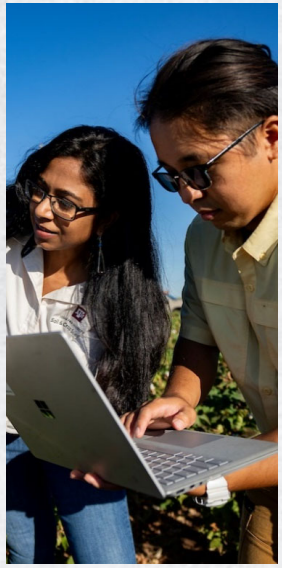
$3 Million | 4 FTEs | Finance: R&G, Designated

Integrates advanced precision sensor technologies, real-time decision models, automated data analytics, AI, machine learning.

- Optimize operational efficiency
- Elevate resiliency
- Fortify sustainability in agricultural operations







TEXAS A&M AGRILIFE RESEARCH

New Goals and Objectives

Enhancing capacity for food system biosecurity

$2 Million | 3 FTEs | Finance: R&G, Designated

Addressing vulnerabilities in agricultural supply chains that can lead to food shortages

- Research
- Advanced technology development
- Public-private collaboration



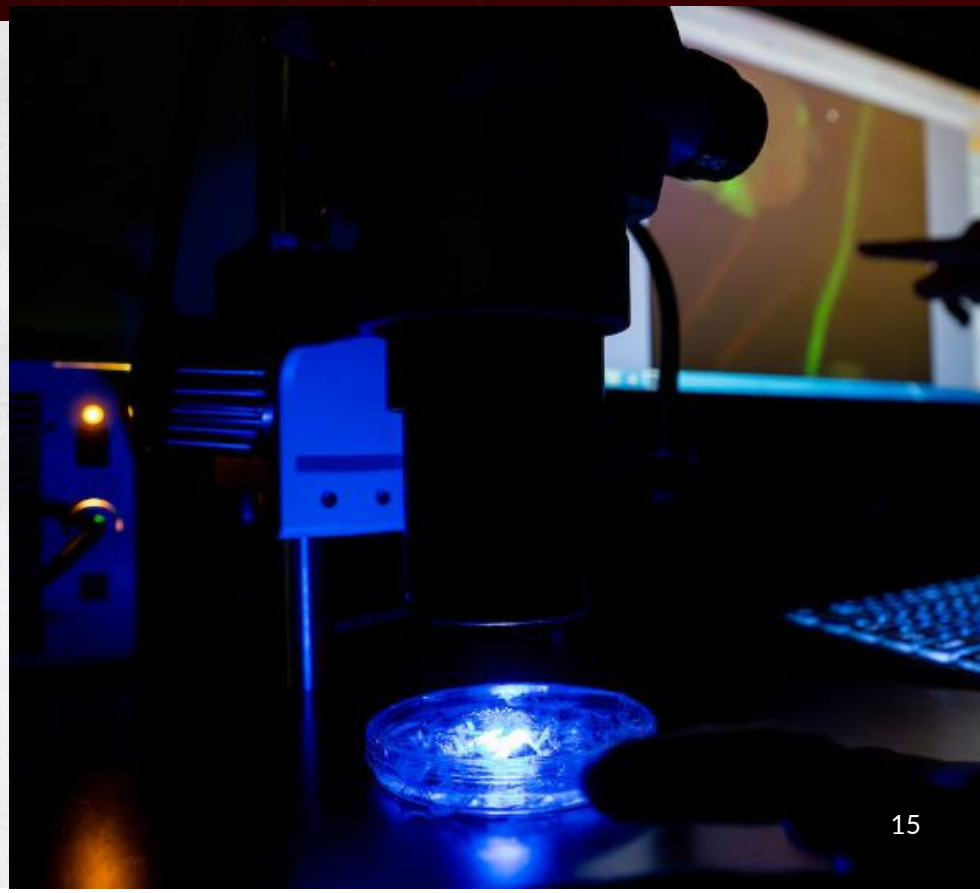
TEXAS A&M AGRILIFE RESEARCH

New Goals and Objectives

A New Plant and Animal Precision Genetics Program

$2 Million | 2 FTEs | Finance: R&G, Designated

- Lead the U.S. in gene editing, plant and animal breeding programs
- Enhance food supply resiliency through programming



TEXAS A&M AGRILIFE RESEARCH

TEXAS A&M AGRILIFE RESEARCH

FY 2026 PROGRAMMATIC BUDGET REVIEWS

Capital Plan Projects

G. Cliff Lamb, Ph.D., Director

July 2025

Capital Plan Overview

TEXAS A&M AGRILIFE RESEARCH
FY 2026 - FY 2030 CAPITAL PLAN
SUMMARY INFORMATION

Project #	Projected FY Start Date for Proposed Projects		Project Name	Total Planning Amount	Funding Sources: PUF Debt Proceeds	RFS Debt Proceeds	Other	Cumulative Expenditures Prior Years to 5/31/2025
APPROVED PROJECTS								
06-3377			Amarillo Research & Extension Center at Canyon	30,580,000	20,000,000	10,000,000 y	580,000 o	16,025,153
06-3339		*	Meat Sciences & Technology Center	114,604,906	25,000,000	64,604,906 b,y	25,000,000 a	2,108,019
06-3407			Vernon Campus Storm Repairs	15,570,360			15,570,360 n,y	13,250,321
			CEA Research Greenhouse	7,500,000			7,500,000 o	-
			AgriTech Innovation Farm Hub	5,000,000	5,000,000			-
			Physical Plant Projects/Equipment/Other	24,040,206	24,040,206			736,845
			Total Construction/Acquisitions in Progress	197,295,472	74,040,206	74,604,906	48,650,360	32,120,338
PROPOSED PROJECTS								
	2026	**	Rio Grande Valley Research Center at McAllen	53,500,000	40,000,000	13,500,000 o		
			Total Proposed Construction/Acquisitions	53,500,000	40,000,000	13,500,000	-	-
TOTAL CAPITAL PLAN				250,795,472	114,040,206	88,104,906	48,650,360	32,120,338

* $25 million of project will be funded by AUF from TAMU.
** $13.5 million of project will be funded by RFS (Investment Earnings) from TAMU.

TEXAS A&M AGRILIFE RESEARCH

Recently Completed Projects

Borlaug Southern Crop Improvement Building

Completed Oct. 2024

Renovation of labs and offices to house the Institute for Advancing Health through Agriculture and Department of Nutrition.

85,355 total gross square footage

$60,000,000 total cost

Source of Funding
PUF, RFS-Indirect Cost Recoveries, GURI, and other matching funds



Recently Completed Projects

Animal Reproductive Biotechnology Center

Completed April 2025

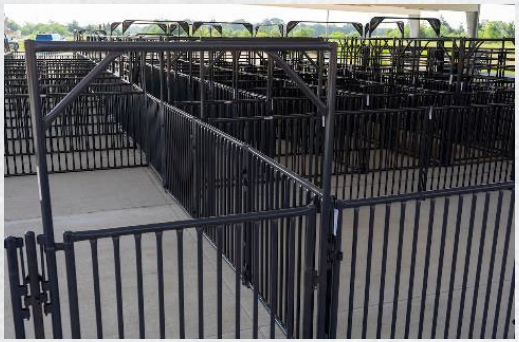
AgriLife Research led research center with a focus on domestic animal reproduction in large and small ruminants. Includes research labs, educational and office space, and animal holding and handling areas.

13,244 total gross square footage

$13,279,800 total cost

Source of Funding
RFS-Indirect Cost Recoveries, PUF, Gifts









TEXAS A&M AGRILIFE RESEARCH

Projects in Progress

Vernon Campus Storm Damage

Recently completed, ribbon cutting Oct. 28

A rebuild of the Research and Extension Center at Vernon and Foundation Seed after the May 2022 tornado damaged the facility. Entire campus sustained damage to equipment, labs, offices, and vehicles.

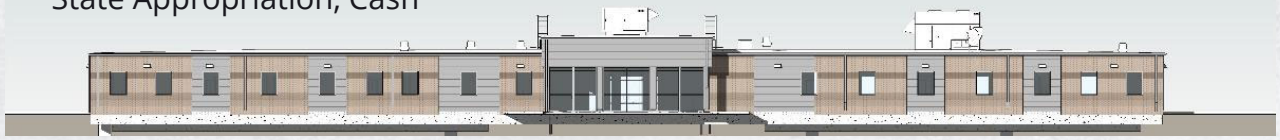




23,782 total gross square footage

$15,570,360 total cost

Source of Funding
State Appropriation, Cash



Projects in Progress

Amarillo Research and Extension Center at Canyon (Texas A&M AgriLife High Plains Research and Extension Center)

Estimated Completion - October 2025

Co-locating the Research and Extension center with West Texas A&M University to establish a hub of agriculture-focused state agencies dedicated to solving real-world challenges.

33,433 total gross square footage

$30,580,000 total cost

Source of Funding
PUF, RFS-Indirect Cost Recoveries, Cash





Texas A&M AgriLife Research

Approved Projects

Meat Sciences and Technology Center, Texas A&M RELLIS

Estimated Completion – August 2027

Building will provide AgriLife with a modern state of the art meat harvesting and processing teaching, research and extension facility.

77,800 total gross square footage

$114,604,906 total cost

Source of Funding
PUF, RFS-Gifts/Indirect Cost Recoveries, AUF







TEXAS A&M AGRILIFE RESEARCH

Approved Projects

Controlled Environment Agriculture (CEA) Research Greenhouse, Dallas

Estimated Completion – August 2027

This facility at the Texas A&M AgriLife Research and Extension Center at Dallas will provide high-tech research space for Controlled Environment Agriculture that will address current and emerging issues in urban agriculture to develop resilient, sustainable, safe, high-quality, and profitable agriculture and natural resources.

7,700 total gross square footage

$7,500,000 total cost

Source of Funding
Cash



Texas A&M AgriLife Research

Approved Projects

AgriTech Innovation Hub

Industry collaboration, science and technology development

Estimated Completion – August 2027

A collaborative space where faculty and researchers can work with the producers, technologists, corporations, investors, startups, policymakers, and other institutions of higher education to address the biggest challenges facing agriculture and natural resources.

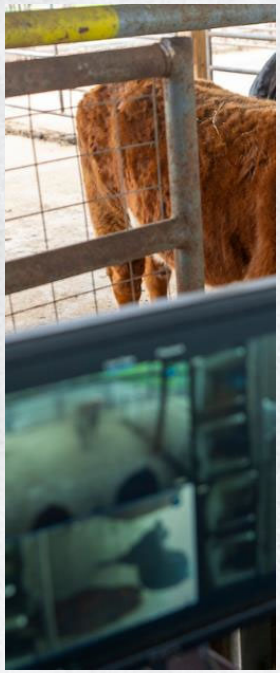
11,250 total gross square footage

$5,000,000 total cost

Source of Funding
PUF







TEXAS A&M AGRILIFE RESEARCH

Future Projects

Rio Grande Valley Research Center at McAllen

Estimated Completion – August 2028

Texas' Rio Grande Valley faces pressing challenges like water scarcity, threats to the biosecurity of food systems, and public health concerns. This state-of-the-art facility at the Texas A&M University Higher Education Center at McAllen will advance region-specific research with open-access laboratories, purpose-built procedure rooms, dedicated equipment zones, and comprehensive shared laboratory support.

48,033 total gross square footage

$53,500,000 total cost

Source of Funding
PUF, RFS-TAMU Investment Earnings



TEXAS A&M AGRILIFE RESEARCH

Deferred Maintenance

Statewide Facilities Assessment

Conducted statewide facilities assessment using Gordian

- 50-80-year-old shared facilities between AgriLife Research and AgriLife Extension
- No previous statewide assessment
- $148.3 million to address in the next 10 years
- Key findings: HVAC, electrical, plumbing, etc. (foundational infrastructure) account for majority of deferred maintenance issues
- Proposed annual funding to address findings:
  - AgriLife Research - $7M per year
  - AgriLife Extension - $1M per year
  - 18.5 years to accomplish deferred maintenance

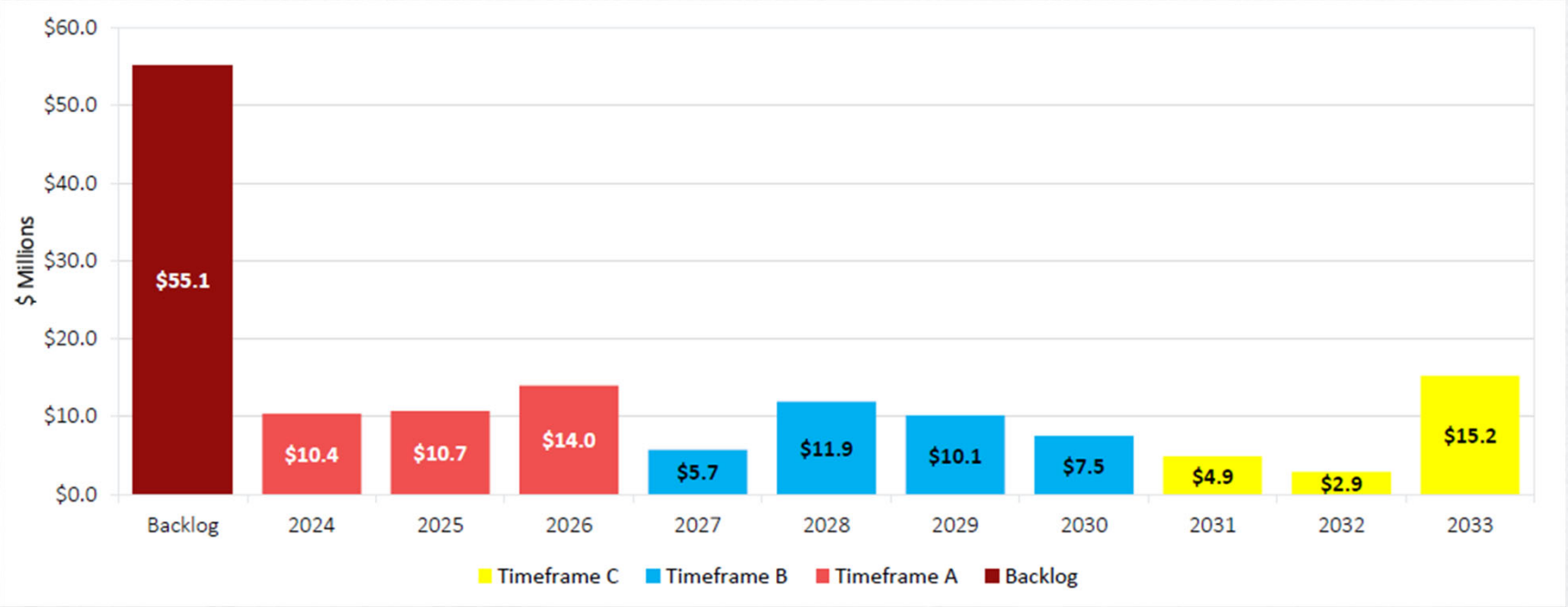






TEXAS A&M AGRILIFE RESEARCH

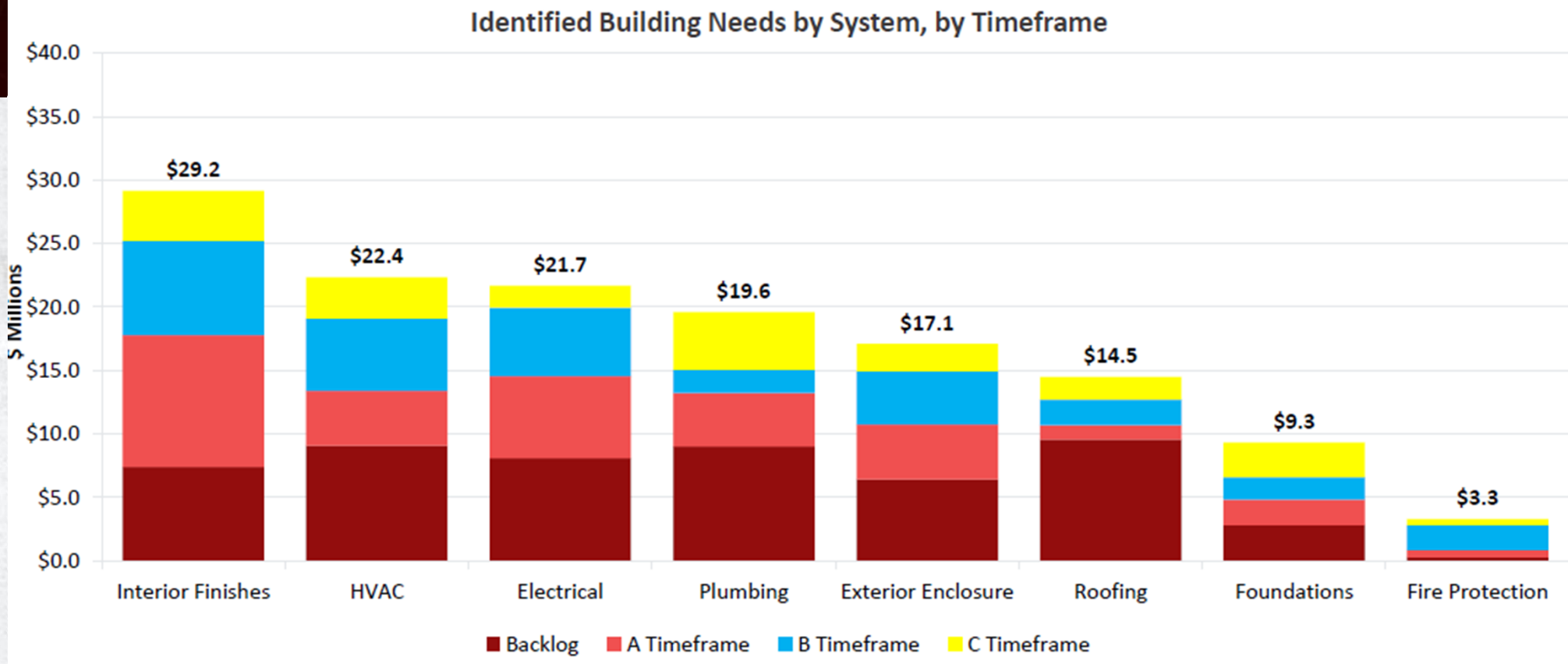
Total Identified Needs by Year: $148.3M



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TEXAS A&M AGRILIFE RESEARCH

Total Identified Needs by System



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Deferred Maintenance

Capacity Funding

AgriLife Research received general revenue to address deferred maintenance at the 13 research centers to update laboratory space and specialized instrumentation and equipment.

Use of Funding to date

- Replace roofing
- New HVAC systems
- Lab upgrades
- Upgrade water well
- Upgrade irrigation systems
- Infrastructure repairs and upgrades



Deferred Maintenance

Capacity Funding

Proposed use of funding in FY26:

- Initiate electrical upgrades at four centers
- Weslaco – Building upgrades to donated USDA buildings
- San Angelo – Improving water infrastructure

Working with TAMUS Real Estate to sell Amarillo research facilities



TEXAS A&M AGRILIFE RESEARCH

TEXAS A&M AGRILIFE EXTENSION SERVICE

BUDGET NARRATIVE

Introduction:

The Texas A&M AgriLife Extension Service is a grassroots state agency fulfilling the historic Land-Grant Mission and dedicated to the nourishment and well-being of Texans in local communities. Through a blend of educational programming and service opportunities, Extension enriches the lives of Texans by offering innovative, science-based solutions and educational initiatives that prioritize health, youth development, agriculture, and environmental stewardship. This work is conducted by a robust network of over 750 specialists and agents, serving in all 254 Texas counties. With office locations in 250 counties spanning twelve district regions, and anchored on the Texas A&M campus, we are steadfastly committed to meeting the unique needs of both rural and urban communities, agricultural producers and industries, and stakeholders throughout Texas.

Revenues:

Total Revenues are budgeted to increase $18.1 million (11%) from the FY 2025 budget:

- State Appropriations will increase $16.9 million (20%) in FY 2026. A total of $12.2 million of the overall increase is the previous biennium exceptional item funding "Keeping Texas Prepared: Extension Agent Network" being added to general revenue. In the previous session, it was included in a separate state appropriation. The remaining $4.7 million increase is attributed to associated benefit costs for salary increases and positions for initiative funding related to benefits funded by the state which consist of group insurance premiums, retirement, and social security funding.
- Federal revenue will have a slight decrease of 80,000 (<-1%) for FY 2026. Federal revenues are appropriated by United States Department of Agriculture (USDA)/National Institute of Food and Agriculture (NIFA) based upon a federal formula through Smith Lever as part of the land grant system conducting Extension educational programs. Notifications from USDA/NIFA often come late in a given fiscal year pending Congress contingency resolutions and passing the federal budget.
- Gift revenue is estimated to increase $172,000 (10%) based on analysis of growth trends over the last several years.
- Sales & Services revenue is budgeted to increase $355,000 (3%). The increase is contributed to steady growth of fee-based programming through a combination of online learning course modules, face to face educational events and curriculum sales across family and health, agriculture, leadership and youth, and community development program areas.
- Interest income is budgeted for an increase of $32,000 (3%). The increase is based on changes in investment markets.
- Other operating income will have an increase of $14,000 (4%) due to an increase in the service center rate.

BUDGET NARRATIVE CONTINUED

Expenses:

Total Expenditures are budgeted to increase $5.8 million (3%) from FY 2025:

- Total Personnel Costs, which include salaries, wages, and benefits, represent $152.1 million (82%) of Total Expenditures. Personnel costs are budgeted to increase $5.1 million (3%). The agency has added faculty and non-faculty positions across the last biennium in response to having received the Keeping Texas Prepared Initiative. The agency is also budgeting for a 2% employee performance-based increase in FY 2026 for faculty and staff. Promotions are also budgeted for faculty and staff career ladder programs. Benefit costs are budgeted to increase $1.5 million (3%) due to the increase in benefit costs.
- Utilities are budgeted to increase $30,000 (3%) for anticipated increase in utility rates.
- Operations and Maintenance are budgeted to increase $357,000 (1%) which reflects the increased expenses related to the projected increase sales and service activities for travel and educational program materials and supplies.
- The RFS Debt Service budget reflects $390,400 for the Wallrath building HVAC replacement and purchase of the State Headquarters building.

Reserves:

- The FY 2024 reserves are $34.2 million or 3.1 months:
- The projected FY 2025 reserves are $23.3 million or 2.1 months. The decrease in reserves from FY 2024 to FY 2025 is due to a one-time capital expenditure and second year expenditures related to exceptional item funding.
- FY 2026 reserves are projected to remain level with FY 2025.

Capital Plan:

- The agency has no projects to report for the FY 2026 capital plan.

FY 2026

PROGRAMMATIC BUDGET REVIEW

TEXAS A&M AGRILIFE EXTENSION















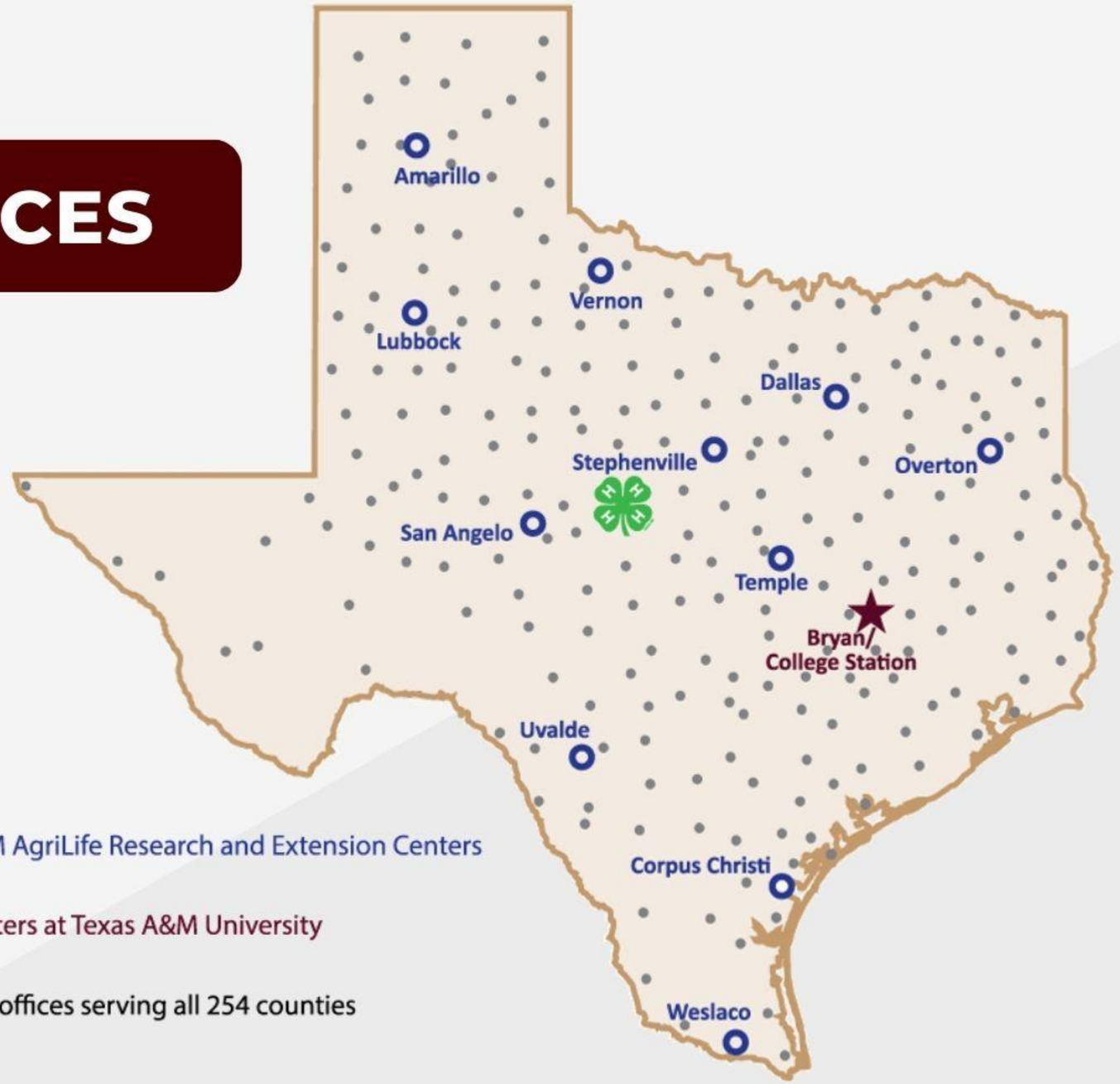


TEXAS A&M AGRILIFE EXTENSION

IMPROVING TEXANS' LIVES

We deliver innovative science-based solutions and education at the intersection of health, agriculture and environment in communities across the state.

OFFICES



County Partnerships Since 1917

Creating a physical presence in almost every county, and serving all 254 counties

Workforce Development

Recognized by state and industry accreditation authorities to meet continuing education and certification requirements

HELPING COMMUNITIES ENGAGE, LEARN, AND FLOURISH

25.4 M
Annual educational contacts

81,000
activities

450,692
involved with 4-H youth through programs like STEM

3.2 M
Hours of volunteer time engaging

85,700
Volunteers

SUPPORTING PRODUCTION AGRICULTURE

Through 5,010 educational events, planning meetings and workshops in 2024, AgriLife Extension achieved more than 1.5 million educational and other contacts.



PROTECTING NATURAL RESOURCES

AgriLife Extension programs delivered more than 10,006 educational events, planning meetings and workshops in 2024 to more than 4.6 million educational and other contacts.





TEXAS 4-H YOUTH DEVELOPMENT

Making the best better

50,855

Community club members across Texas

399,837

Statewide participants through extra-curricular after-school programming

Agriculture & Livestock	Family & Community Health	Natural Resources	Leadership & Citizenship	STEM

IMPROVING TEXANS' HEALTH, NUTRITION & SAFETY

AgriLife Extension programs delivered 30,626 educational events in 2024, resulting in more than 2 million adult educational and other contacts.



DISASTER ASSESSMENT & RECOVERY (DAR) UNIT



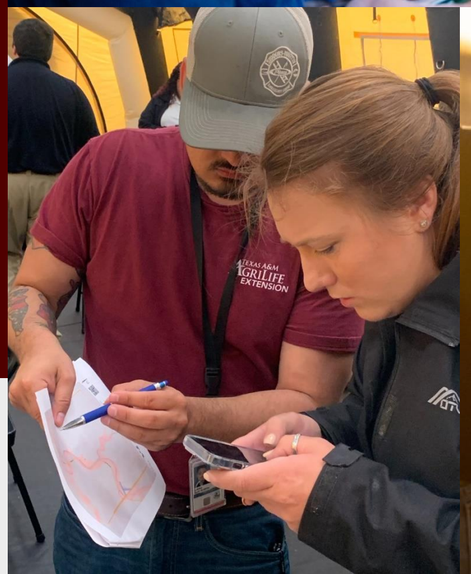


1) Primary Agency for Emergency Support Function 11 Agriculture and Natural Resources in which our unit responded to Tropical Storm Francine, the Crabapple and Welder Wildland Fires, Winter Weather, and South Texas Flooding here in Texas and Hurricane Helene in North Carolina.

2) Coordinated Wildfire Recovery in Texas Panhandle associated with Smokehouse Creek Fire with Department of Rangeland, Wildlife, and Fisheries Management

3) Phase Five of the mitigation efforts led by the DAR Green Infrastructure Team (GIFT) in League City was completed significantly reducing the risk of flood-related losses for a total of 10,000 homes and businesses.

4) Working in cooperation with the Texas A&M Health Telehealth Institute to develop the FarmHope Program to address the barriers of stigma, lack of understanding, cost, and local access to mental health care for rural and agricultural communities of Texas.





Response & Recovery	Mental Health First Aid	Community Risk Assessment	Animal Supply Points	Flood & Stormwater Mitigation





SERVICE TO TEXANS

"I am happy to help! Serving people at this capacity is my jam to my peanut butter 😊. The outpouring of support has been overwhelming in a way that I have regained a little more faith in humanity, and it feels good to be a part of it!"

- Employee at Animal Supply Point

LEGISLATIVE UPDATE

Legislative Items:	FY 2025 ($ in K)	FY 2026 ($ in K)	Variance ($ in K)
State Appropriations	$ 59,272	$ 71,494	$ 12,222
HEGI	$ 16,236	$ 18,998	$ 2,762
Subtotal	**$ 75,508**	**$ 90,493**	**$ 14,984**
Estimated State Paid Benefits	**$ 7,777**	**$ 9,703**	**$ 1,926**
State Appropriations Total:	**$ 83,285**	**$ 100,196**	**$ 16,911**

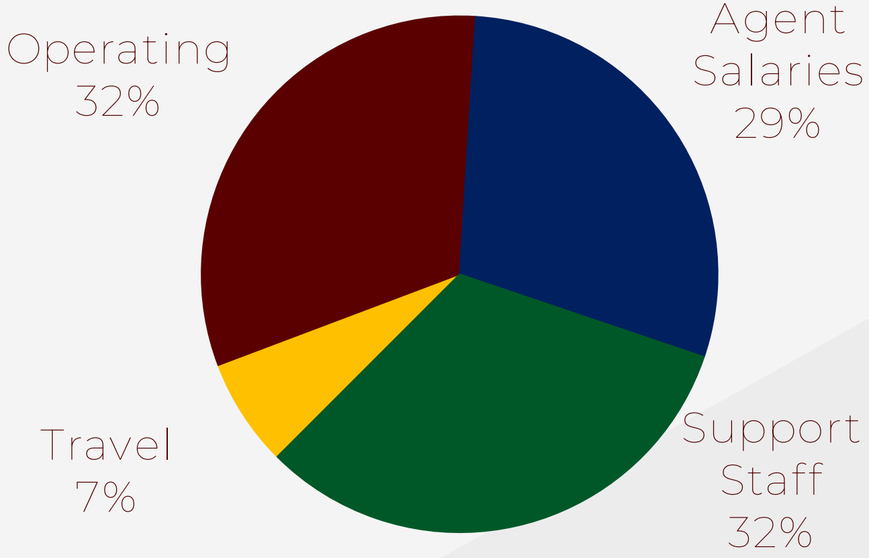
REVENUE BUDGET BY CATEGORY

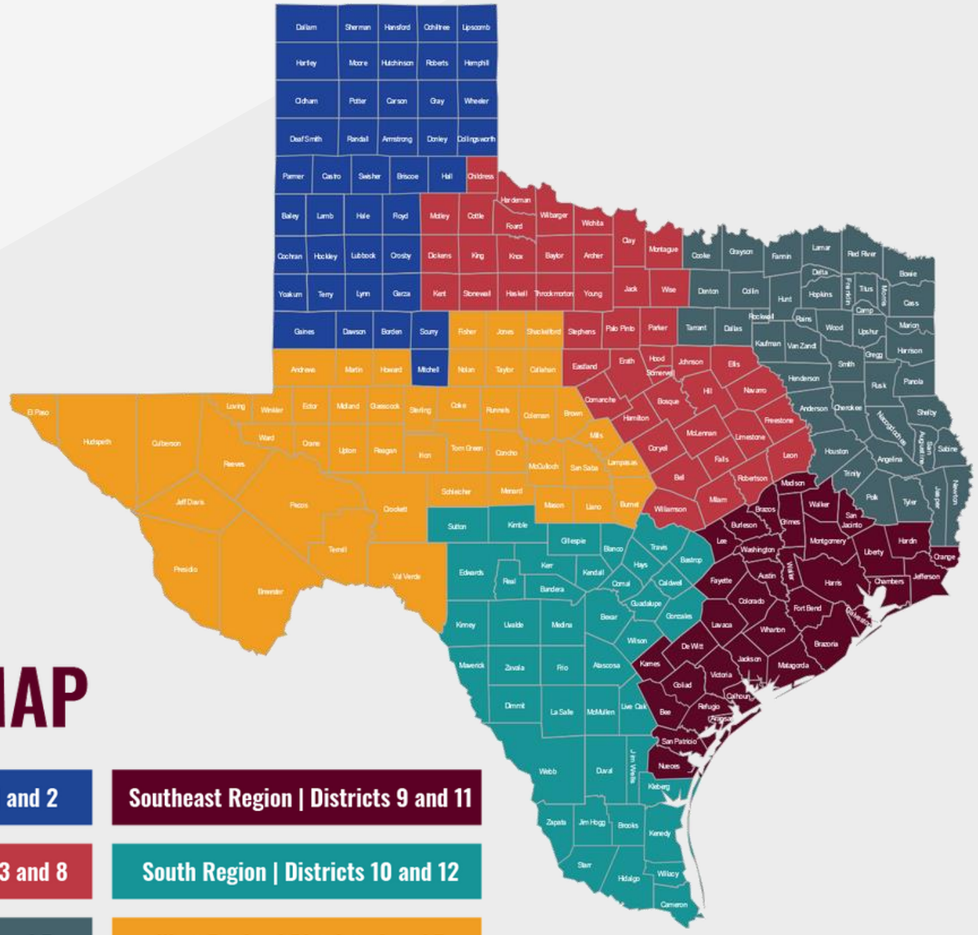
REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 83,285	$ 100,196	$ 16,911	20%
Federal Appropriations	19,219	19,139	(80)	0%
Contracts and Grants	44,736	45,406	669	1%
Gifts	1,760	1,933	172	10%
Sales and Services	13,707	14,062	355	3%
Investment Income	1,191	1,223	32	3%
Other Income	344	358	14	4%
TOTAL REVENUES:	**$ 164,242**	**$ 182,316**	**$ 18,074**	**11%**

EXPENSE BUDGET BY CATEGORY

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 164,242**	**$ 182,316**		
Expenses:				
Salaries - Faculty	$ 12,849	$ 13,861	$ 1,012	8%
Salaries - Non-Faculty	84,882	87,432	2,551	3%
Wages	2,221	2,293	72	3%
Benefits	47,026	48,487	1,461	3%
Personnel Costs	**$ 146,977**	**$ 152,073**	**$ 5,096**	**3%**
Utilities	1,185	1,216	30	3%
Scholarships	281	283	2	1%
Equipment	1,075	1,400	325	30%
Operations and Maintenance (Net)	29,279	29,636	357	1%
Debt Service	385	390	5	1%
TOTAL EXPENSES:	**$ 179,183**	**$ 184,998**	**$ 5,816**	**3%**
Other Transfers:	3,218	3,543		
CHANGE IN NET POSITION (Rev-Exp+Transfer):	**$ (11,723)**	**$ 861**		

COUNTY CONTRIBUTIONS FY 2024
$44 MILLION

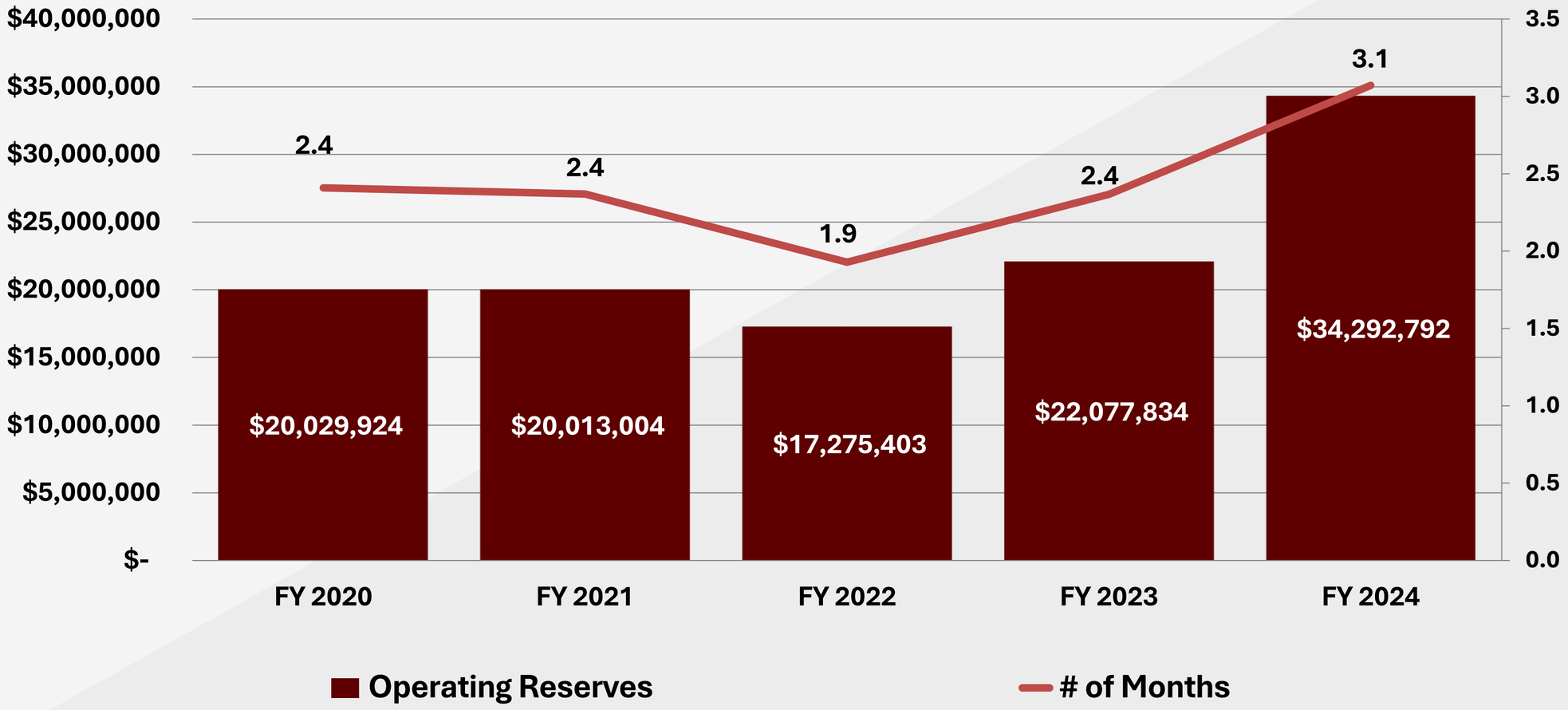




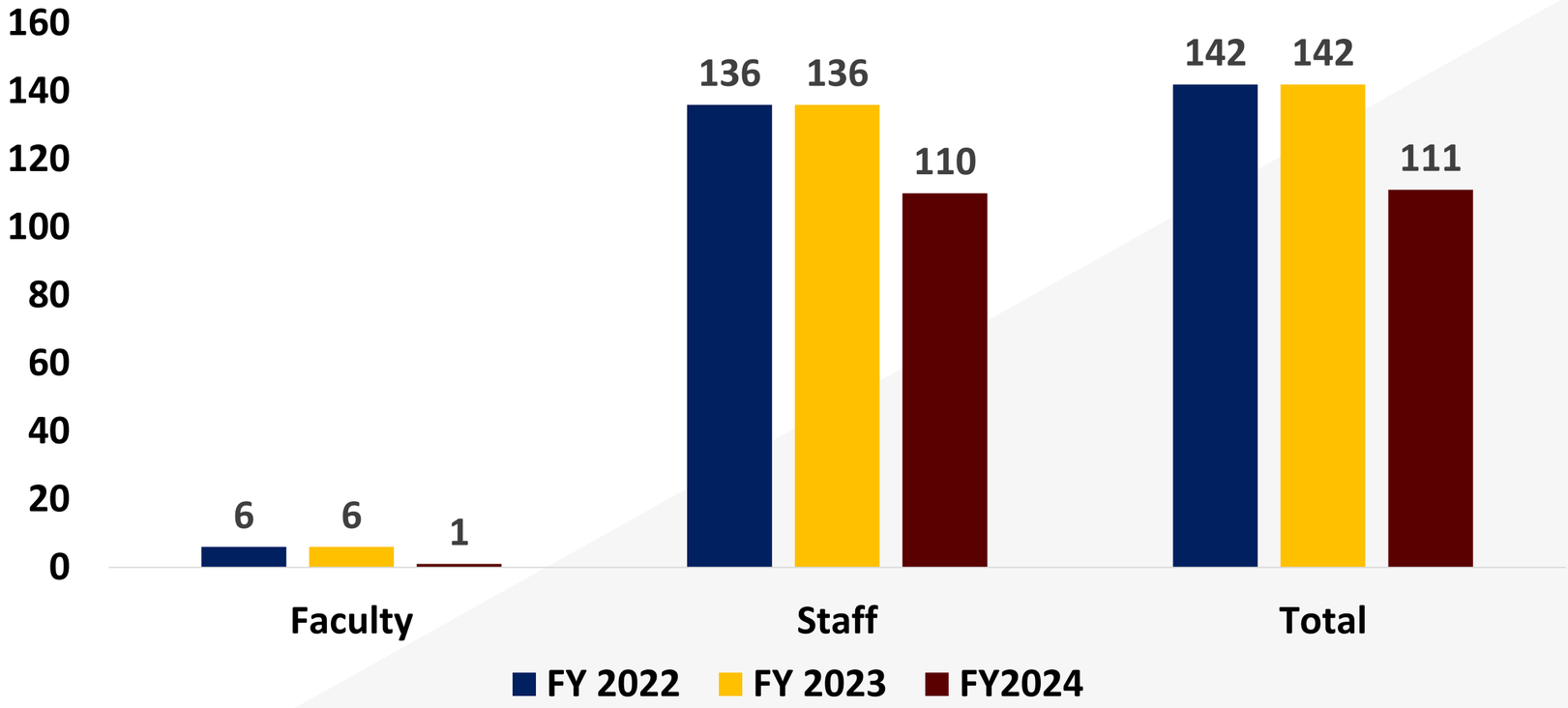
REGION MAP

- North Region | Districts 1 and 2
- Southeast Region | Districts 9 and 11
- Central Region | Districts 3 and 8
- South Region | Districts 10 and 12
- East Region | Districts 4 and 5
- West Region | Districts 6 and 7

OPERATING RESERVES AND MONTHS OF RESERVES



EMPLOYEE TURNOVER



Faculty	Staff	TOTAL
FY24 1.0%	FY24 10.1%	FY24 7.7%
FY23 6.5%	FY23 10.3%	FY23 10.1%
FY22 6.3%	FY22 10.6%	FY22 10.3%

EMPLOYEE RETENTION PLAN

FY 2026	Faculty	Staff	Total
2% Performance Based Pool	242,400	1,185,700	1,428,100
Promotions	81,900	383,400	465,300
Benefits	60,000	290,300	350,300
Total:	**$ 384,300**	**$ 1,859,400**	**$ 2,243,700**

TEXAS A&M AGRILIFE EXTENSION

QUESTIONS?

Angela Burkham, Ed.D.

Agency Executive Associate Director

979-314-8200

agrilifeextension.tamu.edu

MEMBER OF THE TEXAS A&M UNIVERSITY SYSTEM

TEXAS A&M FOREST SERVICE

TEXAS A&M FOREST SERVICE

BUDGET NARRATIVE

Introduction:

The Texas A&M Forest Service budget for FY 2026 increased $526.7 million (>500%) in Revenues and $488.5 million (432%) in Expenditures over the FY 2025 budget, mostly due to new state funding received during the 89th Legislative Session for volunteer fire department assistance grants, firefighting aircraft, and motor vehicle replacements.

Revenues:

- Total Revenues increased $526.7 million (>500%), due to new funding received in State Appropriations, Contracts and Grants, and Other Operating Income.
- State Appropriations revenue increased $510.7 million (>500%), made up of $192.3 million in new funding to address previously unfunded requests for volunteer fire department assistance, an additional $44 million in exceptional item funding to supplement the administration and operation of the Rural Volunteer Fire Department Assistance Program, $257 million for the purchase, maintenance, and operation of aircraft for wildfire suppression, $2.05 million to fund motor vehicle replacements, $1.25 million in one-time funding to assist both Columbus and League City Volunteer Fire Departments, an increase of $785,000 in Higher Education Group Insurance Contributions, $463,000 of additional funding for Benefits Paid by State, and $487,000 of additional salary adjustments allocation due to a shortfall in funding for the state-mandated 5% increase. Revenues also increased another $12.3 million due to Keeping Texas Prepared exceptional item funding from the 88th Legislative Session that was rolled into base funding. This is not new funding, as revenues were recognized in the FY 2024 budget, with carry-forward reserves used in the FY 2025 budget to fund expenditures.
- Contracts and Grants revenue increased $9.4 million (36%), mainly due to a federal Inflation Reduction Act (IRA) grant received for the acquisition of conservation easements under the Forest Legacy Program.
- Other Operating Income revenue increased $6.7 million (26%), mostly due to a $1.3 million increase in funding for the Volunteer Fire Department Insurance Program based on higher than estimated fireworks sales tax, and $216,000 of additional salary adjustments allocation due to a shortfall in funding for the state-mandated 5% increase. Revenues also increased $5 million due to Keeping Texas Prepared exceptional item funding from the 88th Legislative Session that was rolled into base funding for the Rural Volunteer Fire Department Assistance Program. This is not new funding, as revenues were recognized in the FY 2024 budget, with carryforward reserves used in the FY 2025 budget to fund expenditures.
- Sales and Services decreased $38,000 (-3%) mostly due to a reduction in external training services.

BUDGET NARRATIVE CONTINUED

Expenses:

- Total Expenditures increased $488.5 million (432%), mostly due to new funding received for grants to Volunteer Fire Departments and capital purchases and operations and maintenance increases for firefighting aircraft.
- Personnel Costs increased $6.2 million (12%), due to increases in Salaries – Non-Faculty, Wages, and Benefits.
  - Salaries – Non-Faculty increased $1.97 million (5%) due to $770,000 of additional funding in unallocated salaries for administration costs of the Volunteer Fire Department Assistance Program and $703,000 of additional funding received to cover a shortfall in the state-mandated 5% salary increase. A reallocation of funds between budget categories was used to fund $217,000 of salaries moved back to Texas A&M Forest Service, previously funded with the AgriLife Research McIntire-Stennis federal appropriation, as well as a $267,000 salary increase to agency leadership for organizational changes.
  - Wages increased $118,000 (13%) due to a reallocation of funds between budget categories to fund an $18,000 increase for lump sum payouts of vacation leave and $100,000 for seasonal wage employees.
  - Benefits increased $4.1 million (30%) due to $785,000 in additional funding for Higher Education Group Insurance costs and $463K in additional funding for Benefits Paid by State. The remaining $2.8 million increase was the result of a reallocation of funds between budget categories, specifically to help fund increases in Retiree GIP.
- Equipment increased $193 million (>500%), primarily due to $194 million in new funding allocated for the purchase of firefighting aircraft for wildfire suppression, along with a net decrease of $1 million used in the reallocation of funds between budget categories.
- Operations and Maintenance (Net) increased $289.2 million (>500%), due to a $228 million increase in grants for volunteer fire departments and conservation easements, $63 million for the operation and maintenance of firefighting aircraft, and a decrease of $1.8 million used in the reallocation of funds between budget categories.

Reserves:

- The FY 2026 budget includes a planned increase of $22 million to operating reserves for use in the FY 2027 operating budget to fund administration and operation expenditures of the Rural Volunteer Fire Department Assistance Program.
- There is also a planned use of $415,000 of service department reserves for equipment replacement.
- The agency received a supplemental appropriation during the 89th Legislative Session totaling $124.7 million for “estimated” unfunded federal wildfire suppression costs, eliminating the negative fund balance caused by the accrued expenses.

BUDGET NARRATIVE CONTINUED

Capital Plan:

- Texas A&M Forest Service has two projects on the capital plan. The first is a 12,502 square-foot office building in Hudson, projected for completion later this year. The second is a combination of equipment replacement and minor office building construction projects to address facility improvements at multiple locations including: Fredericksburg, McGregor, Bastrop County, Nacogdoches, and Clarksville.

FY 2026 Programmatic Budget Review



TEXAS A&M FOREST SERVICE

Al Davis, Director

July 28, 2025

CONSERVE. PROTECT. LEAD.

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OUR MISSION:

Texas A&M Forest Service provides statewide leadership and technical assistance to ensure trees, forests, and related natural resources are sustained for the benefit of all. The agency supports the state's incident response capability, protecting against wildfire and responding to a range of all-hazard incidents.



FORESTS & NATURAL RESOURCES



LIVES, PROPERTY & NATURAL RESOURCES



THROUGH SERVICE & PARTNERSHIPS

© TEXAS A&M FOREST SERVICE

OUR IMPACT 2024:
FORESTRY & CONSERVATION

In-depth resource analysis, forest health monitoring, land management planning, conservation education, landowner technical assistance, and recovery and restoration following wildfire and natural disasters

- **$16.9 million** to landowners, communities
- **15.9 million acres forestland** surveyed
- **2,511 forest management plans**
- **52,881 people** educated
- Forest Sector: **$54 billion** to Texas economy and **187,000 jobs**









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OUR IMPACT 2024:
WILDFIRE RESPONSE

- State and local firefighters responded to **5,187 wildfires** for **1,300,579 acres**. Of that total, Texas A&M Forest Service responded to **595 wildfires** for **1,283,019 acres**.

- **86 All-Hazard Incident Management Team members** responded to incidents.

- In coordination with the Texas Division of Emergency Management, we mobilized **2,646 personnel**, **533 engines** from TIFMAS - the Texas Interagency Fire Mutual Aid System







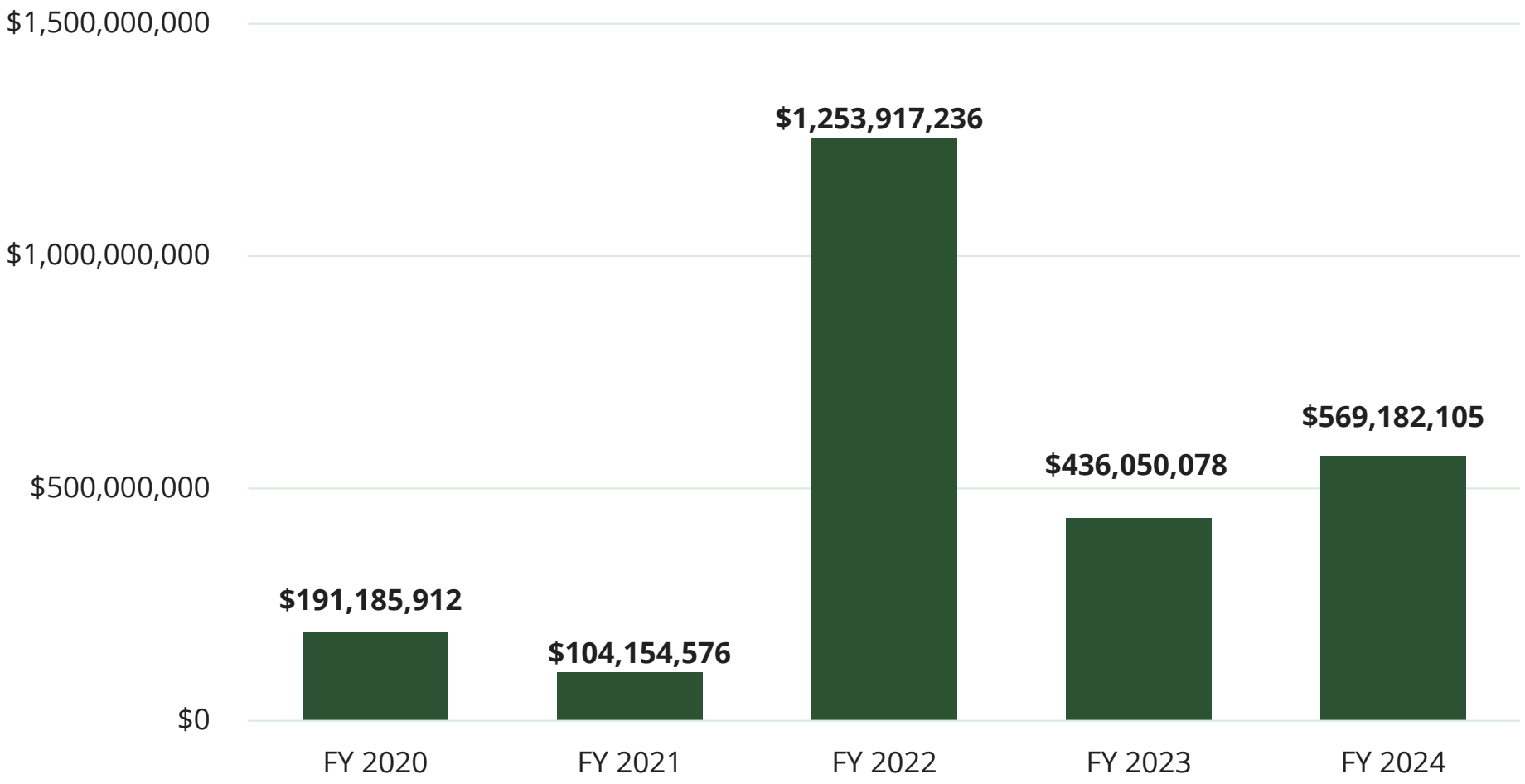




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PERFORMANCE:

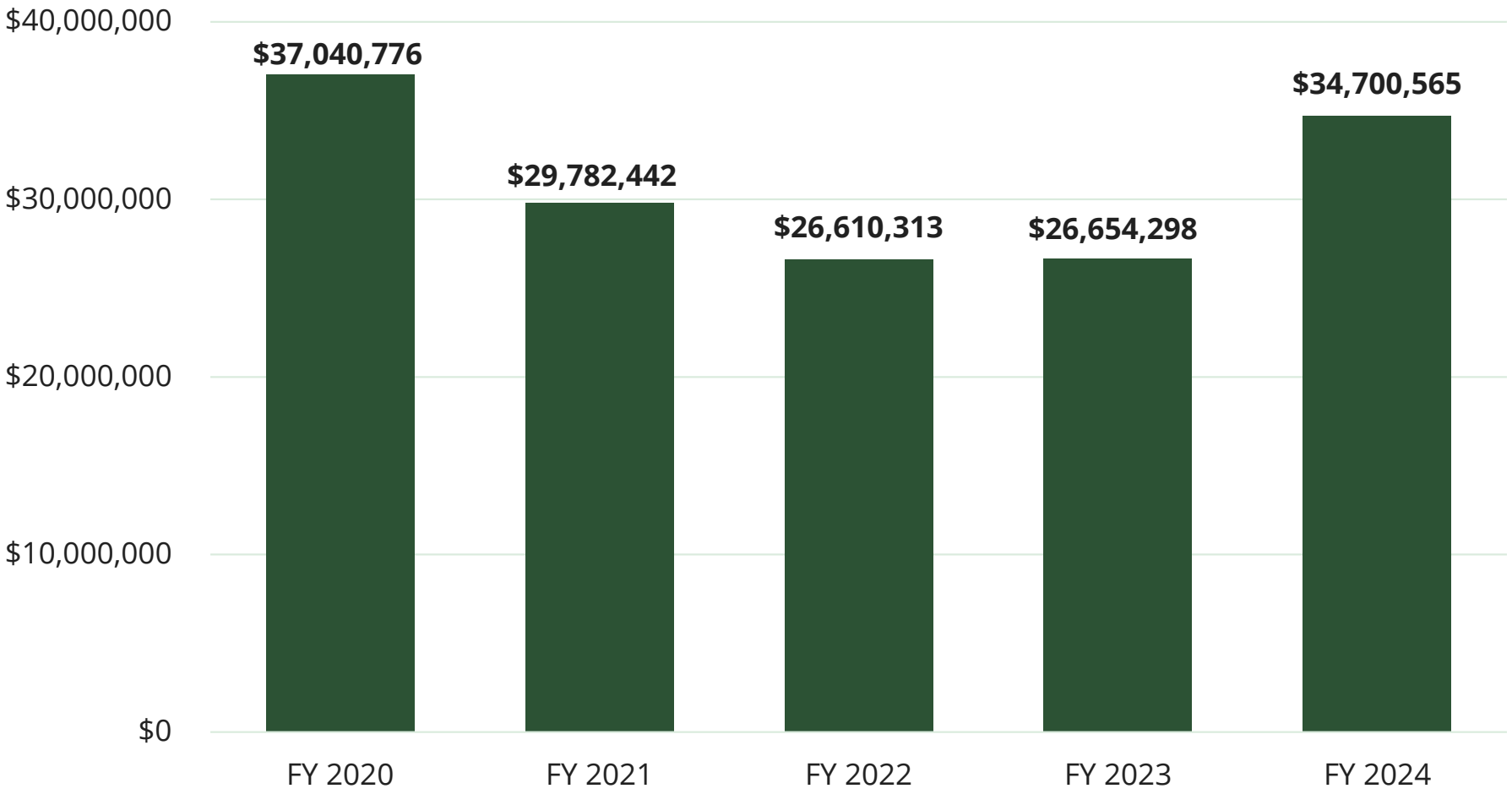
PROPERTY VALUES SAVED FROM WILDFIRES



© TEXAS A&M FOREST SERVICE

PERFORMANCE:

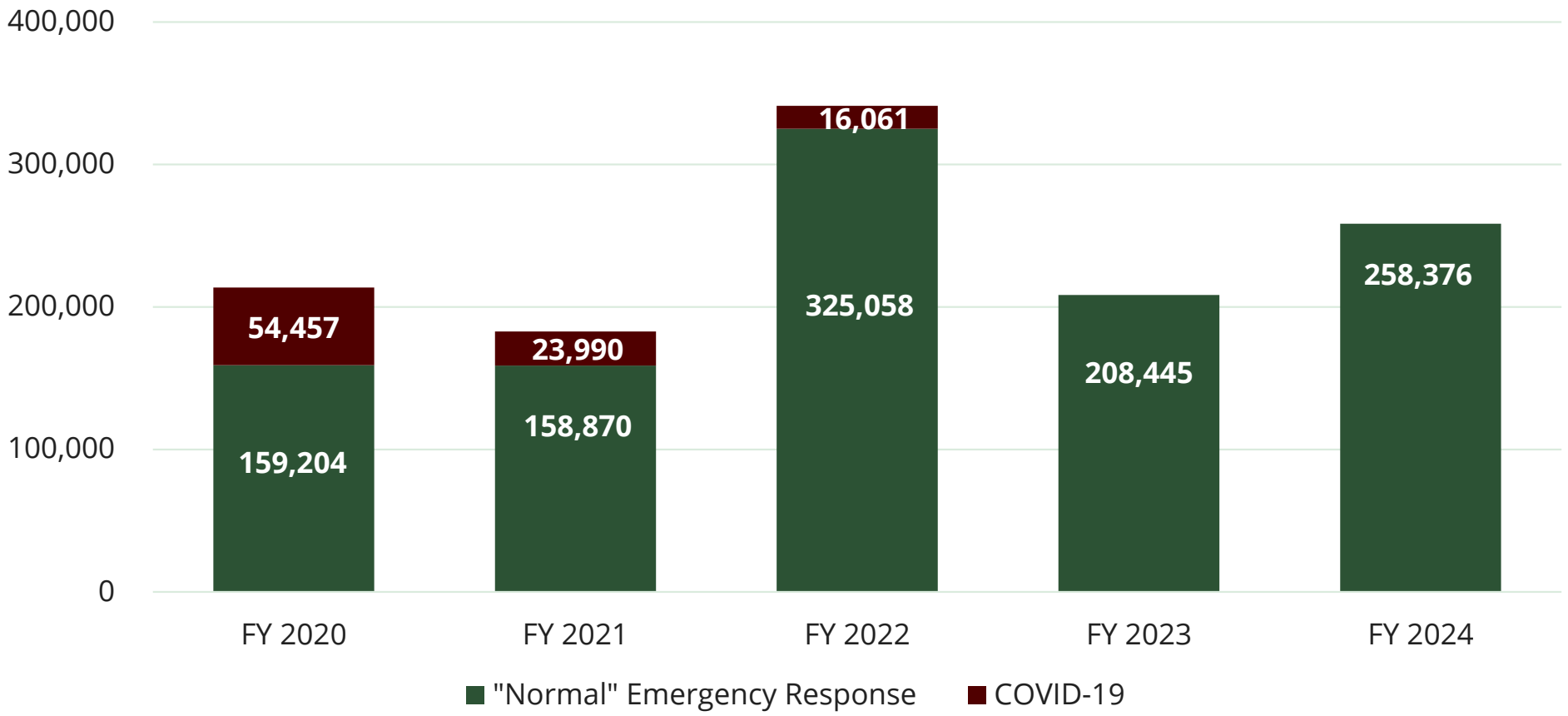
MARKET VALUE OF ASSISTANCE PROVIDED TO FIRE DEPARTMENTS



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PERFORMANCE:

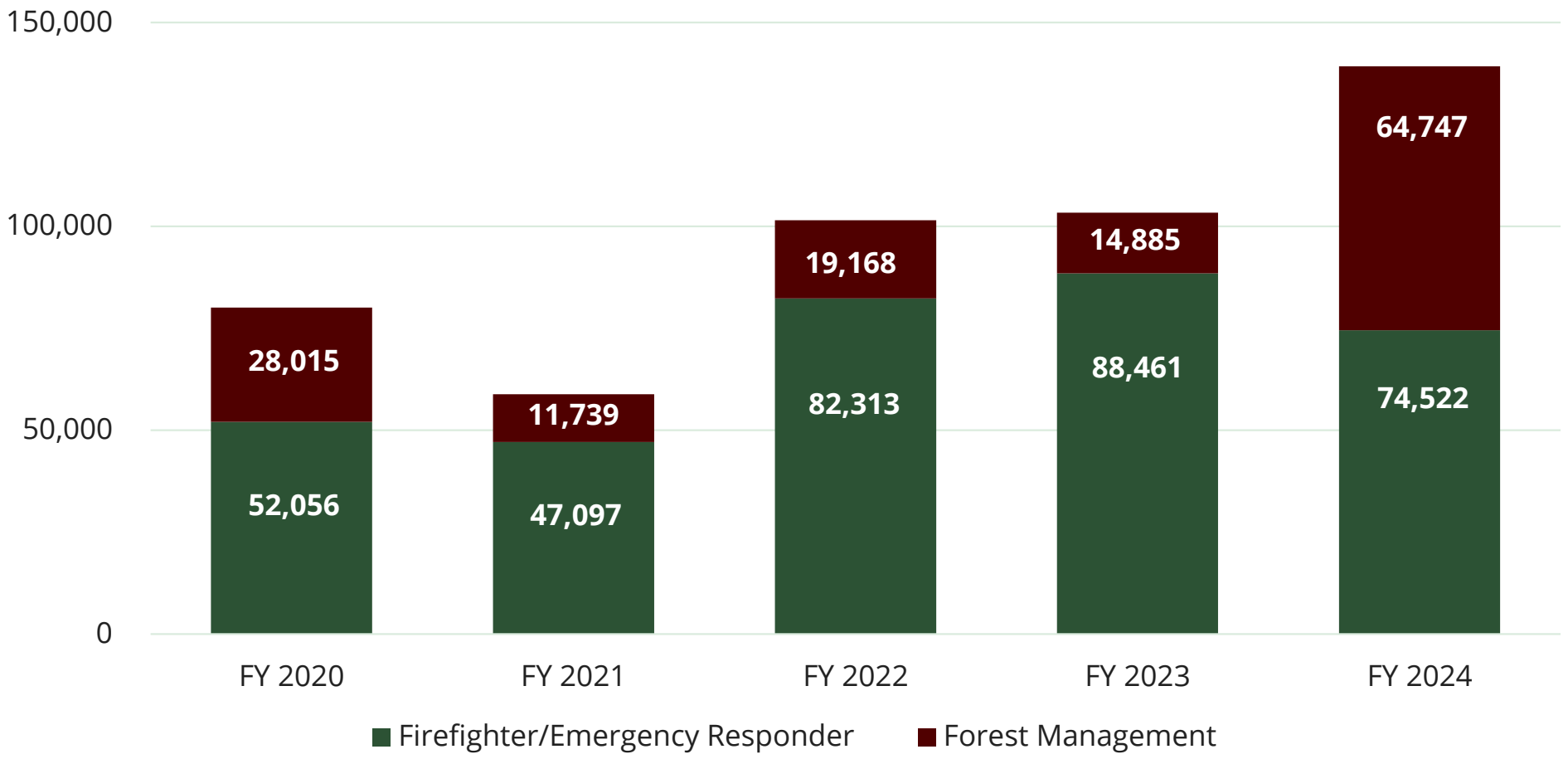
HOURS SPENT FOR EMERGENCY RESPONSE



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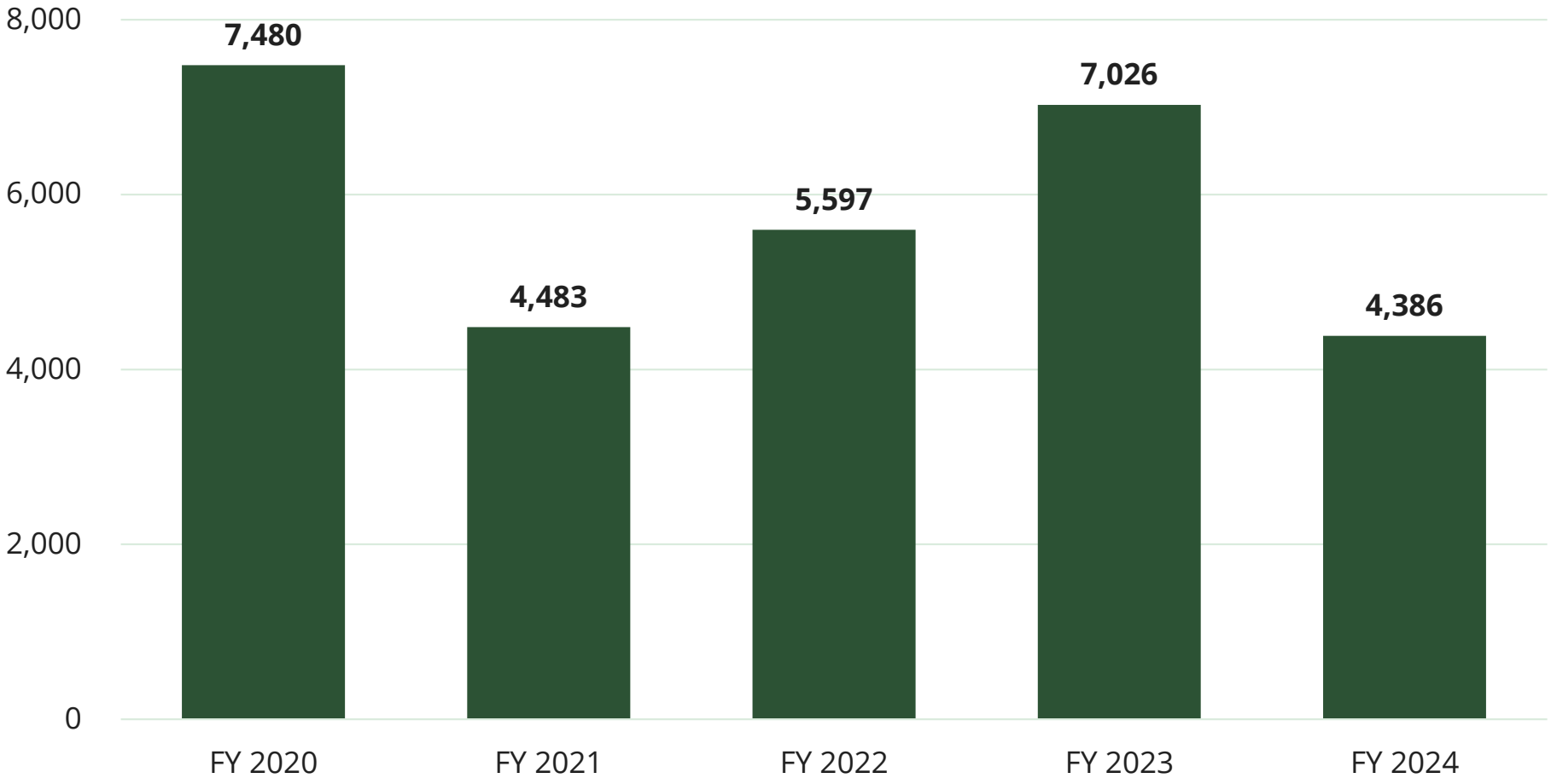
PERFORMANCE:

CONTACT HOURS OF TRAINING PROVIDED



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PERFORMANCE:
NUMBER TRAINED

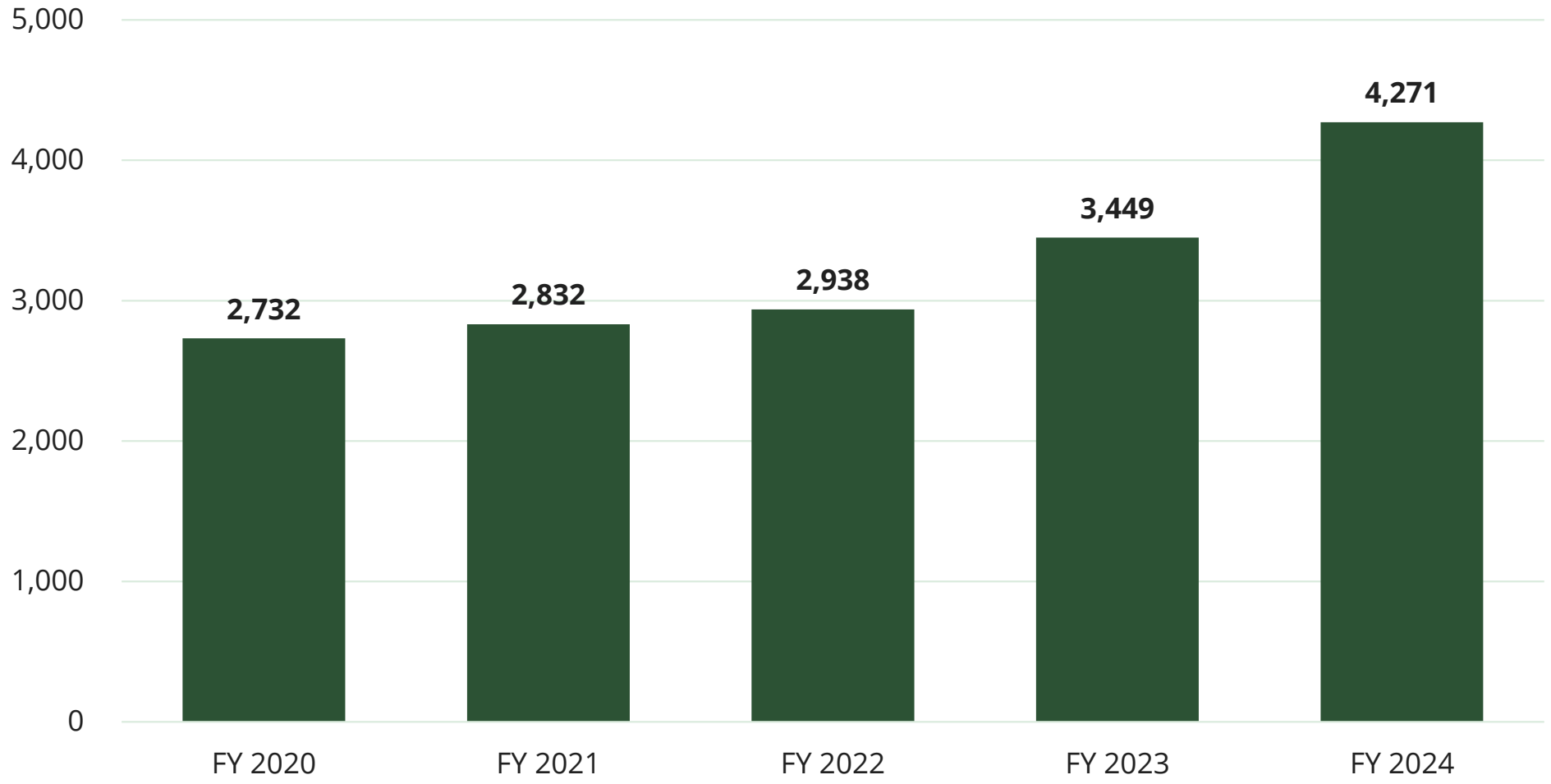


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PERFORMANCE:

RESEARCH EXPENDITURES

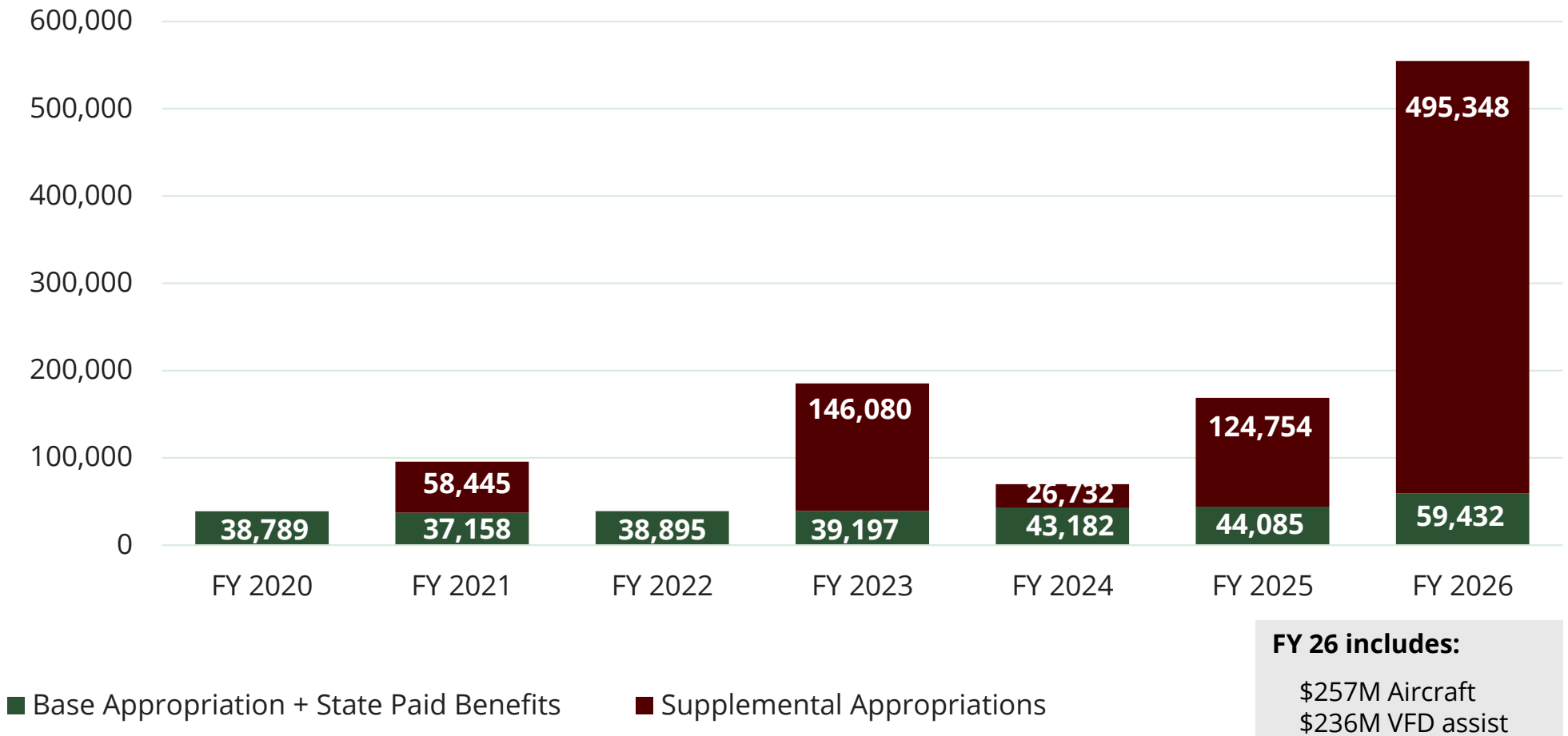
(in thousands)



© TEXAS A&M FOREST SERVICE

FINANCIAL:

STATE APPROPRIATIONS – GR
(in thousands)



FY 26 includes:

$257M Aircraft
$236M VFD assist
$ 2M Vehicles

© TEXAS A&M FOREST SERVICE

FINANCIAL:

LEGISLATIVE IMPACT

(in thousands)

	FY 2025	FY 2026	Variance
STATE APPROPRIATIONS			
General Revenue	11,293	16,687	5,394
Texas Dept of Insurance Oper Acct No. 036	24,256	32,961	8,705
Higher Education Group Insurance	4,651	5,436	785
SUBTOTAL	**$ 40,199**	**$ 55,083**	**$ 14,884**
EXCEPTIONAL ITEMS			
HB500 VFDA Grants	0	44,000	44,000
HB500 Firefighting Aircraft	0	257,000	257,000
HB500 VFD Assistance	0	192,291	192,291
HB500 Motor Vehicles	0	2,057	2,057
Subtotal	**$ 0**	**$ 495,348**	**$ 495,348**
ESTIMATED STATE PAID BENEFITS	**$ 3,886**	**$ 4,349**	**$ 463**
TOTAL STATE APPROPRIATIONS	**$ 44,085**	**$ 554,780**	**$ 510,695**

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FINANCIAL:

FY 2026 PROPOSED REVENUE BUDGET

(in thousands)

REVENUES	Budget FY 2025	Budget FY 2026	Variance $	Variance %
State Appropriations	$ 44,085	$ 554,780	$ 510,695	>500%
Contracts and Grants	25,683	35,034	9,351	36%
Sales and Services	1,412	1,374	(38)	-3%
Investment Income	510	510	0	0%
Other Income	25,461	32,179	6,718	26%
TOTAL REVENUES	**$ 97,152**	**$ 623,878**	**$ 526,726**	**>500%**

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FINANCIAL:

FY 2026 PROPOSED EXPENSE BUDGET

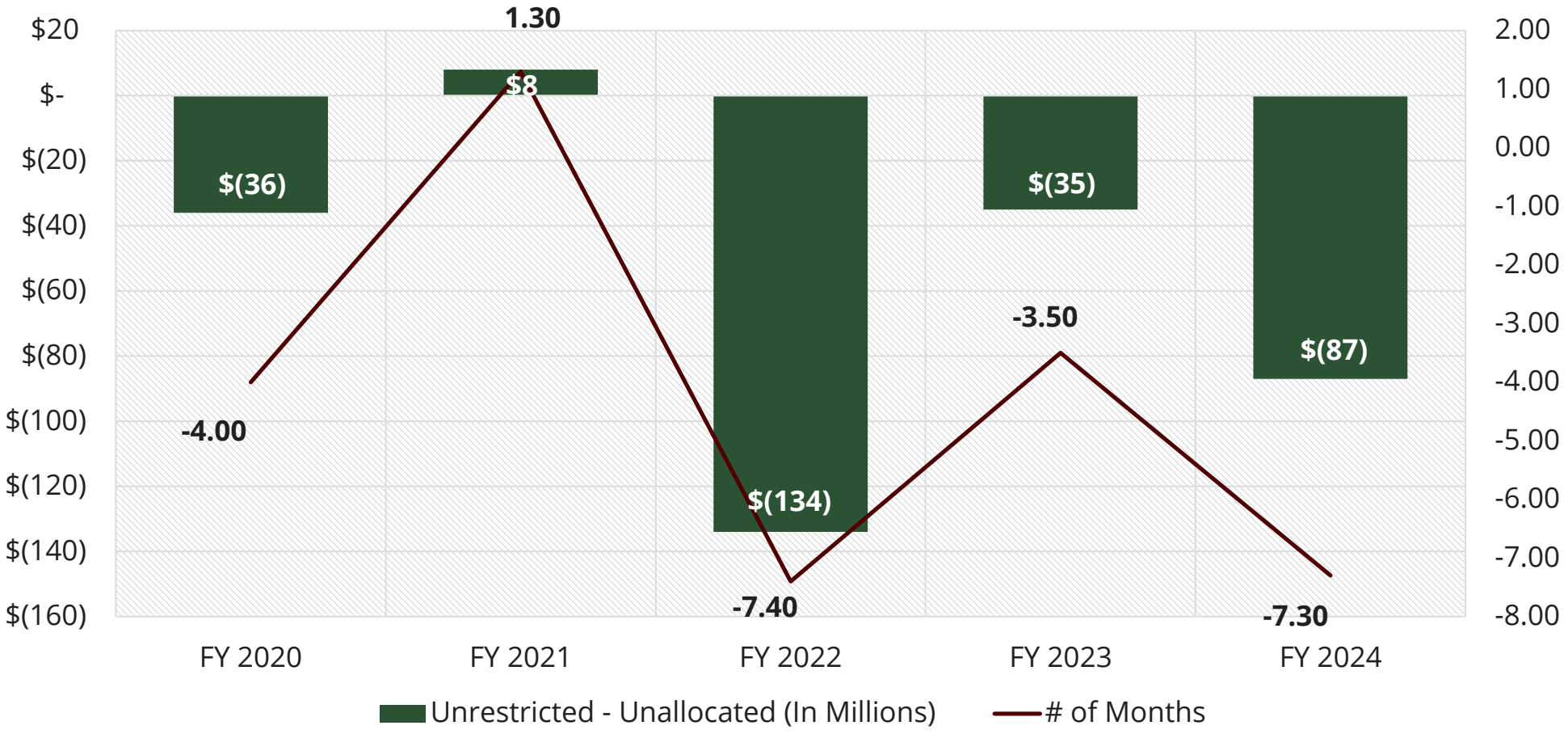
(in thousands)

TOTAL EXPENSES	Budget FY 2025	Budget FY 2026	Variance $	Variance %
TOTAL REVENUE	**$ 97,152**	**$ 623,878**		
EXPENSES				
Salaries - Non-Faculty	36,909	38,880	1,971	5%
Wages	881	998	118	13%
Benefits	13,612	17,723	4,111	30%
Personnel Costs	**$ 51,402**	**$ 57,602**	**$ 6,200**	**12%**
Utilities	396	407	11	3%
Equipment	5,197	198,242	193,046	>500%
O&M (Net)	56,060	345,304	289,245	>500%
TOTAL EXPENSES	**$ 113,055**	**$ 601,556**	**$ 488,501**	**432%**
Other Transfers	0	0	0	0%
NET POSITION CHANGE	**$ (15,902)**	**$ 22,322**		

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FINANCIAL:

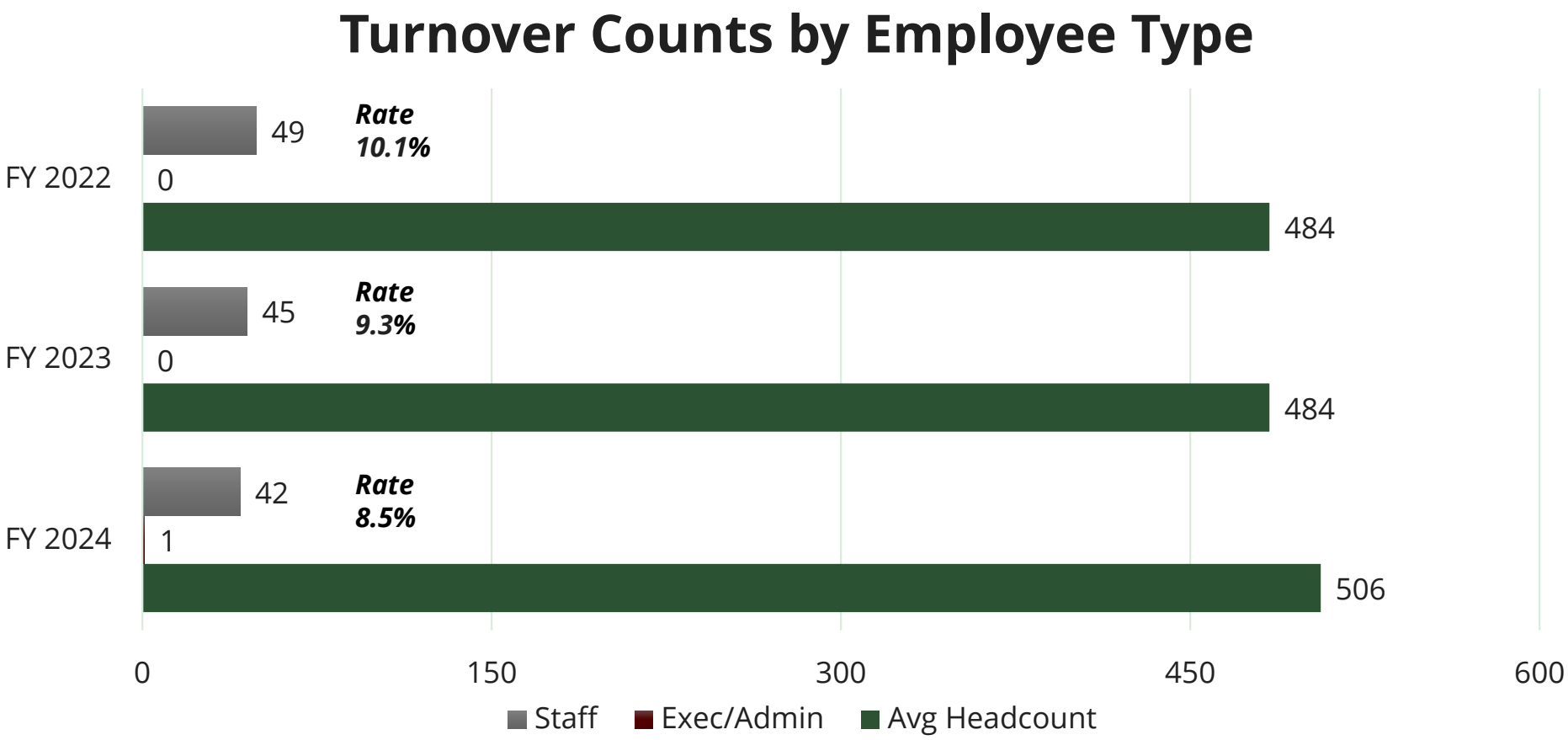
RESERVES AND MONTHS OF RESERVES



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PERSONNEL:

EMPLOYEE TURNOVER



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PLANS:
EMPLOYEE RETENTION PLAN

Description	Amount
One-time Performance Based Pool	$1,000,000
Promotions	$250,000
Market Adjustments	$50,000
Benefits	$240,500
Total	$1,540,500
MOF: State Appropriations, Federal Grants	$1,540,500

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FY 2026 Capital Plan Review

Al Davis, Director

July 29, 2025

CONSERVE. PROTECT. LEAD.

PLANS:
CAPITAL PLAN UPDATE

FY2026 Priority Projects	Planning Amount ($M)	Funding Source	Current Status	Gross Square Footage
Hudson Office	5.0 M	PUF & Local	*Fall Completion*	12,502
Agency Facilities (minor construction) and Equipment *HQ-State Dispatch Center* *Smithville Office & Shop* *Fredericksburg Office & Shop* *McGregor Office* *Nacogdoches Office* *Clarksville Office & Shop* *San Angelo Office & Shop*	20.1M	PUF	New Construction – *In development* Equipment – *In Progress*	TBD

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PLANS:

UNFUNDED MINOR CONSTRUCTION PROJECTS

LOCATION	DESCRIPTION	TOTAL PROJECT ESTIMATE
Henderson	Office Renovation	$ 500,000
Fairchild State Forest	Construct Education Center	$ 437,500
Jones State Forest	Classroom Interior/Exterior Renovation	$ 272,000
Palestine	Construct Climate-Controlled Storage Building	$ 175,000
McGregor	Remodel Warehouse	$ 430,000
Carthage	Office Renovation	$ 500,000
LaGrange	Office Renovation	$ 500,000
Smithville	Construct Classroom	$ 720,000
Burkburnett	Restroom Expansion and Renovation	$ 215,000
Merkel	Construct New Shop	$ 2,500,000
Total Unfunded Construction Projects		$ 6,249,500

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PLANS:

UNFUNDED REPAIR/RENOVATION PROJECTS

LOCATION	DESCRIPTION	TOTAL PROJECT ESTIMATE
Merkel Shop	Replace HVAC, Update Electrical to Code, Renovate Restroom	$ 160,000
Marshall	Replace Subflooring and Finish Flooring	$ 32,000
Idalou	Replace Security Lighting, Repair Roof and Window Leaks	$ 32,000
Conroe Shop	Replace Wood Paneling, Doors, Trim, Plumbing Fixtures, & Flooring	$ 82,000
Woodville Shop	Replace Wood Paneling, Doors, Trim, Plumbing Fixtures, & Flooring	$ 82,000
San Augustine Shop	Replace Wood Paneling, Doors, Trim, Plumbing Fixtures, & Flooring	$ 82,000
Linden	Enlarge & Repair Parking Lot (Asphalt)	$ 92,000
Woodville Cooler	Replace Exterior Siding and Paint (Storm Damage)	$ 13,000
Hudson Cooler	Replace Exterior Siding and Paint (Storm Damage)	$ 13,000
Mineral Wells	Carport Replacement (Storm Damage)	$ 32,000
Hudson	Install Electric Entry Gate & Security Fence	$ 50,000
Linden	Renovate Restroom & Breakroom	$ 75,000
Palestine	Replace Cabinets, Doors, Trim, Plumbing Fixtures, Paint & Lighting	$ 82,000
		-continued

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PLANS:

UNFUNDED REPAIR/RENOVATION PROJECTS

LOCATION	DESCRIPTION	TOTAL PROJECT ESTIMATE
Marshall	Install Security Fencing	$ 32,000
New Boston	Install Electric Entry Gate	$ 23,000
Livingston	Repair Concrete Drive	$ 50,000
Henderson	Add Electricity & Lighting for Pole Barn	$ 32,000
College Station	Remodel NEO classroom; Purchasing, Payroll, Director, & IT workrooms	$ 700,000
Kountze	Replace Fluorescent Lighting to LED Lighting	$ 10,000
New Boston	Replace Fluorescent Lighting to LED Lighting	$ 10,000
Huntsville	Replace Fluorescent Lighting to LED Lighting	$ 10,000
Woodville Dispatch	Replace Exterior Siding, Windows, Doors, Trim, & Paint	$ 44,000
Total Unfunded Repair/Renovation Projects		**$ 1,738,000**

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TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY

BUDGET NARRATIVE

Introduction:

Texas A&M Veterinary Medical Diagnostic Laboratory (TVMDL) is committed to advancing diagnostic laboratory medicine as well as maintaining core services in the next fiscal year. The mission of TVMDL is focused on service; to promote animal health and protect agriculture, companion animal and public health in Texas – and beyond – through excellence in veterinary diagnostic services. The services we provide in maintaining a robust surveillance program have never been so important as in today's environment. As the COVID-19 pandemic and the ongoing outbreak of highly pathogenic avian influenza have demonstrated, it is critically important to monitor diseases and conditions that pose a threat to food safety, public health, animal health, and to the $24 billion animal industry in Texas.

The budget presented for FY 2026 focuses on our ability to meet our mission and maintain diagnostic testing. Highlights in revenues, expenses, reserves, and our capital plan are included:

Revenues:

TVMDL expects a $5.2 million (16%) increase in total budgeted revenues in FY 2026.

- State Appropriations are increasing by $2.045 million (16%) due to:
  - $23,000 decrease for HEGI (GIP).
  - $219,500 increase for FY 2025 5%/$3,000 minimum Salary State Mandate shortages "true up" due to formula issues.
  - $1,848,750 increase from booking 50% of the biennial "Keeping Texas Prepared" Exceptional Item for FY 2026.
- Contracts and Grants increased by $1,475,000 (122%) due to an increase in the quantity and amount of new grants, specifically the remaining balance of the USDA ARP infrastructure grant.
- Fee Revenues for testing services increased $1,626,000 (10%) for 3 reasons:
  - $475,000 (2.8%) increase from FY 2025 due to testing volume projections outpacing estimates.
  - $262,000 (1.5%) increase for estimated higher testing volume in FY 2026.
  - $889,000 (5%) increase for FY 2026 fee revenue increases to address increases in personnel, supplies, equipment, and other costs.
- Investment Income increased $77,000 (14%) from higher pool interest rates and larger reserve balances on hand.

BUDGET NARRATIVE CONTINUED

Expenses:

TVMDL expects a $2.535 million (8%) increase in total budgeted expenditures in FY 2026.

- Personnel Costs increased $1.588 million (8%). TVMDL will continue to invest in its most critical asset, personnel. The agency will be providing a $5,500 market equity adjustment to all non-student positions which totals $896,500. This equity adjustment will bring the minimum starting salary to $45,000 which is in line with TAMU and AgriLife. TVMDL is also proposing a 2% employee retention plan (performance based) for FY 2026 to help offset mounting industry salary pressures which total $245,000. Additionally, TVMDL may hire several new employees to help offset the increased caseload, reduce overtime, and increase employee wellbeing. Targeted promotions will be reviewed for those employees meeting agency requirements using an estimate of $144,000. Wages for FY 2025 actuals are greater than projection and thus are projected in FY 2026 to be $209,000 higher.
- Utilities increased by $15,000 (2%) per TAMUS projections.
- Capitalized Equipment increased $387,000 (39%) to align the budget with the “Keeping Texas Prepared” Exceptional Item and factors in the remaining multiyear grant expenses.
- Operations and Maintenance increased $547,000 (7%) due to a 10% increase in Consumables & Supplies and Maintenance & Repair expenses related to inflation costs in the medical industry and unknown effects of tariffs.
- For FY 2026, TVMDL is paying $3,166,150 ($2,927,150 from GR and $239,000 from Local funds) annually in RFS Bonds, of which $2,170,400 is for the College Station Headquarters and $995,750 is for the Canyon facility.

Reserves:

- FY 2024 Current Reserve balance: $8,361,227 / 3.8 months.
- FY 2025 Projected Reserve balance: $8,400,000 / 3.8 months.
- Projection for FY 2026: $8,500,000 / 3.8 months.

Capital Plan:

- No capital projects are planned for FY 2026.

FY2026 Programmatic Budget Review

Dr. Amy Swinford, Director

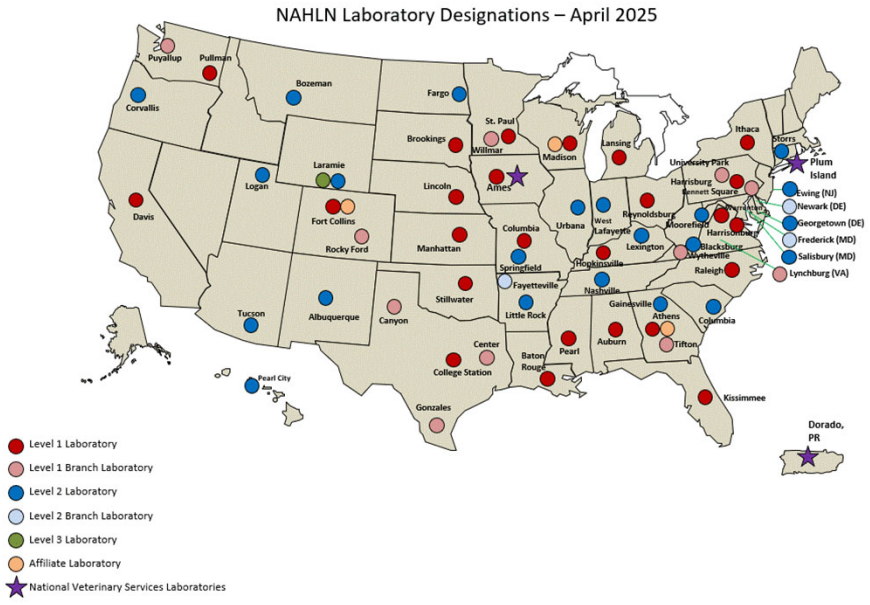
July 28, 2025 (Day 1)

TEXAS A&M TVMDL VETERINARY MEDICAL DIAGNOSTIC LABORATORY



Agency Mission

- Only state agency dedicated to providing veterinary diagnostic services to the citizens of Texas
- A Level One laboratory of the NAHLN
- The backbone of a high consequence, emerging and/or zoonotic disease surveillance system
  - *Foot and Mouth Disease*
  - *Avian Influenza*
  - *African Swine Fever/Classical Swine Fever*
  - *Anthrax*
  - *SARS-CoV-2 (COVID-19)*
  - *CWD & many other diseases*
- Houses the only BSL-3 laboratories in Texas dedicated to animal disease testing
- Performs drug testing for livestock shows

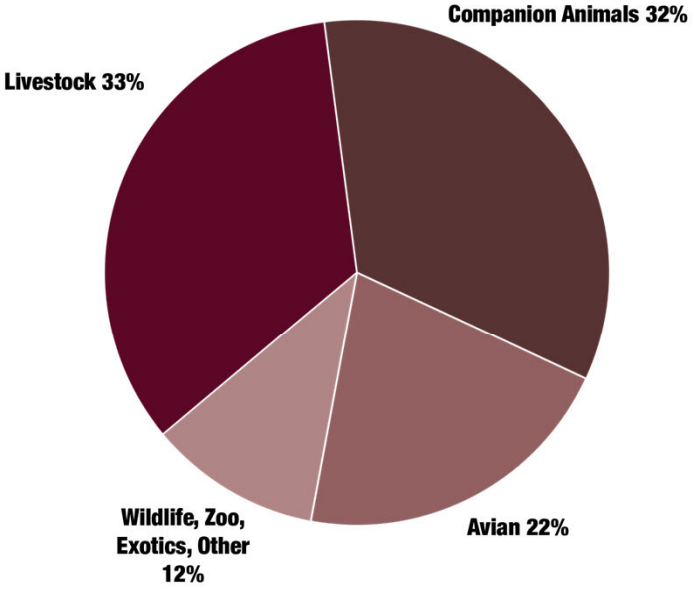


Milestones

- Tested over 21,000 samples of Highly Pathogenic Avian Influenza (HPAI) in dairy cows for diagnosis, movement and research since 2024
- Collaborated with TAMU and other research institutions on HPAI studies
- Phased out equine post-race testing
- Implemented 10 new tests
- Staffed Canyon laboratory fully for first time since 2021



FY 2024 Testing

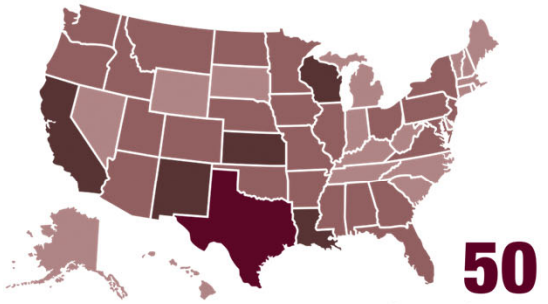


1,111,951
Tests Performed

5,953
Clients Served

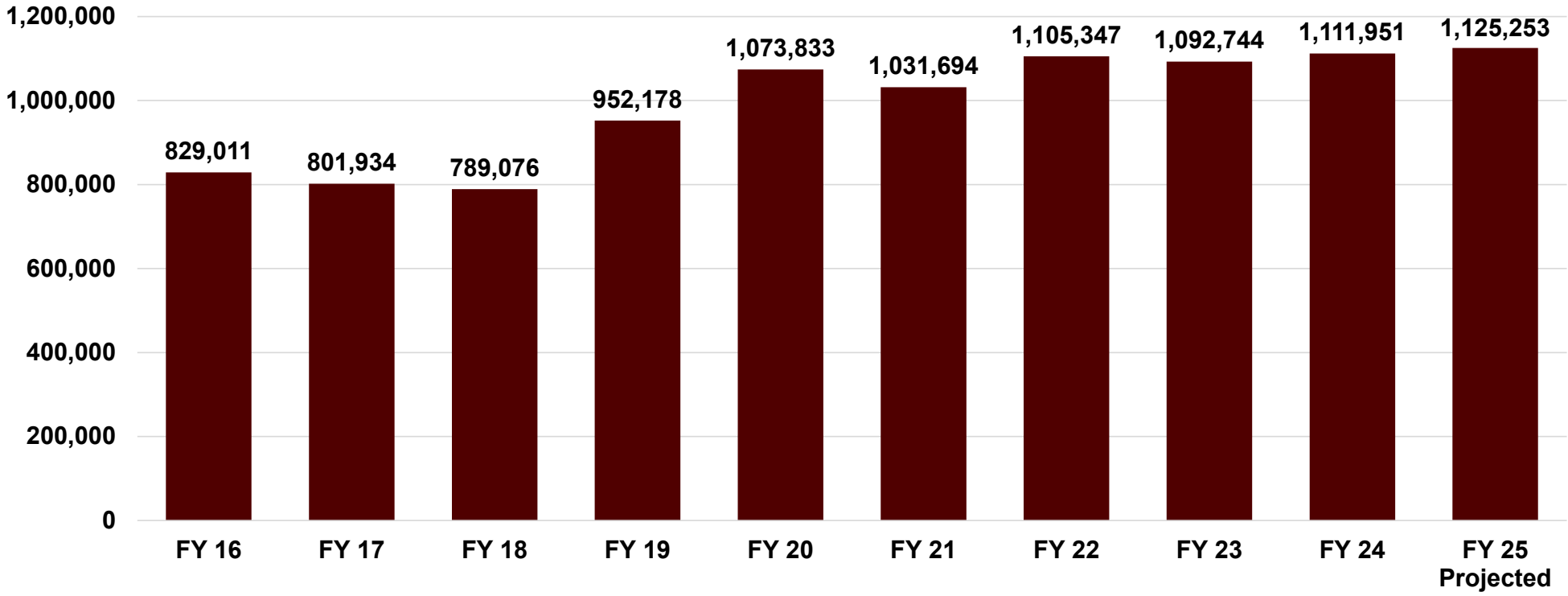
22
Countries

79%
Texas Caseload



Texas A&M TVMDL Veterinary Medical Diagnostic Laboratory

Tests by Fiscal Year



Texas A&M TVMDL Veterinary Medical Diagnostic Laboratory

Financial



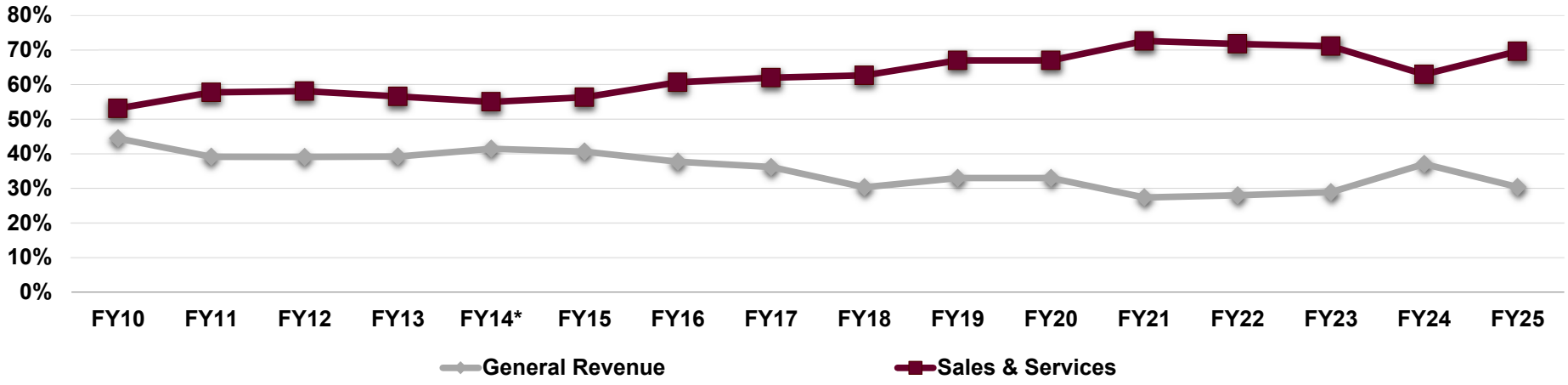
Legislative Update

Legislative Items	FY 2025	FY 2026	Variance Amount	Variance %	Purpose
General Revenue	$ 6,364	$ 6,369	$ 5	0%	Infrastructure
GR-Mandate (per 88th Legislature)	1,308	1,527	219	17%	Salary Mandate "Trueup"
GR-KTP (per 88th Legislature)	-	1,849	1,849	N/A *	Equipment, Residency, Succession
General Revenue Subtotal	**7,672**	**9,745**	**2,073**	**27%**	
GR-GIP	1,139	1,171	32	3%	Group Insurance
GR-State Paid Benefits	1,197	1,142	(55)	-5%	Benefits
GR-Debt Service	2,932	2,927	(5)	0%	Building Debt
Exceptional Item $2,422 (not funded)	-	-	-	N/A	Professional Staff Salary Adjustment
Exceptional Item $850 (not funded)	-	-	-	N/A	Next Gen Molecular Laboratory
Total State Appropriations	**$ 12,940**	**$ 14,985**	**$ 2,045**	**16%**	***see explanation below**

*Per TAMUS, the $3,698 biennial KTP Exceptional Item was booked 100% when received in FY23 and 0% in FY24 or FY25. The 89th legislature included 50% as GR in e year of FY26 and FY27. The actual legislative increase for FY26 is $196K (1.3%).

GR and Sales & Services

% Revenue Comparison



**FY 2014-2025 does not include around $3M per year added in debt service for new facilities.*

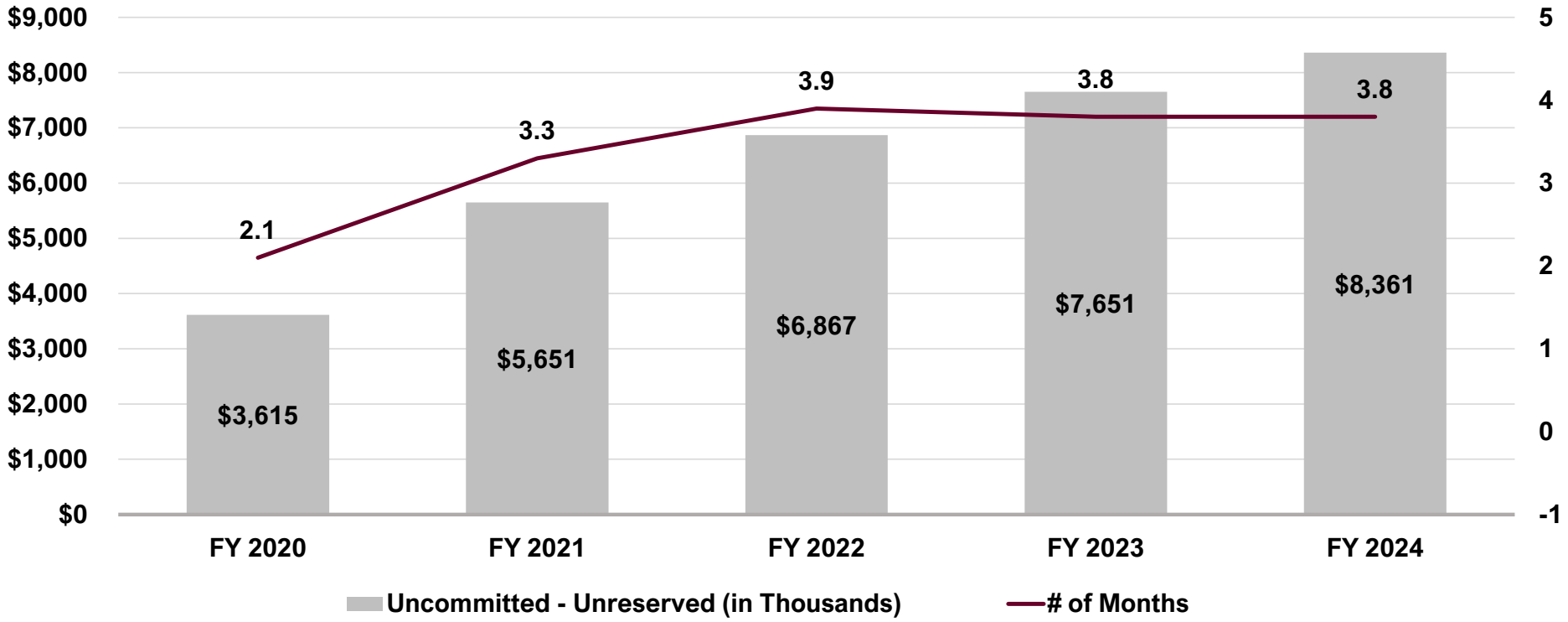
FY 2026 Proposed Revenue Budget and Variance

REVENUES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$ 12,940	$ 14,985	$ 2,045	15.8%
Contracts and Grants	1,210	2,686	1,475	121.9%
Sales and Services	17,053	18,679	1,626	9.5%
Investment Income	547	624	77	14.1%
TOTAL REVENUES:	**$ 31,749**	**$ 36,973**	**$ 5,224**	**16.5%**

FY 2026 Proposed Expense Budget and Variance

EXPENSES *(in thousands)*	FY 2025 Budget	FY 2026 Proposed	Variance $	Variance %
TOTAL REVENUES:	**$ 31,749**	**$ 36,973**		
Expenses:				
Salaries - Non-Faculty	$ 14,539	$ 15,900	$ 1,360	9.4%
Wages	264	472	209	79.1%
Benefits	5,492	5,511	19	0.3%
Personnel Costs	$ 20,295	$ 21,883	$ 1,588	7.8%
Utilities	971	986	15	1.6%
Equipment	1,000	1,387	387	38.7%
Operations and Maintenance (Net)	7,750	8,297	547	7.1%
Debt Service	3,169	3,166	(3)	-0.1%
TOTAL EXPENSES:	**$ 33,185**	**$ 35,720**	**$ 2,534**	**7.6%**
NET POSITION CHANGE (Rev+Exp+Transfer):	**$ (1,436)**	**$ 1,254**		

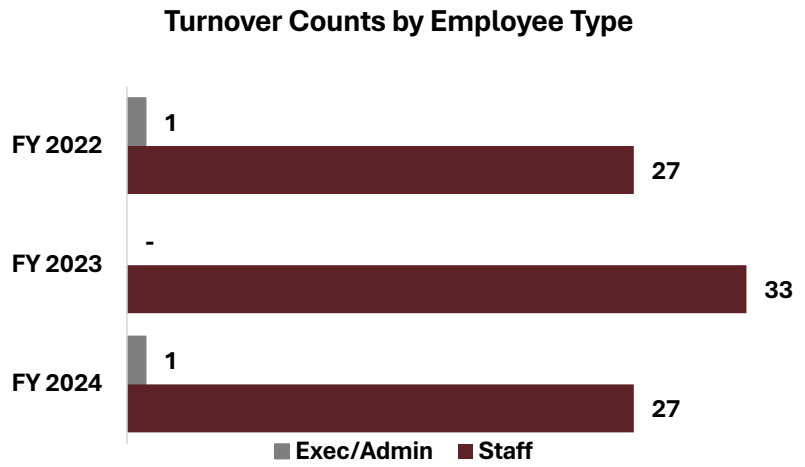
Reserves and Months of Reserves



Texas A&M TVMDL Veterinary Medical Diagnostic Laboratory

Employee Turnover

	Exec/Admin		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate
FY 2022	*1*	*5.2%*	*27*	*21.0%*	*28*	*19.0%*
FY 2023	*-*	*0.0%*	*33*	*23.7%*	*33*	*20.6%*
FY 2024	*1*	*4.8%*	*27*	*18.9%*	*28*	*17.1%*



Employee Retention Plan

FY 2026 PLAN DESCRIPTION	Total
2% Performance Based Pool	245,400
Promotions	144,400
Market Adjustments	896,500
Benefits	238,000
Total:	**$ 1,524,300**

FY2026 Programmatic Budget Review

Dr. Amy Swinford, Director

July 29, 2025 (Day 2)

Texas A&M TVMDL Veterinary Medical Diagnostic Laboratory



Capital Plan

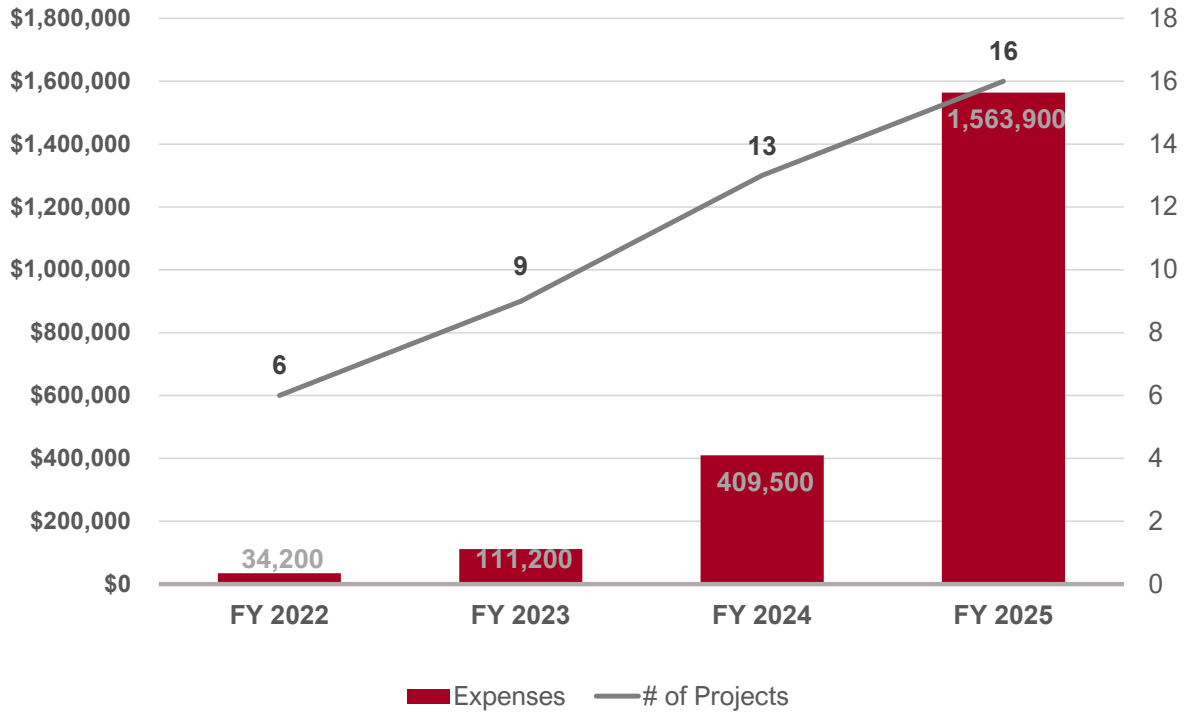
No current projects on the Capital Plan



Deferred Facility Maintenance Expenses

FY	# of Projects	DFM Total Exp
2022	6	$34,300
2023	9	$111,200
2024	13	$409,500
2025	16	$1,563,900
Total	44	$2,118,800

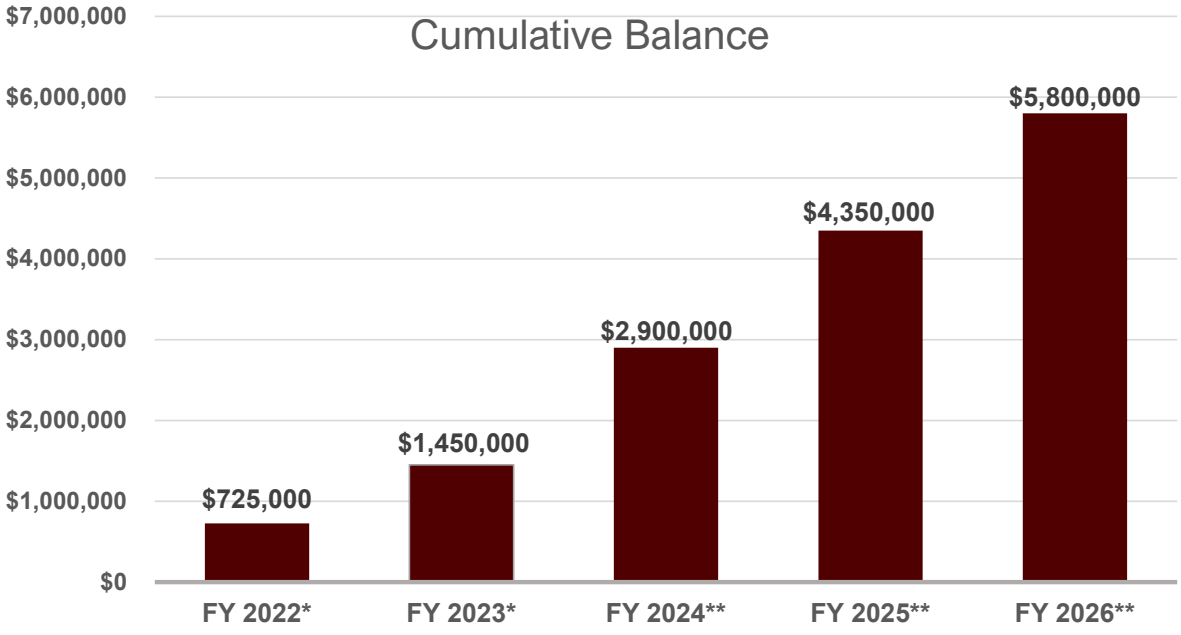
Historically, TVMDL has funded Deferred Facility Maintenance as needed and as funding is available. In FY 2024, TVMDL received KTP Exceptional Item funding which has allowed for a substantial and renewable funding source.



Deferred Facility Maintenance Funds

Building Location	Date Built	Building Cost	DFM Inception thru 2025
Center	2010	$394,642	$59,196
Gonzales	2012	$737,749	$95,907
College Station	2017	$52,111,563	$4,168,925
Canyon	2021	$19,954,357	$798,174
Total		$73,198,311	$5,122,202

Since FY22, TVMDL has contributed at least ~1% ($725,000) of building cost each year for capital, facility maintenance repairs. Goal: true up the DFM reserve by FY2026.



(* = $725K annual contributions)
(** = $1.45M annual contributions)

MEMBER OF THE TEXAS A&M UNIVERSITY SYSTEM

TEXAS A&M TRANSPORTATION INSTITUTE

Texas A&M Transportation Institute

BUDGET NARRATIVE

Introduction:

Texas A&M Transportation Institute (TTI) is proposing a budget for FY 2026 reflective of continued demand for transportation research. As a sponsored research agency, 82% of TTI's revenue is generated by competing for funding at all levels of federal, state, and local government and the private sector. Only 15% of TTI's funding is derived from state general revenue. Of TTI's state general revenue, 24% is used to conduct research in safety, border, and ports, as well as to match federal funding that TTI captures within the State of Texas. The remaining 76% of general revenue is used for facilities and core agency operations.

Revenues:

TTI is projecting 8% revenue growth for FY 2026:

- The total agency revenue budget for FY 2026 is $106 million.
- State appropriations reflect a slight increase of 3% to $16 million in FY 2026 due to increased revenue from Higher Education Group Insurance Contributions.
- Revenue from competitively sponsored research is projected to increase $7 million, or 9%, from FY 2025. Continued success is expected for state and private contracts.
- Sales and Services revenue is projected to increase by only $21,000, or 1%, due to softening demand for sponsored conference services. Investment Income is budgeted conservatively at $150,000 due to the unpredictable nature of annual market returns.

Expenses:

TTI is projecting 9% expense growth for FY 2026:

- The total expense budget for FY 2026 is $104 million.
- Salaries and fringe benefits represent 70% of the agency's expense budget. These expenditures represent the lifeblood of TTI, which is our human capital – subject matter experts.
- Personnel costs are projected to increase $8 million, or 13%, as a result of hiring new budgeted positions funded by sponsored research contracts and related benefit expenses and 3% proposed employee retention plan.

BUDGET NARRATIVE CONTINUED

- Operations and Maintenance expenses are projected to increase only $174,000, or 1%, in FY 2026 as the agency continues to pursue operational efficiencies amid continued research growth.
- Equipment is projected to increase $500,000, or 50%, as the agency continues strategic investment in aging research equipment.

Reserves:

- FY 2024 Reserve balance: $9.3 million/3.5 months.
- FY 2025 Projected reserve balance: $9.3 million/3.5 months.
- FY 2026 Projected reserve balance: $10.5 million/4.0 months.

Capital Plan:

- TTI has no new projects on the Capital Plan for FY 2026.

FY 2026

Programmatic Budget Review

The Texas A&M University System

DAY 1

Texas A&M Transportation Institute

Greg Winfree
Agency Director

Vision

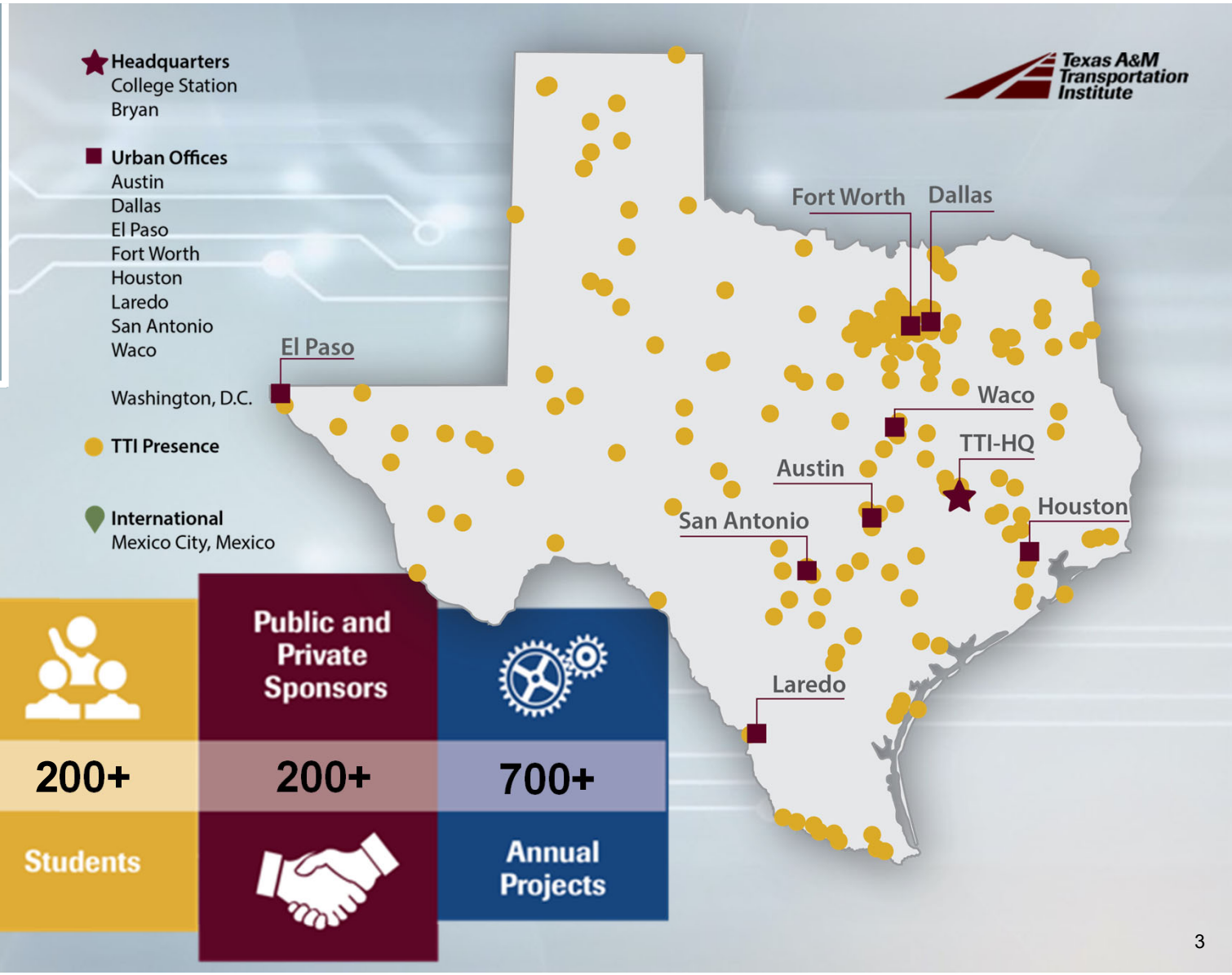
TTI leads in the creation of knowledge that transforms transportation for the benefit of society.

Texas A&M Transportation Institute

Mission

TTI delivers practical, innovative and sustainable solutions to improve the movement of people, data and goods through research, education and technology transfer.

Facts & Locations



University Transportation Centers

Texas A&M Transportation Institute

NCIT National Center for INFRASTRUCTURE TRANSFORMATION
Led by: Prairie View A&M University

Maritime Transportation Research and Education Center

Lead Institution:
University of Arkansas

MarTREC

Southern Plains Transportation Center

Lead Institution:
University of Oklahoma

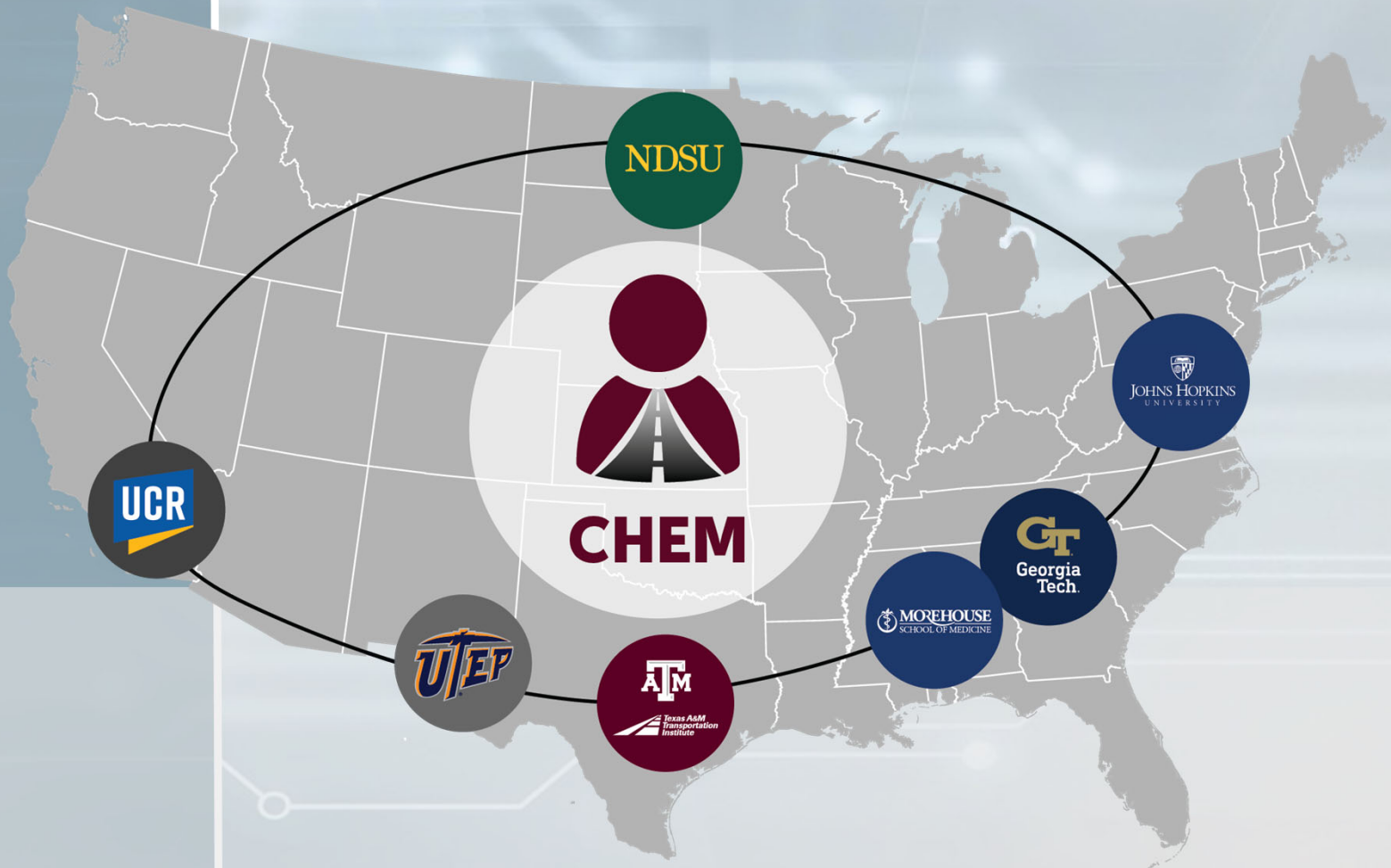
Southern Plains Transportation Center

University Transportation Center for Railway Safety

Lead Institution:
University of Texas at Rio Grande Valley

University Transportation Center for Railway Safety

Center for Healthy and Efficient Mobility

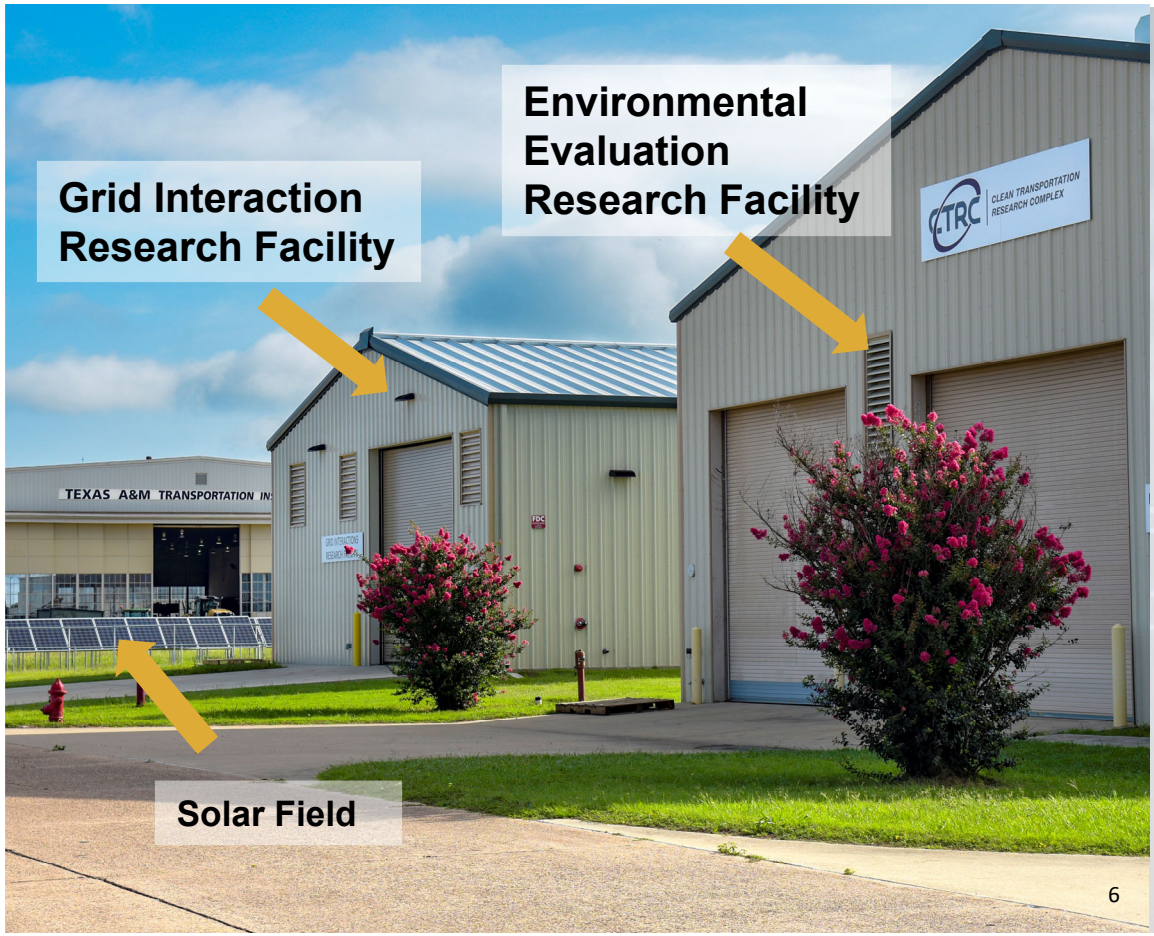


Tier 1 UTC

Clean Transportation Research Complex



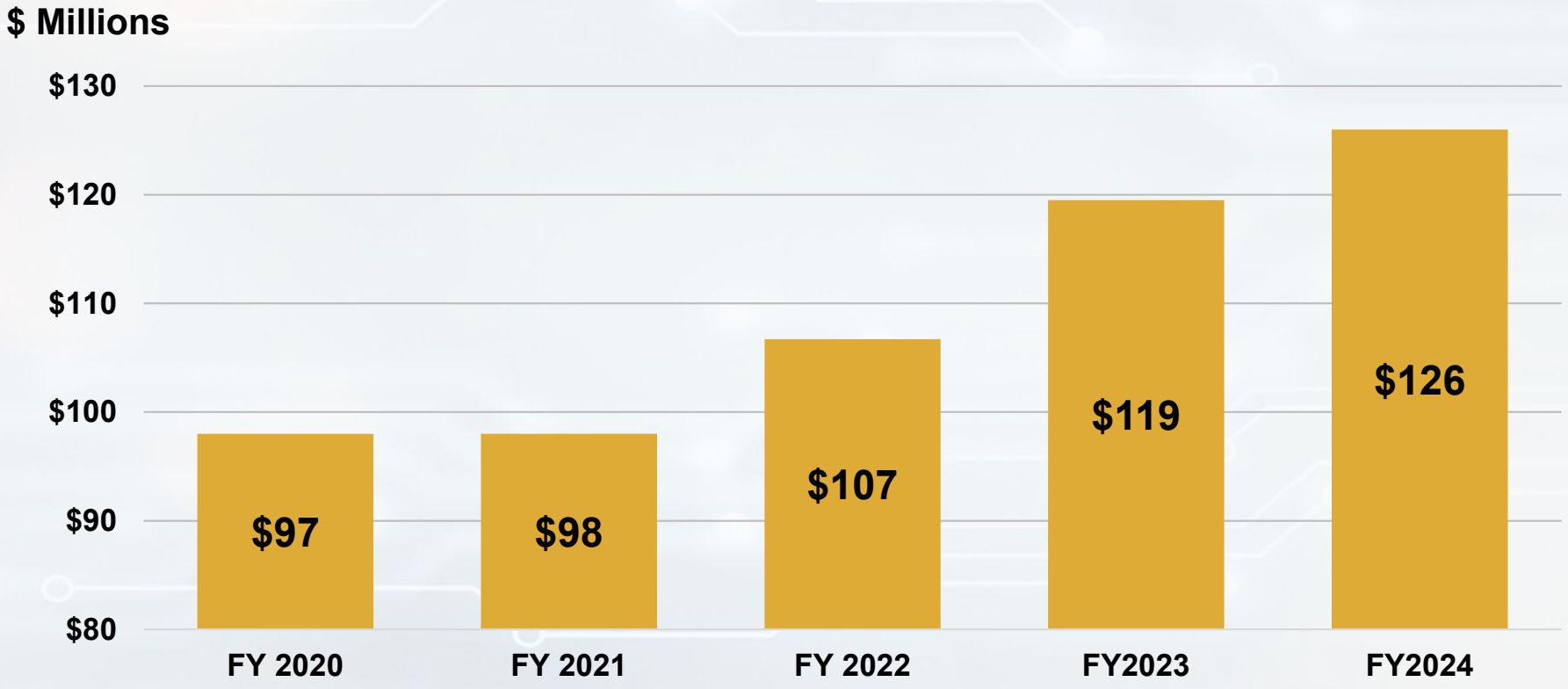




Legislative Items

LEGISLATIVE ITEMS	FY 2025	FY 2026	Variance	Variance
State Appropriations	(in thousands)	(in thousands)	(in thousands)	%
Base Funding	$ 9,413	$ 9,144	$ (269)	-3%
Directed Research Appropriations (Transportation Safety Center and Center for Intelligent Transportation Research)	1,776	1,776	–	0%
Other Research Appropriations (Ports & Waterways and UTC Matching Funds)	1,056	1,056	–	0%
Higher Education Group Insurance	2,040	2,496	456	22%
Subtotal	**$ 14,285**	**$ 14,472**	**$ 187**	**1%**
Exceptional Items				
Bolstering Research Capabilities to Solve Real-World Transportation Challenges	–	–	–	0%
Subtotal	$ –	$ –	$ –	0%
Estimated State Paid Benefits	974	1,252	278	29%
State Appropriations Total:	**$ 15,259**	**$ 15,724**	**$ 465**	**3%**

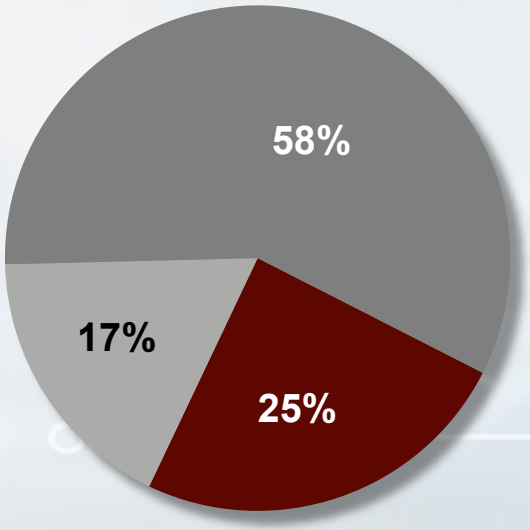
Research Expenditures per NSF Report



FY 2024 NSF Research Expenditures by Source

Total Engineering Program NSF Research Expenditures $513M

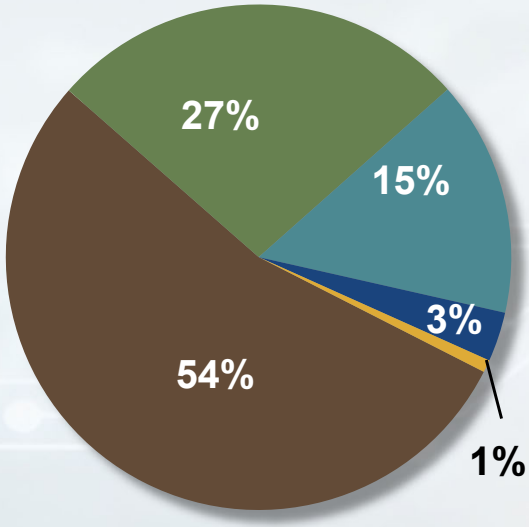
(TEES, TTI and TAMU College of Engineering)



- TEES $297
- TTI $126
- TAMU COE $90

(in millions)

TTI Total NSF Research Expenditures $126M



- State & Local $68
- Institutional $34
- Federal $19
- Private $4
- Non-Profit $1

(in millions)

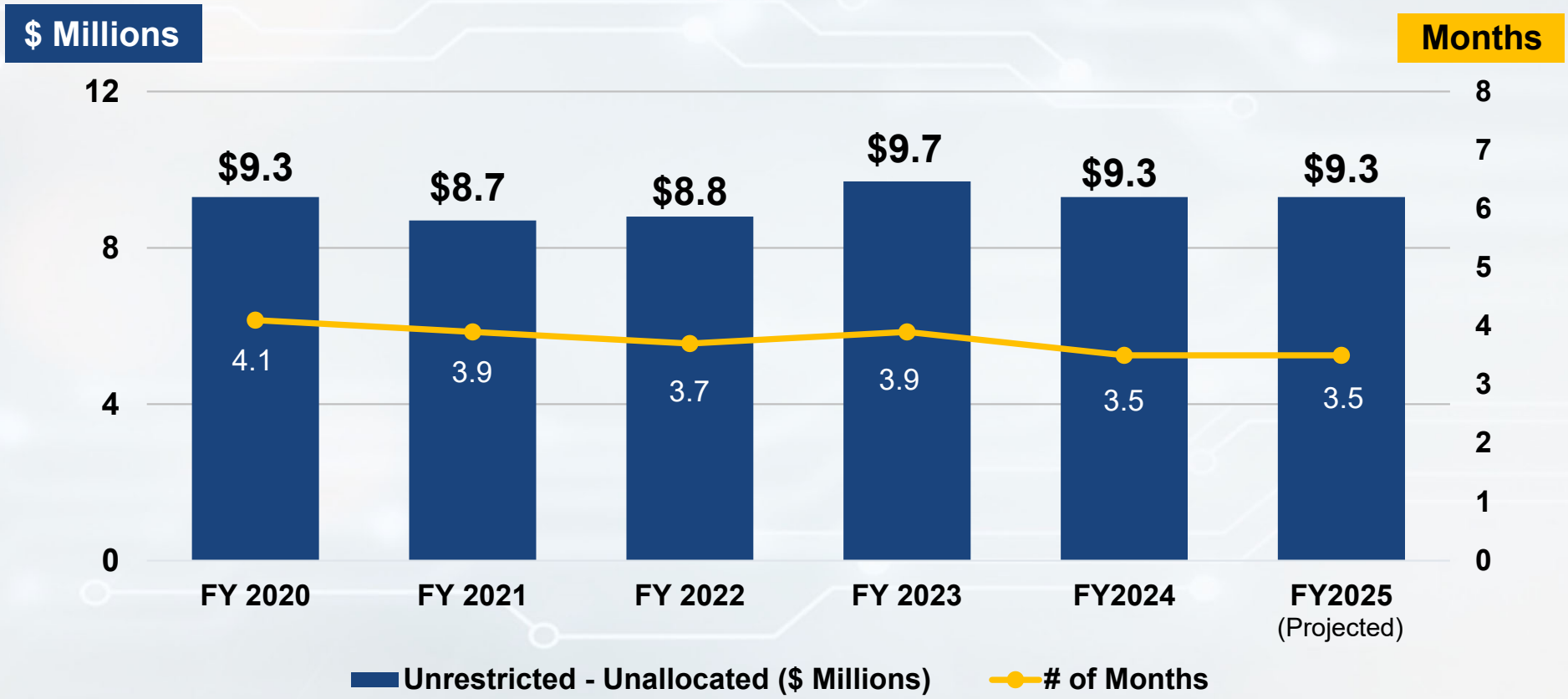
Budget Revenue Variance

	Budget (in thousands)		Variance	
REVENUES	**FY 2025**	**FY 2026**	**$**	**%**
State Appropriations	$ 15,259	$ 15,724	$ 464	3%
Contracts and Grants	79,732	87,000	7,269	9%
Gifts	175	200	25	14%
Sales and Services	3,029	3,050	21	1%
Other Income	150	155	5	3%
Investment Income	100	150	50	50%
TOTAL REVENUES	**$ 98,445**	**$ 106,279**	**$ 7,834**	**8%**

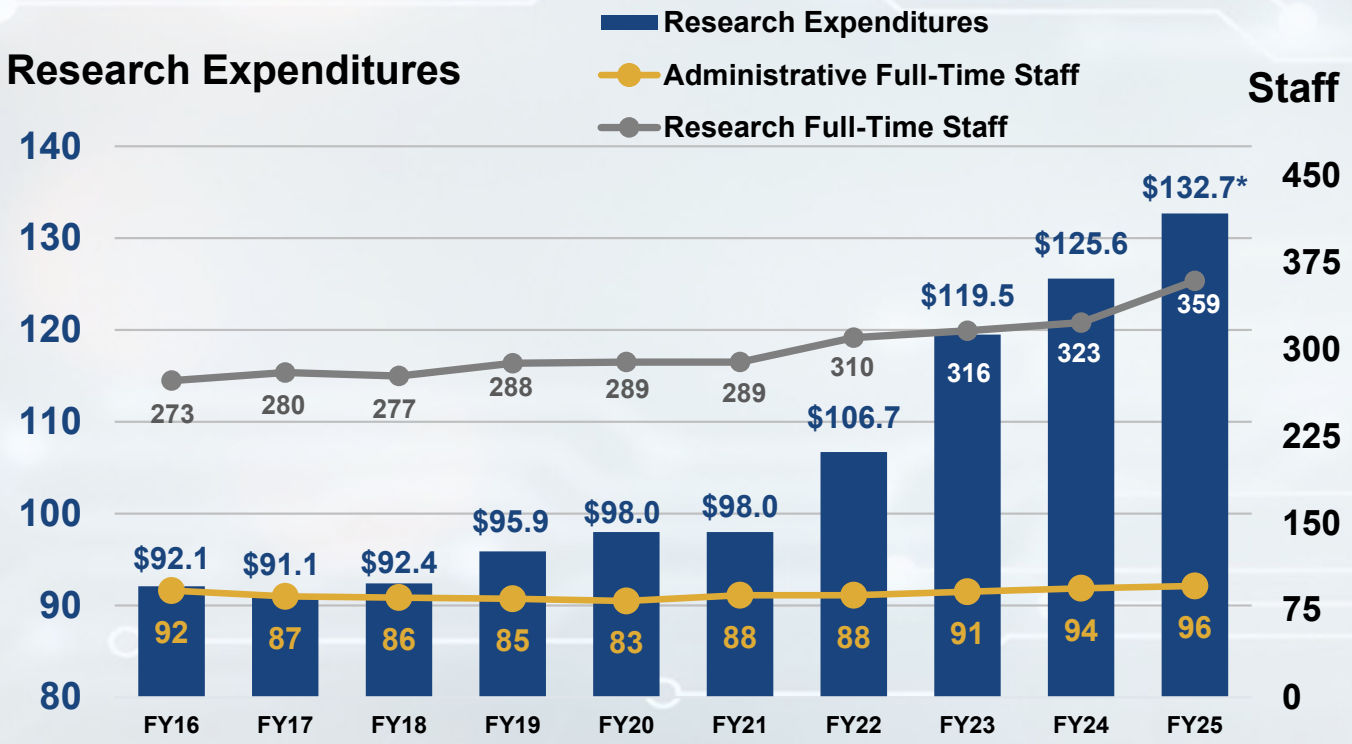
Total Expenditures

	Budget (in thousands)		Variance	
	FY 2025	FY 2026	$	%
TOTAL REVENUE	**$ 98,445**	**$ 106,279**		
EXPENDITURES				
Personnel Costs	64,592	72,865	$ 8,272	13%
O&M (Net)	27,063	27,237	174	1%
Equipment	1,000	1,500	500	50%
Utilities	900	920	20	2%
Debt Service	706	709	3	0%
Scholarships	440	450	10	2%
TOTAL EXPENDITURES	**$ 94,702**	**$ 103,681**	**$ 8,979**	**9%**
NET POSITION CHANGE	**$ 3,744**	**$ 2,598**		

Reserve and Number of Months

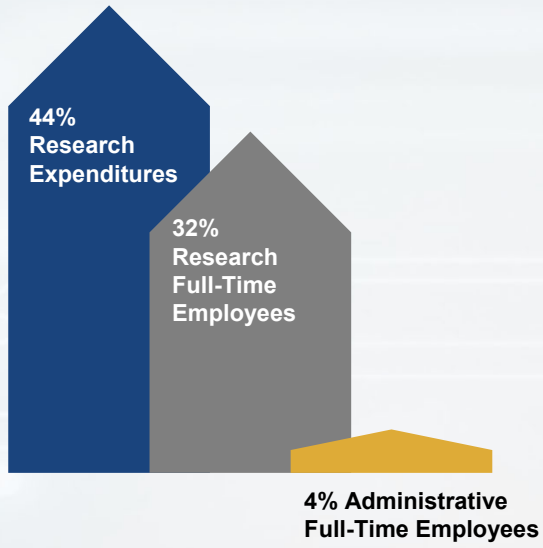


Research Growth and Administrative Efficiency



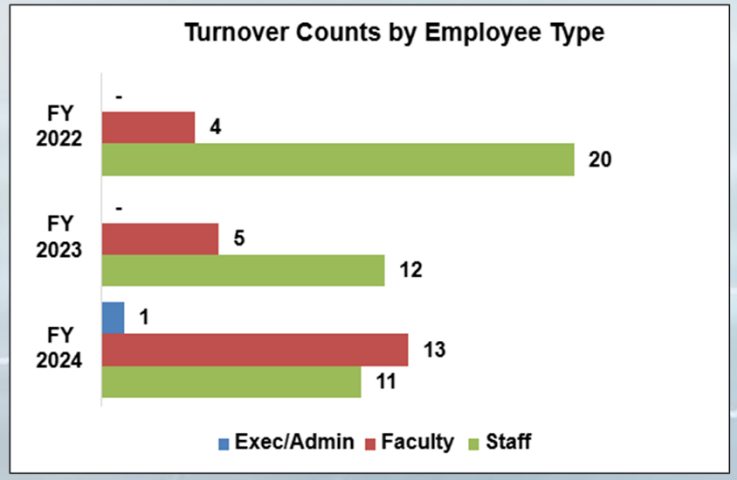
* Research Expenditures through June annualized

10 Year Increases



Employee Turnover

FY	Exec/Admin		Faculty		Staff		Total	
Fiscal Year	Count	Rate	Count	Rate	Count	Rate	Count	Rate
FY 2022	-	*0.0%*	*4*	*2.5%*	*20*	*9.0%*	*24*	*6.0%*
FY 2023	-	*0.0%*	*5*	*2.8%*	*12*	*5.3%*	*17*	*4.0%*
FY 2024	*1*	*5.9%*	*13*	*7.1%*	*11*	*4.8%*	*25*	*5.8%*



FY 2026 Employee Retention Plan

Texas A&M Transportation Institute

3% Proposed Performance Based Pool

Faculty Equivalent and Staff (includes associated benefits)	**$2,020,300**



Thank You

Questions?

Texas A&M Transportation Institute
1111 RELLIS Parkway
Bryan, TX 77807
info@tti.tamu.edu
979-317-2000

FY 2026

Programmatic Budget Review

The Texas A&M University System

DAY 2

Texas A&M Transportation Institute

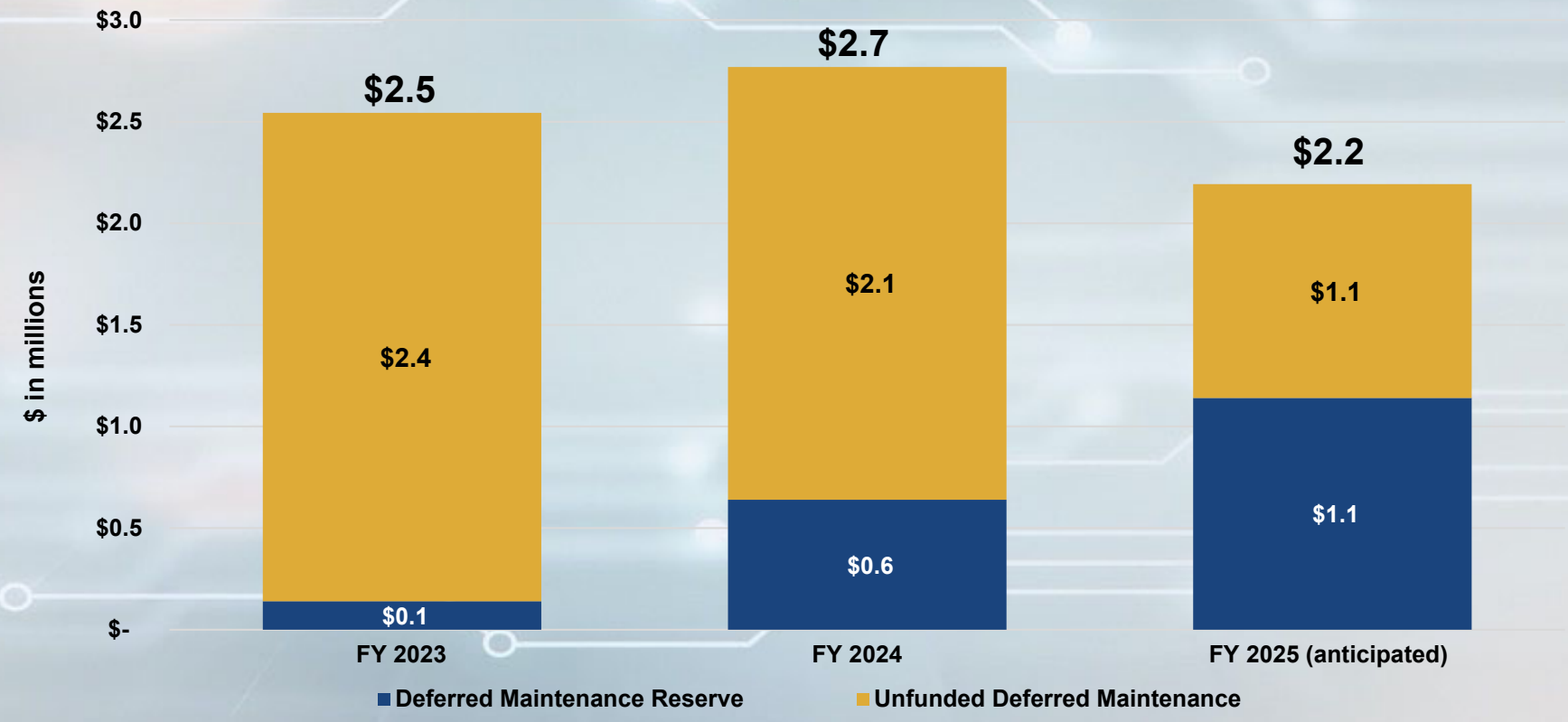
Greg Winfree
Agency Director

Capital Plan Update

Texas A&M Transportation Institute

No new projects on Capital Plan for FY 2026

Deferred Maintenance



Deferred Maintenance Projects









Thank You

Questions?

Texas A&M Transportation Institute
1111 RELLIS Parkway
Bryan, TX 77807
info@tti.tamu.edu
979-317-2000

TEXAS A&M ENGINEERING EXPERIMENT STATION

BUDGET NARRATIVE

Introduction:

Texas A&M Engineering Experiment Station (TEES) continues to experience strong growth in sponsored research awards. For FY 2024, total sponsored research awards increased $86 million (35%) compared to FY 2023. For FY 2024, TEES exceeded $1 billion in total research proposals submitted, and for FY 2025 through the first three quarters, the total has reached $1.7 billion. For FY 2026, TEES anticipates continued growth in externally sponsored research activity, and workforce development and continuing professional education are also expected to remain in high demand.

Revenues:

- Total Revenues are budgeted to increase by $71.9 million (27%), compared to the FY 2025 budget.
- State Appropriations are expected to increase due to FY 2026 funding of $39.7 million for the Texas IGNITE. For FY 2027, there will be an additional $15.3 million funding for Texas IGNITE, for a total of $55 million for the biennium.
- TEES will also receive general revenue of $3.4 million for NASA Programs, $2.3 million for Nuclear Engineering and Secure Manufacturing, and $80,000 for the Capstone Design Projects program.
- TEES is budgeting a 12% increase in contract and grant revenue resulting from growth in sponsored research awards. The increase primarily relates to federally sourced research awards from the U.S. Department of Defense, U.S. Department of Energy, National Science Foundation, and the U.S. Department of Health & Human Services.
- TEES is budgeting a 32% increase in sales and services. The increase is related to the continued revenue growth in professional workforce development training programs, including conferences and short courses.

Expenses:

- Total Expenditures are budgeted at $350 million, which is a 27% increase compared to the FY 2025 budget.
- Personnel Costs are budgeted to decrease $15 million (-11%) compared to the FY 2025 budget. Personnel costs in the prior fiscal year included one-time funding for state mandated employee salary increases and vacant positions that are eliminated. For FY 2026, Personnel Costs includes new capacity to support growth in externally sponsored research awards.
- The FY 2026 budget includes a 3% performance-based merit pool to reward high performing employees.
- Equipment (Capitalized) is expected to increase to $45 million (310%), primarily due to $39.7 million state general revenue funding for Texas IGNITE. FY 2026 PUF allocation increased by $2 million compared to FY 2025 budget.

BUDGET NARRATIVE CONTINUED

- Operations and Maintenance are expected to increase $47 million (55%), compared to the FY 2025 budget. This increase is driven by strong sponsored research growth; the new Texas IGNITE initiative and expanding physical research infrastructure.
- Debt service is expected to decrease $6.1 million (-34%) compared to the FY 2025 budget. The decrease is due to the completion of the Mike and Beverly Rowlett Industrial Distribution Building located at the RELLIS campus, and the repayment of $4.1 million in debt service for the Ballistic Aero-Optics Materials Facility (BAM) using revenue from the Bush Combat Development Complex (BCDC) contract with the U.S. Army.
- For FY 2026, TEES budgeted $400,000 for deferred maintenance to support the operation and long-term sustainment of TEES research facilities.

Reserves:

- In FY 2024, the TEES operating reserve was 1.6 months. TEES has been able to maintain a reasonable operating reserve balance, between $7 million to $17 million, over the past five years.
- TEES expects operating reserves to increase to 2 months for FY 2025, as new sponsored research awards are realized, and new research facilities are completed and entered into service.
- For FY 2026, TEES expects to remain at 2 months of operating reserves.

Capital Plan:

TEES has several active capital facility construction projects on its FY 2026 – 2030 Capital Plan:

- The Hypersonic Wind Tunnel project was funded at $30 million of general revenue by the Texas Legislature in FY 2024. The project is currently under construction at the RELLIS campus, with substantial completion expected in April 2026.
- The Ballistic Aero-Optics Materials Facility (BAM) is under construction at the RELLIS campus and is scheduled for substantial completion in June 2025.

Fiscal Year 2026

Programmatic Budget Review

Dr. Robert H. Bishop

Vice Chancellor for Engineering, The Texas A&M University System

Dean of Engineering, Texas A&M University

Director, Texas A&M Engineering Experiment Station

Texas A&M Engineering Experiment Station

July 28, 2025

Texas A&M University System Engineering Agencies

Texas A&M Engineering Experiment Station

Robert H. Bishop
Agency Director



TEES performs high impact engineering research driven by real-world problems, strengthens and expands the state's technology workforce through education and training, and partners with industry to develop and commercialize transformational technology.

Texas A&M Transportation Institute

Gregory Winfree
Agency Director



TTI delivers practical, innovative and sustainable solutions to improve the movement of people, data and goods through research, education and technology transfer.

Texas A&M Engineering TEEX Extension Service

David Coatney
Agency Director



TEEX develops a skilled and trained workforce that enhances public safety, security and the economic growth of Texas and the nation through training, technical assistance and emergency response.

TEES Mission

Texas A&M Engineering Experiment Station



Perform quality **research** to address society's needs



Support the engineering **workforce** through continuing education



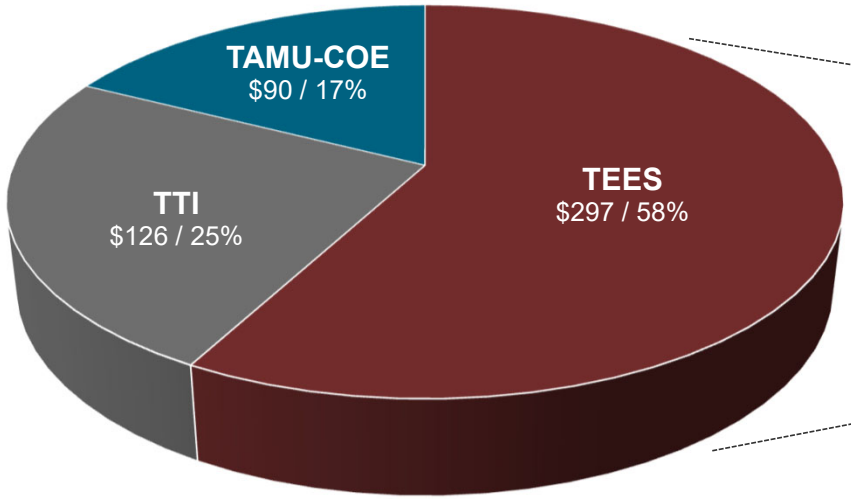
Develop and **transfer technology** to industry

Total Engineering Research Expenditures

Texas A&M Engineering Experiment Station

FY 2024 NSF HERD Reported Data

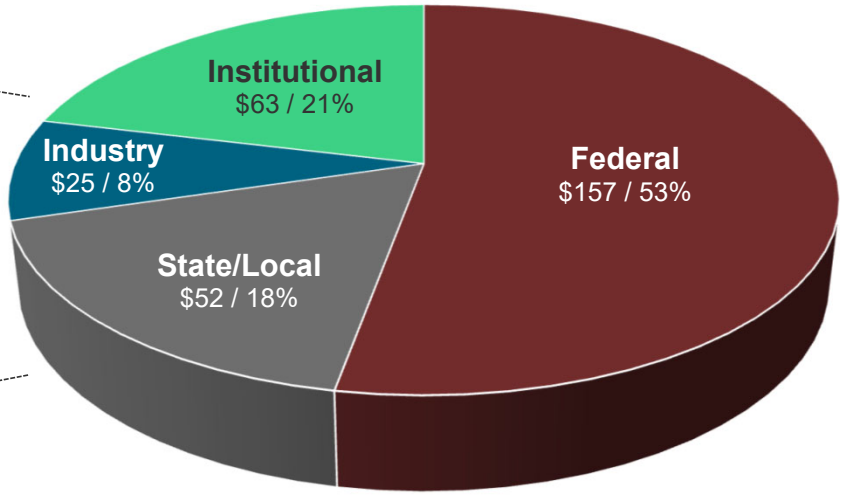
(IN MILLIONS)



Total Engineering Program NSF Research Expenditures

$513M

(TEES, TTI and TAMU-COE)



TEES NSF Research Expenditures by Source

$297M

Thematic Research Areas

Texas A&M Engineering Experiment Station

$91M
Space

$36M
Health Care

$26M
Microchip

$98M
National Security

$45M
Energy and Power

$31M
Materials and Manufacturing

TEES research funding awarded in FY24

RESEARCH

Enhancing Levee Inspections with Advanced Technology

Texas A&M Engineering Experiment Station

- Improved, cutting-edge inspection technologies for continued reliability and resiliency of levees nationwide
- Calibrated test site at Texas A&M - RELLIS serves as a controlled environment for evaluating and refining these technologies
- Better protection for communities against flooding

RESEARCH

A New Way to Preserve Microbial Samples

Texas A&M Engineering Experiment Station

- DARPA contract for up to 3 years and $12.9M to develop a new method for preserving microbial samples without refrigeration and cooling requirements
  - Will integrate innovations in microfluidics, biomaterials, protein engineering, and synthetic biology
  - Potential to vastly improve the way diseases are monitored

RESEARCH

Augmenting Passive Interfaces into Adaptive Interfaces

Texas A&M Engineering Experiment Station

- Integrating smart capabilities such as sensing and energy harvesting
- Transforming passive interfaces into adaptive interfaces to:
  - Assist people with disabilities
  - Automate domestic tasks
  - Power millions of computers





Workforce Development

Texas A&M Engineering Experiment Station

PROFESSIONAL EDUCATION

128
courses offered to
3,758
participants

$20.2M
from the Department of Defense

SPARK! K-12 OUTREACH

143
engagements for
13,840
students and
11,744
educators/parents

TECHNOLOGY TRANSITION

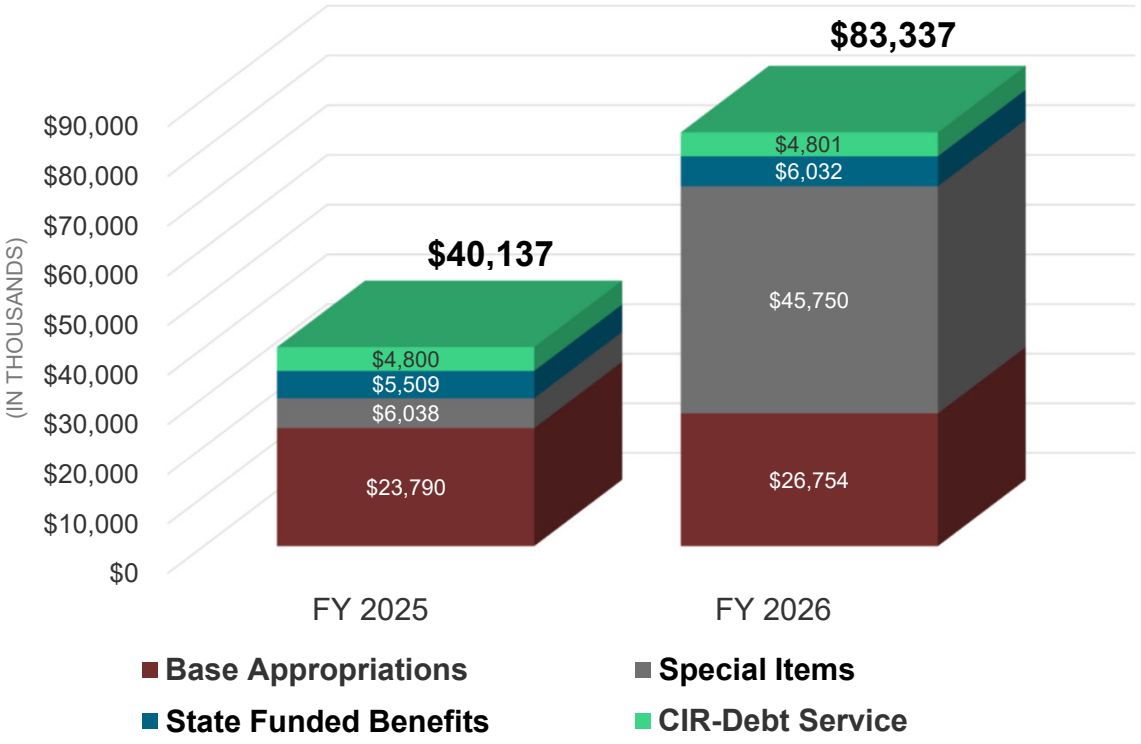
An Electric Motor without Rare Earth Materials

Texas A&M Engineering Experiment Station

- Developing an eco-friendly, efficient and cost-effective rare earth free motor to bring to market.
- Team owns issued U.S. patents and U.S. patent applications for the idea.
- Plans to commercialize the motor and start a company



State Appropriations – General Revenue



Legislative Items:	FY2025 ($in K)	FY2026 ($in K)	Variance ($in K)
State Appropriations			
General Revenue	$34,207	$76,884	$42,676
General Revenue – Dedicated (Emissions Reduction)	$421	$421	$0
Subtotal	$34,628	$77,305	$42,676
State Funded Benefits	$5,509	$6,032	$523
State Appropriations Total:	$40,137	$83,337	$43,200

FY 2026 Budget Revenue Variance

Texas A&M Engineering Experiment Station

REVENUES (in thousands)	FY 2024 Actuals	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
State Appropriations	$70,998	$40,137	$83,337	$43,200	108%
Contracts and Grants	$226,878	$212,587	$237,192	$24,605	12%
Gifts	$3,455	$3,200	$3,451	$251	8%
Sales / Services / Other	$15,963	$11,694	$15,472	$3,778	32%
Investment Income	$2,717	$ 2,587	$2,687	$100	4%
TOTAL REVENUES	**$320,011**	**$270,204**	**$342,139**	**$71,934**	**27%**

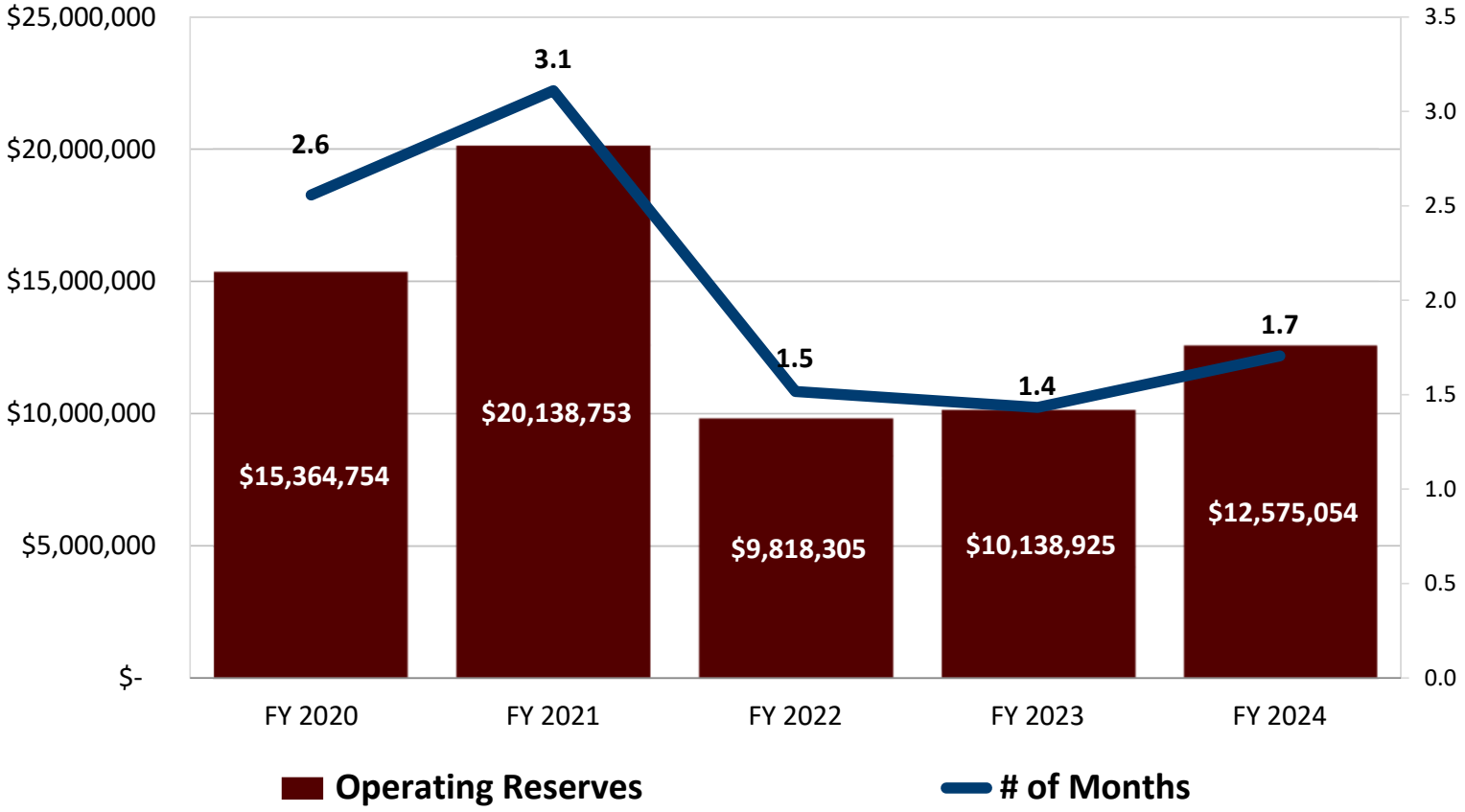
FY 2026 Budget Expenditure Variance

Texas A&M Engineering Experiment Station

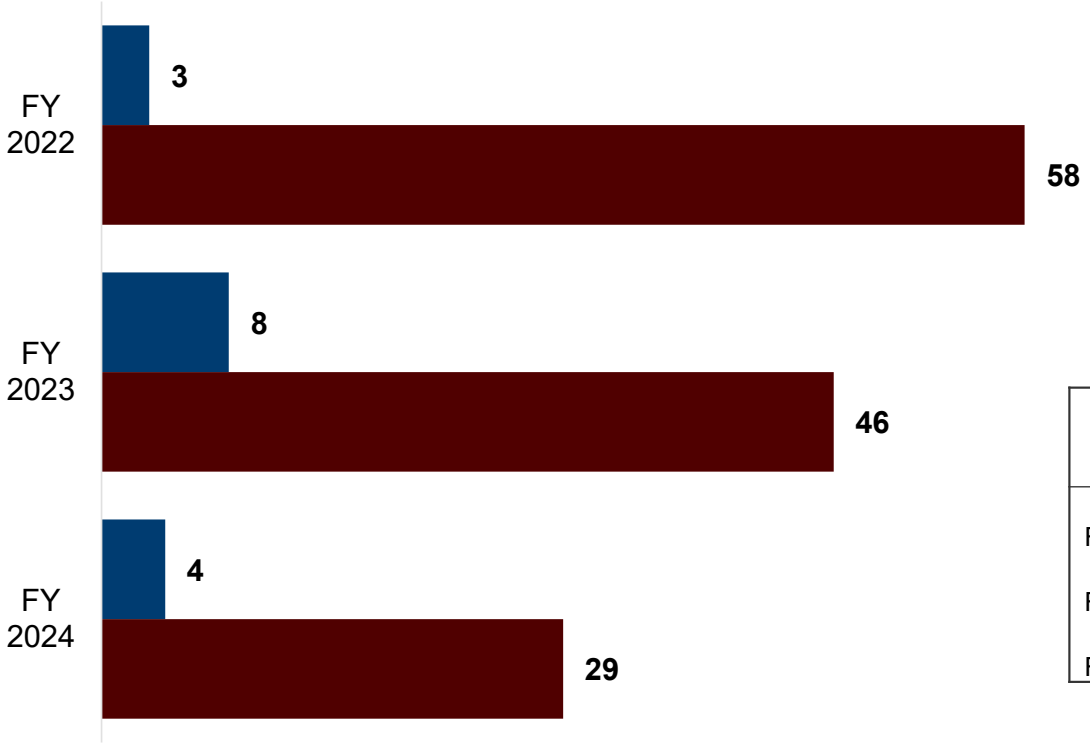
EXPENDITURES (in thousands)	FY 2024 Actuals	FY 2025 Budget	FY 2026 Proposed	Budget Variance $	Budget Variance %
TOTAL REVENUES	$320,011	$270,204	$342,139		
Expenditures:					
Salaries - Faculty	$21,724	$32,973	$23,606	$(9,367)	-28%
Salaries - Non-Faculty	$61,855	$74,547	$72,152	$(2,395)	-3%
Wages	$4,591	$5,322	$4,998	$(324)	-6%
Benefits	$19,675	$22,747	$19,791	$(2,956)	-13%
Personnel Costs	$107,845	$135,589	$120,547	$(15,041)	-11%
Utilities	$4,796	$4,519	$4,795	$276	6%
Scholarships	$17,749	$16,445	$18,320	$1,876	11%
Equipment	$11,499	$14,551	$59,715	$45,164	310%
Operations and Maintenance (Net)	$111,607	$87,340	$135,124	$47,784	55%
Debt Service	$8,710	$17,761	$11,637	$(6,124)	-34%
TOTAL EXPENDITURES	**$262,205**	**$276,204**	**$350,139**	**$73,934**	**27%**
Other Transfers:	$(29,707)	$6,000	$8,000		
CHANGE IN NET POSITION	**$28,099**	**$ -**	**$ -**		

Operating Reserves FY 2020-2024

Texas A&M Engineering Experiment Station



Employee Turnover FY 2022-2024



Fiscal Year	Exec/Admin		Staff		Total	
	Count	Rate	Count	Rate	Count	Rate
FY 2022	3	5.3%	58	18.0%	61	15.8%
FY 2023	8	15.6%	46	15.3%	54	15.1%
FY 2024	4	8.7%	29	9.7%	33	9.5%

FY 2026 Employee Retention Plan

Texas A&M Engineering Experiment Station

RETENTION PLAN	AMOUNT
3% Performance Based Pool	$1,623,000
Benefits	$300,300
Total	$1,923,300

Thank You



Texas A&M Engineering
Experiment Station

Fiscal Year 2026

Programmatic Budget Review

CAPITAL PLAN

Dr. Robert H. Bishop

Vice Chancellor for Engineering, The Texas A&M University System

Dean of Engineering, Texas A&M University

Director, Texas A&M Engineering Experiment Station

Texas A&M Engineering Experiment Station

July 29, 2025

Capital Projects

Texas A&M Engineering Experiment Station

APPROVED	Total Planning Amount (In thousands)	Funding Sources			Current Status	Gross Square Footage
		PUF Debt Proceeds	RFS Debt Proceeds	Other		
Hypersonic Wind Tunnel (including Equipment)	$30,000			$30,000	In Progress	1,000
Ballistic, Aero-Optics Materials Facility	$63,975		$12,423	$51,552	In Progress	42,600

Hypersonic Wind Tunnel

Texas A&M Engineering Experiment Station

- $30 million general revenue appropriation from the 88th Texas Legislature
- Advances hypersonic flight research critical to national security
- Located at Texas A&M – RELLIS with expected completion date of April 2026



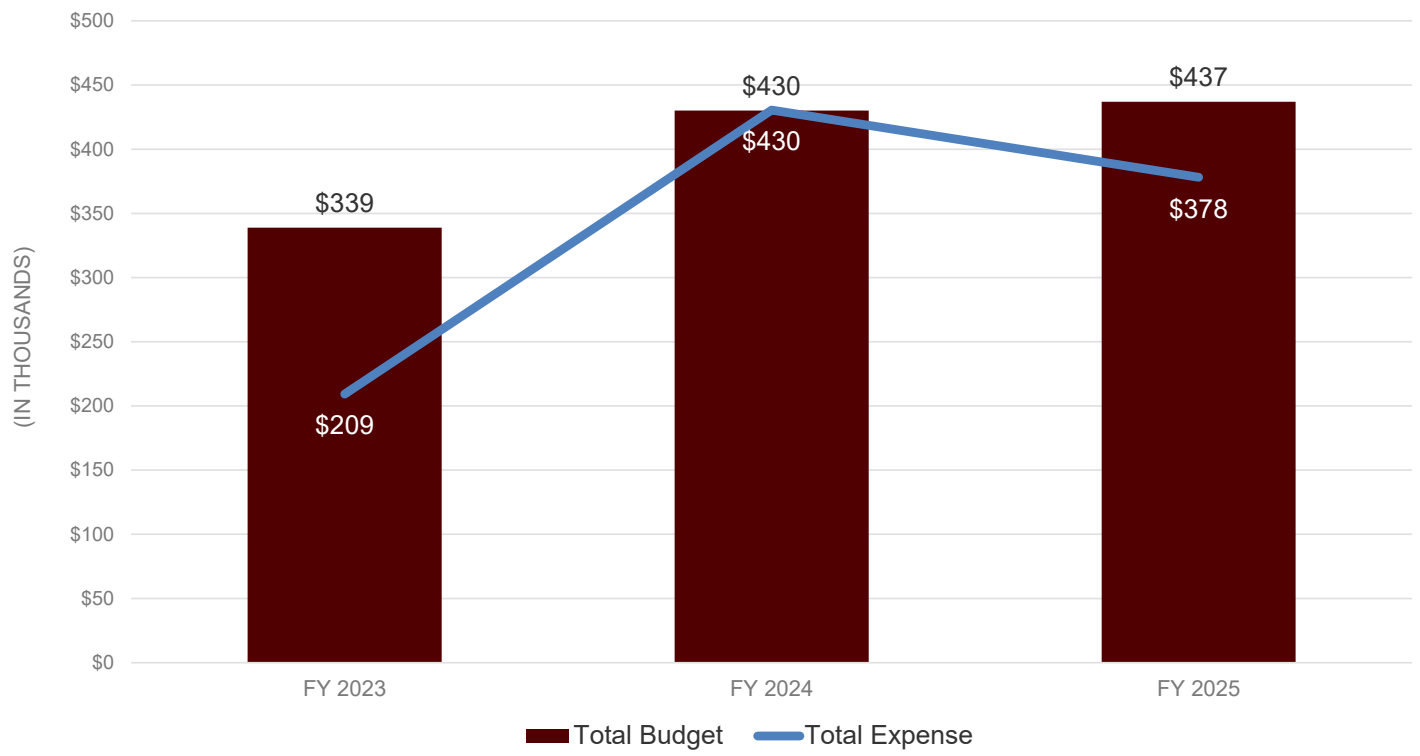
Ballistic, Aero-Optic, and Materials Facility (BAM)

Texas A&M Engineering Experiment Station

- Advances research and development in high energy laser propagation, hypersonic aerothermodynamics, and hypervelocity impact response of materials
- Located at the George H.W. Bush Combat Development Complex at Texas A&M - RELLIS

Deferred Maintenance: Budget vs Expense

Texas A&M Engineering Experiment Station



**FY 2025 expenses through June 2025*

Thank You



Texas A&M Engineering
Experiment Station

TEXAS A&M ENGINEERING EXTENSION SERVICE

BUDGET NARRATIVE

Introduction

The FY 2026 budget, when compared to the 2025 budget, reflects an increase in General Revenue funding during the 89th legislative session, most notably that funding for the Keeping Texas Prepared and Workforce Development initiatives are included in base funding for 2026. Both initiatives were undertaken during the 88th biennium, but due to the mechanism they were appropriated with last session, both items show as increased General Revenue for FY 2026 when comparing budget-to-budget for TEEX.

Revenues

Total Revenues in FY 2026 are budgeted to increase by $17.6 million (14%), compared to the FY 2025 budget. The principal drivers are:

- State Appropriations are reflected as an increase of $16 million in the 2026 budget. During FY 2026, TEEX will receive $5 million for Workforce Development, $9.75 million for Keeping Texas Prepared, and a $500,000 increase for infrastructure, which is formula based.
- Sales and Services are budgeted to increase by $689,000 (11%) due to increased deployment activity for Texas Task Force 1 (TXTF1) and Texas A&M Public Works Response Team (TX-PWRT) in partnership with Texas Division of Emergency Management (TDEM).
- Investment Income is conservatively budgeted to increase by $1 million (67%) due to fluctuations in the market and to be more in line with historical actuals.

Expenses

Total Expenditures in FY 2026 are budgeted to increase by $14 million (11%), compared to the FY 2025 budget.

- Personnel Costs are budgeted to increase by $7 million (10%), primarily due to additional FTEs appropriated for Workforce Development, a proposed 0-3% performance-based employee retention plan, and hiring additional personnel to position TEEX to accommodate recent growth in strategic initiatives and improving effectiveness and efficiency.
- Equipment (Capitalized) is budgeted to increase by $768,000 (55%) due to an increase in PUF funding, which will allow TEEX to strategically invest in educational and response needs across the agency.
- Operations and Maintenance is budgeted to increase by $6.2 million (11%) to account for an increase in operational expenses for the Workforce Development initiative and maintenance needed on training props to provide realistic, relevant training.
- Debt Service is budgeted at $4.1 million for the Water Wastewater Treatment Plant Repair, Water Wastewater System, and the Les W. Bunte Jr. Administration and Classroom Complex, all at Brayton Fire Training Field.

BUDGET NARRATIVE CONTINUED

Transfers

- Other transfers include $2 million in PUF equipment appropriation from TAMUS as noted above.

Reserves:

- FY 2022 Reserve balance: $55 million/8.9 months.
- FY 2023 Reserve balance: $48 million/6.8 months.
- FY 2024 Reserve balance: $55 million/5.9 months.
- FY 2025 Projected Reserve balance: $55 million/5.4 months.
- FY 2026 Projected Reserve balance: $56 million/5.4 months.

Capital Plan:

- TEEX RELLIS Training Props, $25.3 million, is an approved project on the FY 2026 – FY 2030 Capital Plan.
- The South Texas Workforce Development project, $30 million, is an approved project on the FY 2026 – FY 2030 Capital Plan.
- The Corpus Christi Workforce Development project, $12.5 million, is an approved project on the FY 2026 – FY 2030 Capital Plan.
- The San Antonio Complex, $32.5 million, is an approved project on the FY 2026 – FY 2030 Capital Plan.
- RELLIS Infrastructure, $85 million, is listed as an “unfunded project”, and is a strategic focus for TEEX. This project is closely aligned to the TEEX RELLIS Training Props project already under construction and involves moving the remaining TEEX facilities to be on this new property.

TEXAS A&M ENGINEERING

TEEX®

EXTENSION SERVICE

Fiscal Year 2026 Budget Update

David Coatney, Agency Director









TEEX Mission

TEEX makes a difference by providing **training**, developing **practical solutions**, and **saving lives**.

Training and Services

- Fire and Emergency Services
- Infrastructure and Safety
- Law Enforcement and Protective Services
- Business and Cybersecurity
- Homeland Security
- Workforce Development
- TEEX Testing and Innovation Center
- Public Safety Wellness

Response

- Texas A&M Task Force
- Texas A&M Public Works Response Team

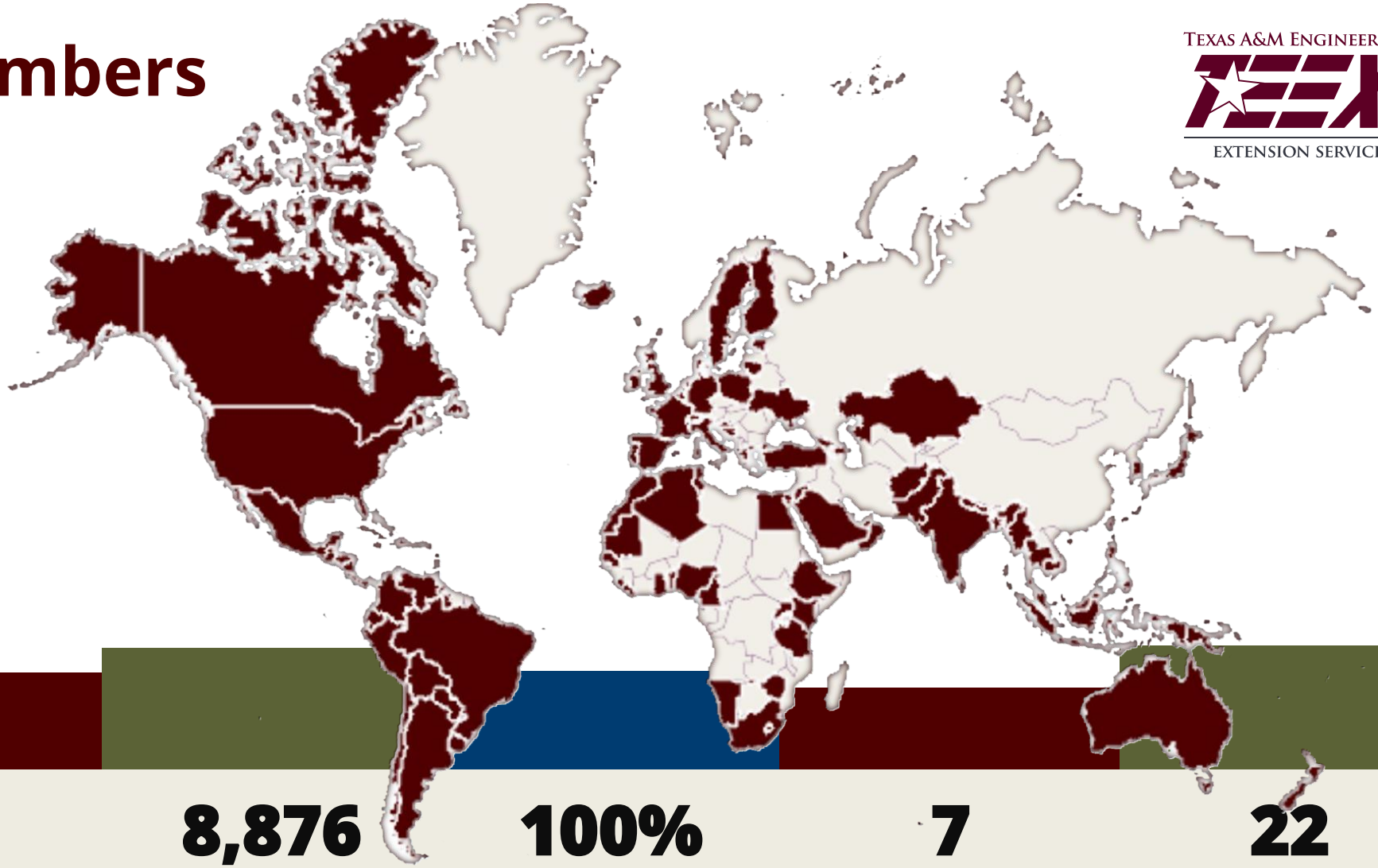






TEEX by the Numbers

FY 2024



225,689	124	8,876	100%	7	22
Participants Served	Participant Countries	Course Deliveries	of Texas Counties Trained	Public Works Response Team Deployments	Task Force Deployments

Response by the Numbers

FY 2024

Texas A&M Task Force (TX-TF)

22 Deployments

470,568 Emergency Response Hours



June Severe Weather Response


Hurricane Helene Response

Texas A&M Public Works Response Team (TX-PWRT)

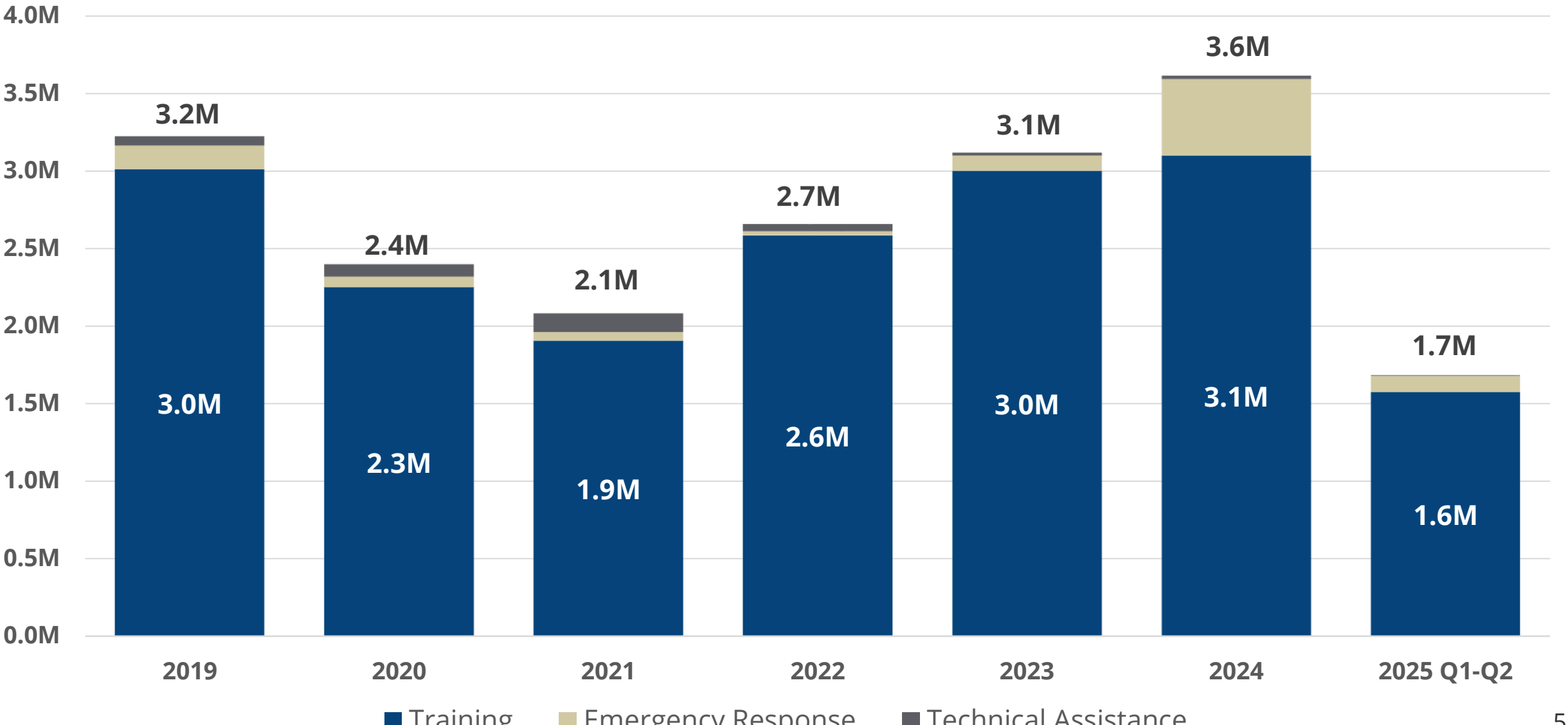
7 Deployments

22,336 Emergency Response Hours


Rocksprings, Texas


Laredo, Texas

Contact Hours



89th Legislative Session Update

TEXAS A&M ENGINEERING TEEX EXTENSION SERVICE

New Funding

Advanced Workforce Training

$ 5M
per fiscal year

TEXAS A&M
RGV Advanced Manufacturing Hub

TEXAS A&M
Coastal Bend Occupational Advanced Skills Training





Increased Base Funding

$10.2M
per fiscal year

Expansion of land grant mission

Infrastructure support



FY 2026 Revenue Budget and Variance

(in thousands)

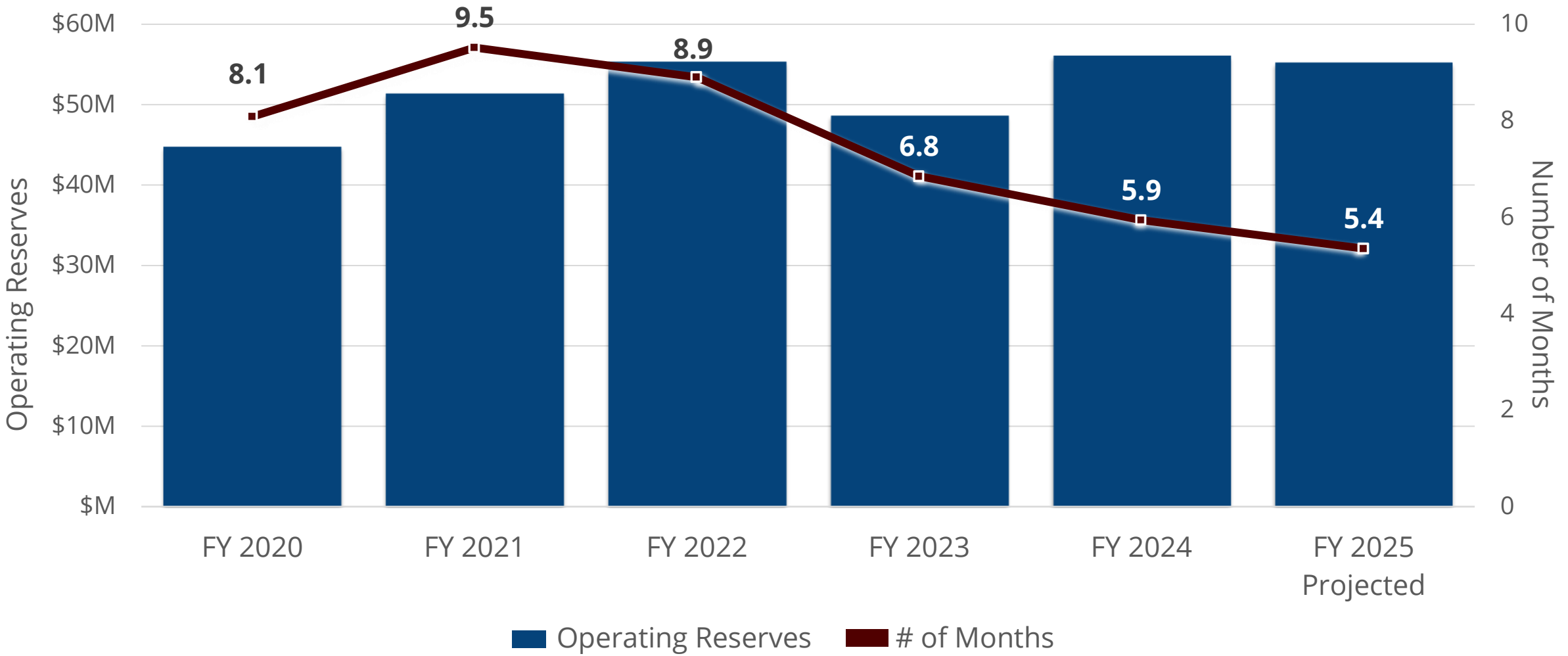
	FY 2025 Budget	FY 2026 Proposed Budget	FY 2025 to FY 2026 Budget Variance	
			Amount	%
State Appropriations	$ 14,231	$ 30,402	$ 16,170	114%
Tuition and Fees	$ 31,937	$ 31,710	$ (227)	-1%
Contracts and Grants	$ 71,607	$ 71,647	$ 40	0%
Gifts	$ 211	$ 215	$ 4	2%
Sales and Services	$ 6,550	$ 7,239	$ 689	11%
Investment Income	$ 1,501	$ 2,501	$ 1,000	67%
Other Income	$ 125	$ 125	$ -	0%
TOTAL REVENUES:	**$ 126,163**	**$ 143,839**	**$ 17,676**	**14%**

FY 2026 Expense Budget and Variance

(in thousands)

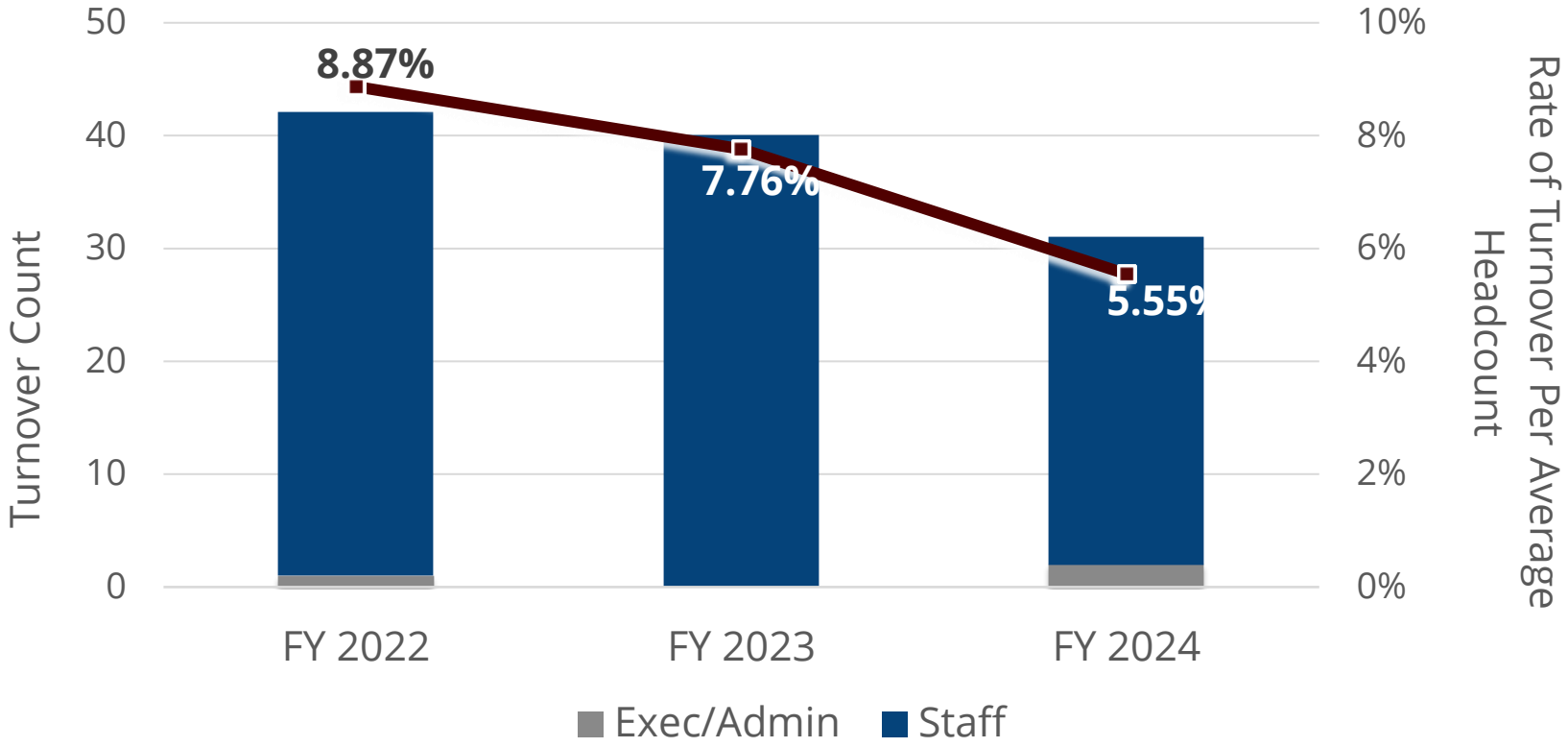
	FY 2025 Budget	FY 2026 Proposed Budget	FY 2025 to FY 2026 Budget Variance	
			Amount	%
TOTAL REVENUE:	**$ 126,163**	**$ 143,839**	**$ 17,676**	**14%**
Salaries - Non-Faculty	$ 42,532	$ 46,538	$ 4,006	9%
Wages	$ 8,398	$ 9,391	$ 993	12%
Benefits	$ 16,278	$ 18,297	$ 2,020	12%
Subtotal Personnel Costs	**$ 67,208**	**$ 74,226**	**$ 7,019**	**10%**
Utilities	$ 1,375	$ 1,400	$ 25	2%
Equipment (Capitalized)	$ 1,393	$ 2,161	$ 768	55%
Operations and Maintenance	$ 56,151	$ 62,363	$ 6,212	11%
Debt Service	$ 4,067	$ 4,079	$ 12	0%
TOTAL EXPENSES:	**$ 130,194**	**$ 144,230**	**$ 14,036**	**11%**
Other Transfers:	$ (4,000)	$ 2,000		
Net Position Change (Rev-Exp+Transfer):	**$ (8,030)**	**$ 1,609**		

Operating Reserves



Employee Turnover

Fiscal Year	Exec/Admin		Staff		Total	
	Count	Rate	Count	Rate	Count	Rate
FY 2022	1	2.2%	41	9.6%	42	8.9%
FY 2023	-	0.0%	40	8.6%	40	7.8%
FY 2024	2	4.0%	29	5.7%	31	5.5%



Employee Retention Plan



$1,560,000

0% - 3%
Performance Based Pool

$288,600

Benefits

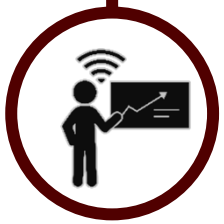
$1,848,600

Total

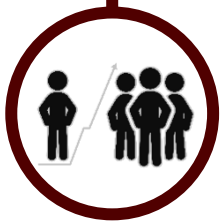
TEEX 2025 Strategic Plan

Our vision is to become the provider of choice for preparedness training, technical assistance and response assistance. TEEX is committed to focusing on the following key imperatives to make this vision a reality:

Expand **impact** on **customers** and **communities** throughout the state by providing accessible and affordable training, technical assistance and response.



Expand TEEX's **customer base** to meet an expanding need across the state and nation.



Invest in improving the TEEX **customer experience**.



Establish TEEX as a thought leader by fostering innovation through **collaborative projects** and **research**.



Improve wellness and resilience for **public service** disciplines.











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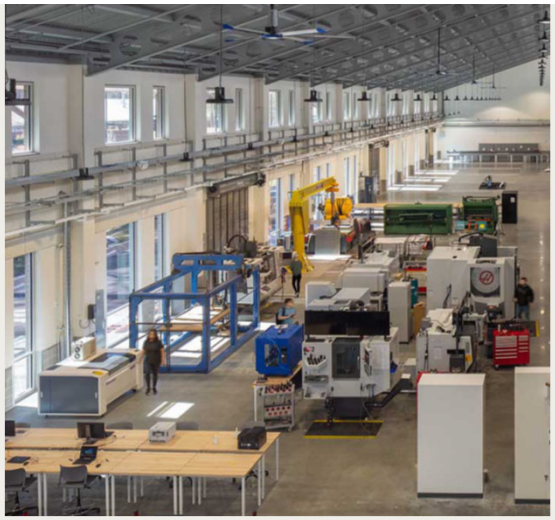
Thank You

David Coatney, Agency Director

TEXAS A&M ENGINEERING TEEX EXTENSION SERVICE

Fiscal Year 2026 Capital Plan

David Coatney, Agency Director









Capital Plan

APPROVED	Projected Completion	Gross Square Footage	Total Planning Amount (In M)	Funding Source	
				PUF Debt Proceeds	Other
Public Service Training Complex *(TEEX RELLIS Training Props)*	5/31/2026	20,000	$ 25.3	$ 20.0	$ 5.3
South Texas Workforce Development *(Brownsville, Texas)*	1/31/2027	32,844	$ 30.0	$ 30.0	
Corpus Christi Workforce Development	7/31/2026	15,000	$ 12.5	$ 12.5	
Infrastructure Training Center *(San Antonio Complex)*	8/31/2028	35,760	$ 32.5	$ 32.5	
		103,604	**$ 100.3**	**$ 95.0**	**$ 5.3**

UNFUNDED CAPITAL NEED	Projected FY Start Date	Gross Square Footage	Total Planning Amount (In M)
TEEX RELLIS Facilities	2027	124,017	$ 85.0
		124,017	**$ 85.0**

Current Capital Projects


Texas A&M Rio Grande Valley Advanced Manufacturing and Innovation Hub
Brownsville, Texas


Texas A&M Coastal Bend Occupational Advanced Skill Training
Corpus Christi, Texas


Public Service Training Complex
Bryan, Texas

$100 MILLION INVESTED

THE TEXAS A&M UNIVERSITY SYSTEM

TEXAS A&M ENGINEERING TEEX EXTENSION SERVICE

TEXAS A&M ENGINEERING TEEX EXTENSION SERVICE

- **$25.3 million** — Texas A&M-RELLIS TEEX Public Service Training Complex
- **$32.5 million** — TEEX - San Antonio
- **$12.5 million** — Texas A&M Coastal Bend Occupational Advanced Skills Training
- **$30 million** — Texas A&M Rio Grande Valley Advanced Manufacturing and Innovation Hub (RAMI)

Public Service Training Complex
at Texas A&M-RELLIS

(TEEX RELLIS Training Props)

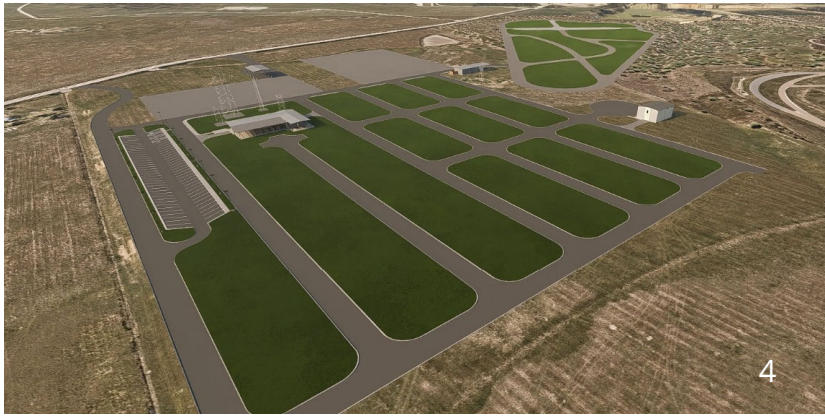






Training

- Active-Shooter
- Basic Police Officer
- Cell Tower
- Commercial Driving License Skills Pad
- Crime Scene Investigation
- Driving Skills Pad
- Electric Power
- Heavy Equipment
- Lineworker Academy
- Joint Critical Incident Response
- Emergency Vehicle Operations
- Unexploded Ordnance



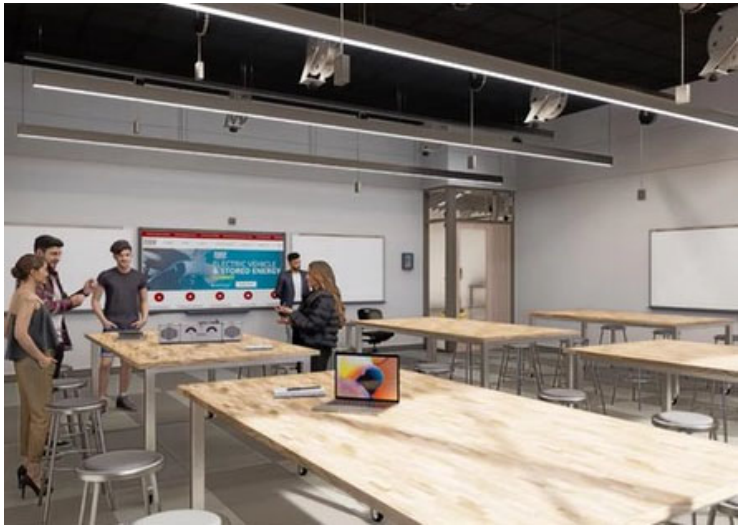
South Texas Workforce Development

Brownsville, TX









Training

Cybersecurity

Heavy Equipment

Machine Maintenance

Manufacturing

OSHA

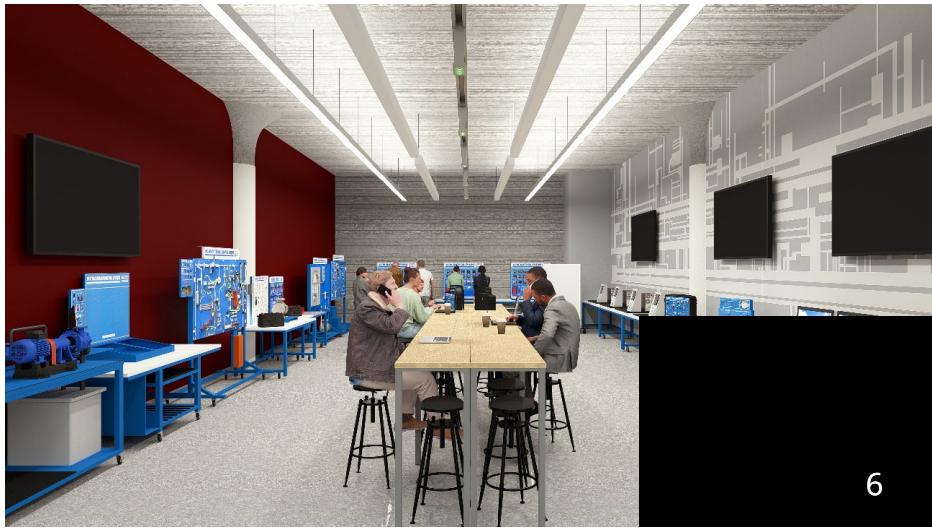
Process Improvement

Professional Skills

Corpus Christi Workforce Development







Training

Cybersecurity

Heavy Equipment

Maintenance and Troubleshooting

OSHA

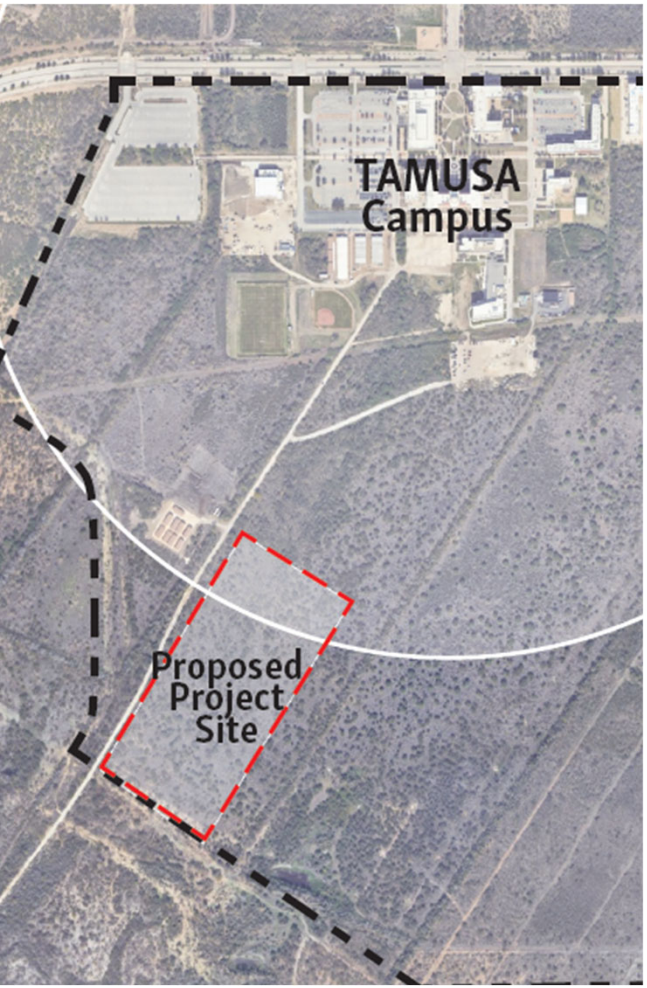
Process Improvement

Professional Skills

Photo renderings

Infrastructure Training Center

(San Antonio Complex)







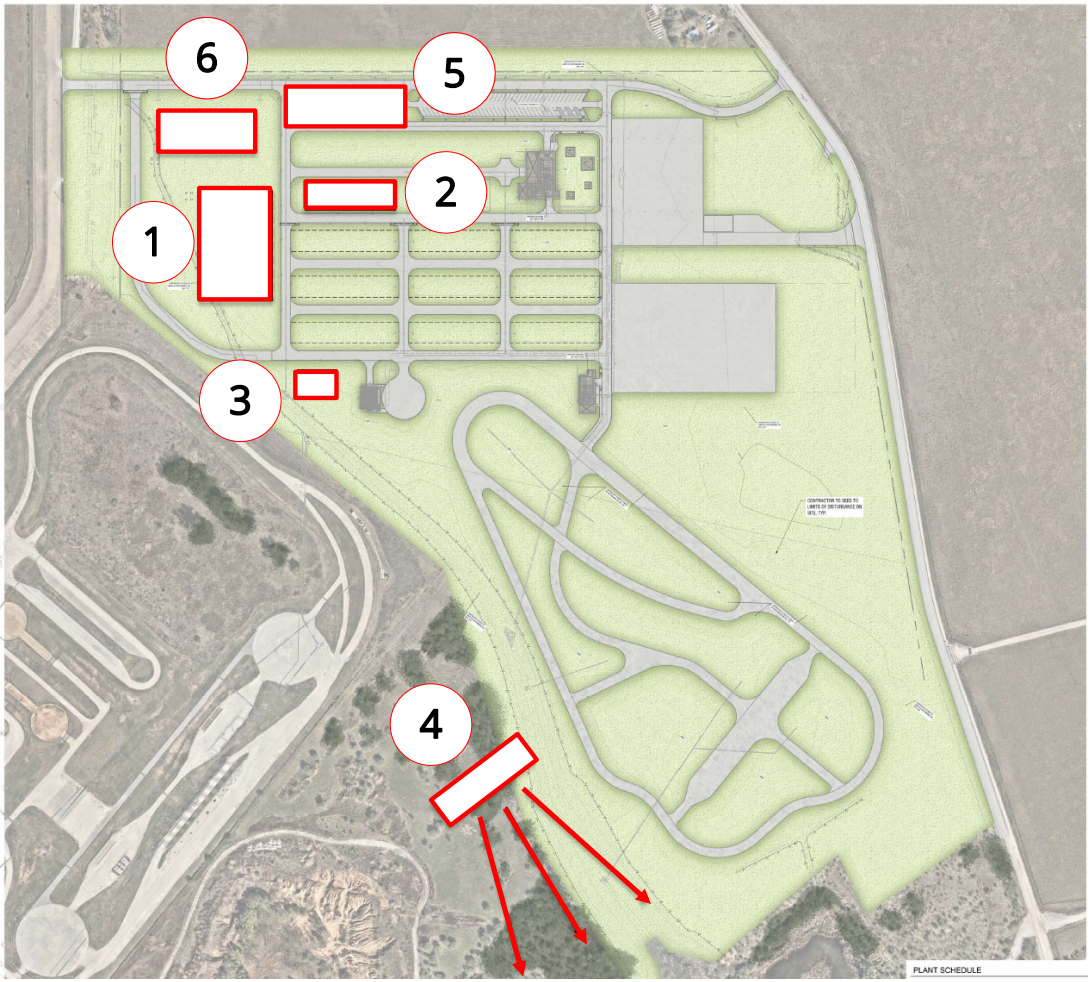
Example high bay facility

Training

- Confined Space
- Electric Power
- Fall Protection
- Highway Safety
- Lineworker Academy
- OSHA
- Water/Wastewater

Final Phase of Public Service Training Complex

(Unfunded Capital Project)



Operations and Training Facility

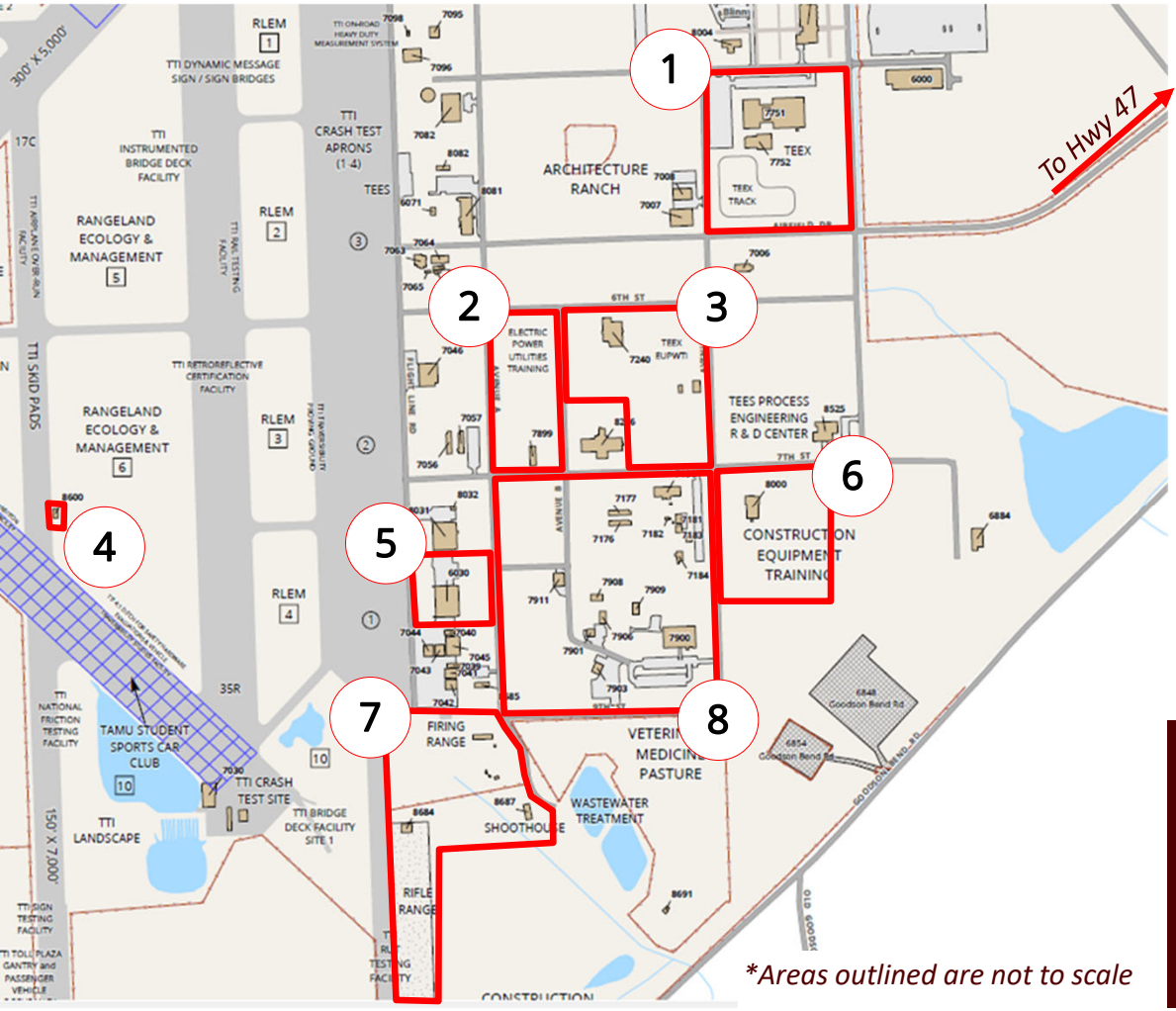
1. 75,000 sq. ft. building

   Includes: classrooms, training and testing facility, office spaces, customer service, law tactical training gym and Digital Printing Services storefront
2. 7,000 sq. ft. storage building
3. 8,000 sq. ft. maintenance building
4. 8,000 sq. ft. firing range
5. 360 parking spots
6. 5,000 sq. ft. high bay facility

Once funding is obtained, this project relocates the remaining TEEX facilities at Texas A&M-RELLIS campus to the new Public Service Training Complex location.

Space to be Released Back to Texas A&M-RELLIS

(Contingent on funding for Operations and Training Facility)



**Areas outlined are not to scale*

Location of Current TEEX Facilities

1. Law Enforcement Training Building
2. Electrical Power Training
3. Digital Printing Services Building/Infrastructure Training
4. Tactical Breaching
5. Lineworker Academy and Pole Field
6. Heavy Equipment Training Field
7. Firing Range/Unexploded Ordnance Search Grid
8. Infrastructure and Safety Training Building

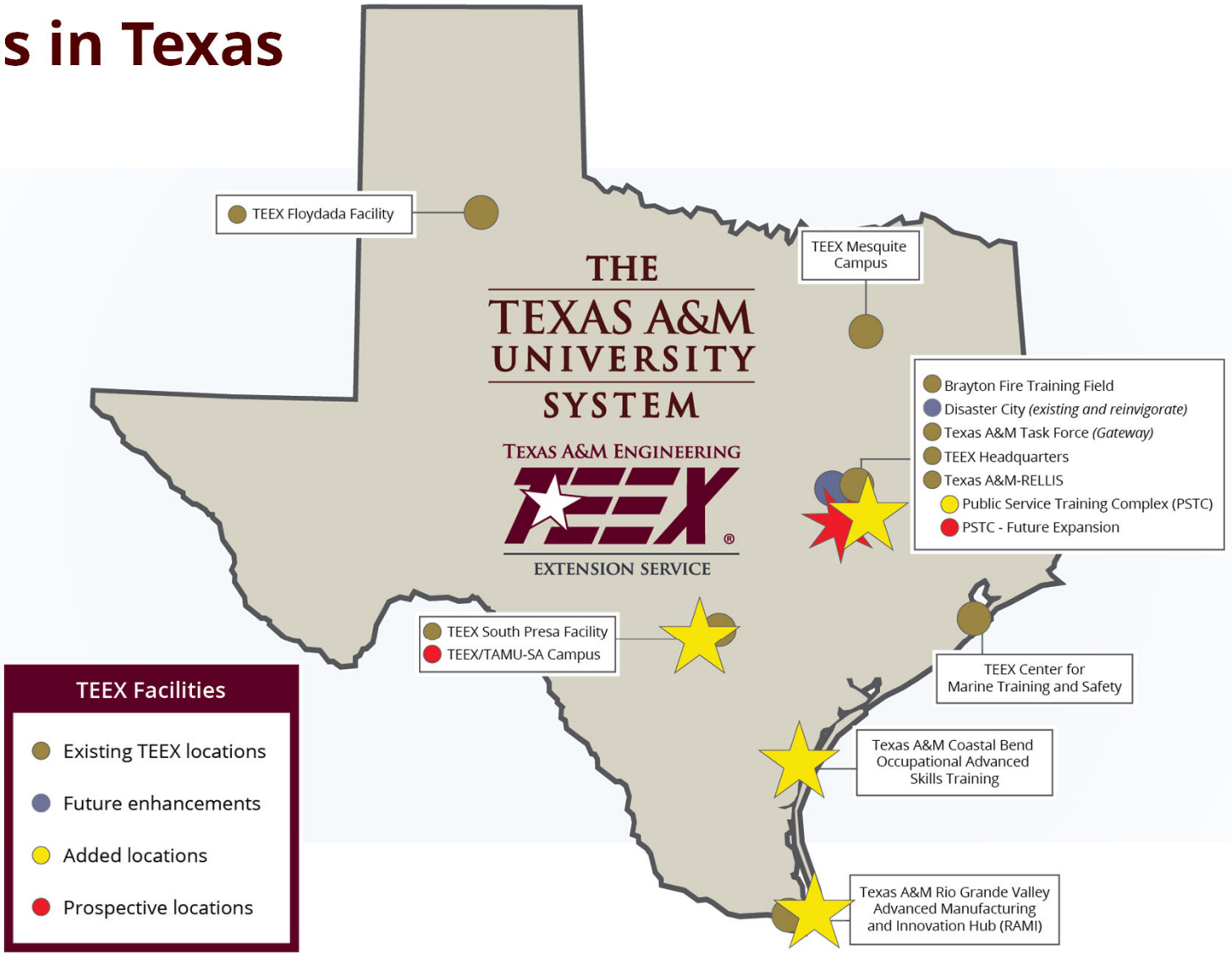
Space to be released back:

~ 97 Acres

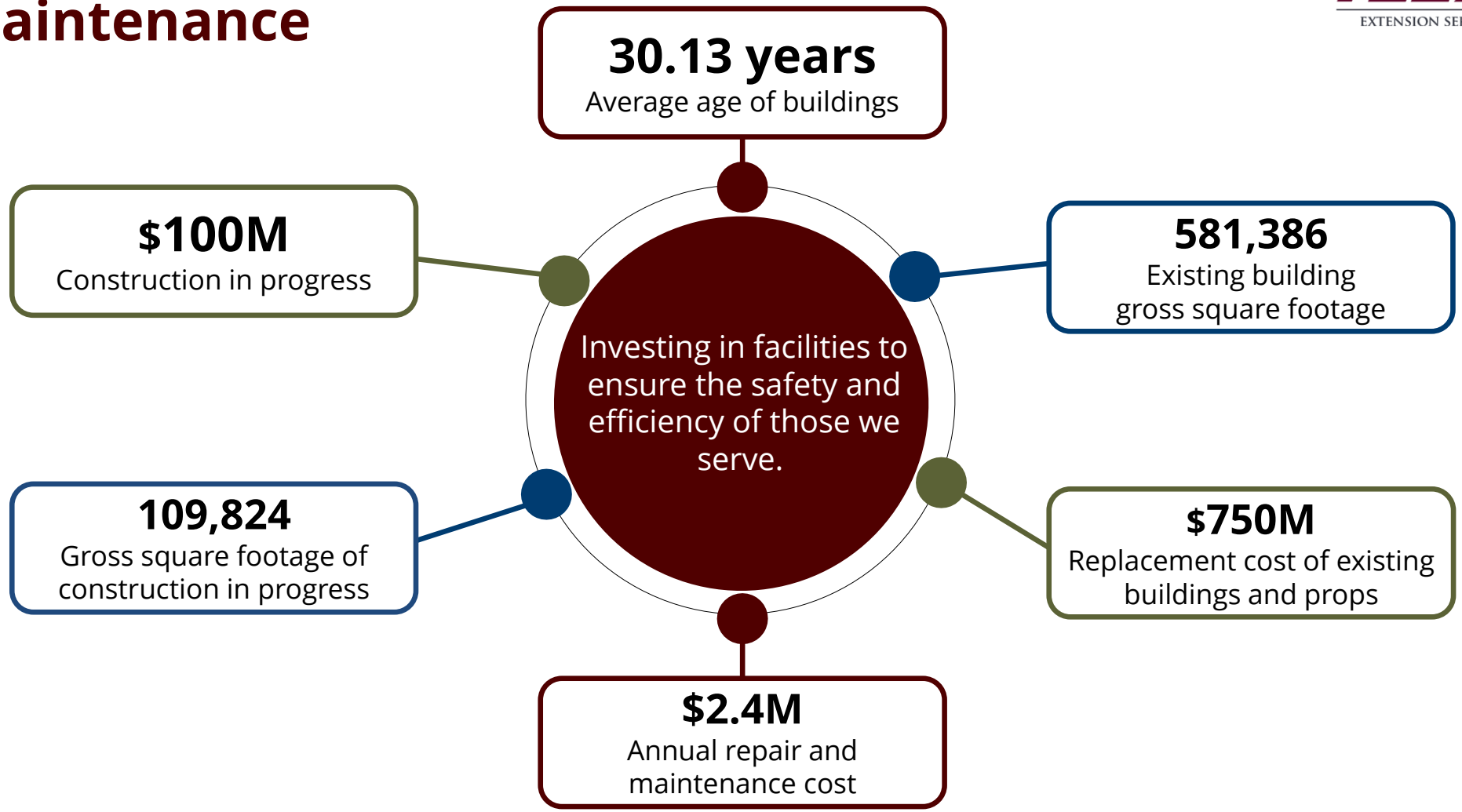
~ 124,017 gross square footage of b

associated parking

Facilities in Texas



Facilities Improvements and Maintenance











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Thank You

David Coatney, Agency Director