



*Agenda Items*  
*Meeting*  
*of the*  
*Board of Regents*

*November 7, 2024*



**MEETING OF THE BOARD OF REGENTS  
THE TEXAS A&M UNIVERSITY SYSTEM  
November 7, 2024  
College Station, Texas**

**REGULAR AGENDA ITEMS**

**1. COMMITTEE ON FINANCE**

- 1.1 Approval of FY 2026 Operating Budget Guidelines, A&M System
- 1.2 Approval of New and Increased Graduate Program Fees at Texas A&M University, A&M System
- 1.3 Approval of Revisions to System Policy *21.05, Gifts, Donations, Grants and Endowment*, System Policy *28.02, Educational Business Activities*, and System Policy *51.06, Naming of Buildings, Geographical Areas and Academic Entities*, A&M System

**2. COMMITTEE ON AUDIT**

- 2.1 Approval of Revisions to System Policy *10.01, Internal Auditing*, A&M System

**3. COMMITTEE ON BUILDINGS AND PHYSICAL PLANT**

- 3.1 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the CUP Generator Replacement Project, Texas A&M University, College Station, Texas (Project No. 02-3345), A&M System
- 3.2 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Clinical Veterinary Teaching & Research Complex Project, Texas A&M University, College Station, Texas (Project No. 02-3378), A&M System
- 3.3 Approval of Project Renaming, and the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Texas A&M University Space Institute Project, Texas A&M University, Houston, Texas (Project No. 02-3417), A&M System
- 3.4 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, Bryan, Texas (Project No. 09-3394), A&M System

*\*Certified by the general counsel or other appropriate attorney as confidential or information that may be withheld from public disclosure in accordance with Section 551.1281 and Chapter 552 of the Texas Government Code.*

- 3.5 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Morris Recreation Center Expansion Project, Texas A&M University-Commerce, Commerce, Texas (Project No. 21-3401), A&M System
- 3.6 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Educare Building Project, Texas A&M University-San Antonio, San Antonio, Texas (Project No. 25-3402), A&M System
- 3.7 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Multipurpose Field, Competition Track & Softball Field Upgrades Project, Texas A&M University-San Antonio, San Antonio, Texas (Project No. 25-3421), A&M System
- 3.8 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Hypersonic Wind Tunnel Project, Texas A&M Engineering Experiment Station, Bryan, Texas (Project No. 28-3419), A&M System
- 3.9 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Davis-Gary Hall HVAC Renovations Project, Texas A&M University, College Station, Texas (Project No. 2023-06092), Texas A&M
- 3.10 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Moses Hall HVAC Renovations Project, Texas A&M University, College Station, Texas (Project No. 2023-06085), Texas A&M
- 3.11 Approval to Amend the FY 2025 – FY 2029 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriate Funding for Pre-Construction Services for the Satellite Utility Plant 1 (SUP1) Expansion Project for Texas A&M University (Project No. 02-3434), Texas A&M
- 3.12 Approval to Amend the FY 2025 – FY 2029 A&M System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriation for Pre-Construction Services for the AgriTech Innovation Farm Hub Project for Texas A&M AgriLife Research (Project No. 24-002), AgriLife Research
- 3.13 Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Student Dining Facility Project, Texas A&M University-Commerce, Commerce, Texas (Project No. 21-FC-0011), A&M-Commerce
- 3.14 Approval to Amend the FY 2025 – FY 2029 A&M System Capital Plan to Change the Project Name, Increase the Project Budget, and Appropriate Funding for Pre-Construction Services for the Texas A&M Semiconductor Institute/Infrastructure/Equipment Project for The Texas A&M University System (Project No. 01-3418), A&M System

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Informational Report

Report of System Construction Projects Authorized by the Board

**4. COMMITTEE ON ACADEMIC AND STUDENT AFFAIRS**

- 4.1 Adoption of a Resolution to Eliminate Certain Low-Producing Minors and Certificate Programs at Texas A&M University, A&M System

**5. THE TEXAS A&M UNIVERSITY SYSTEM BOARD OF REGENTS (not assigned to Committee)**Regular Items

- 5.1 Adoption of a Resolution Honoring the Memory of Dr. Pablo Arenaz, President of Texas A&M International University, A&M System
- 5.2 Adoption of a Resolution to Change the Name of Texas A&M University-Commerce to East Texas A&M University, A&M System
- 5.3 *(Item number not used)*
- 5.4 *(Item number not used)*

Executive Session Items

- 5.5 Appointment of Interim President of Texas A&M International University, A&M System
- 5.6 \*Authorization to Purchase Property Located at 1929 W. Washington Street in Stephenville, Erath County, Texas, Tarleton
- 5.7 \*Authorization to Negotiate and Execute Either an Amendment to the Existing Lease or a New Lease of Space in Two Research Park Located at 1700 Research Parkway, College Station, Brazos County, Texas, Texas A&M
- 5.8 \*Authorization to Negotiate and Execute a Lease of Space in the Crystal Park Plaza Building located at 2700 Earl Rudder Freeway South, College Station, Brazos County, Texas, Texas A&M
- 5.9 \*Authorization for the Purchase of Approximately 77.7 Acre Tract Located at 2660 Pitts Road in Bryan, Texas Adjacent to the RELLIS Campus, A&M System
- 5.10 \*Authorization for The Texas A&M University System to Take All Actions Necessary to Negotiate and Execute Agreements with Appropriate Collaborating Entities Relating to the Development and Submission of a Proposal for the Management and Operation of the Savannah River Site, A&M System
- 5.11 \*Authorization for the President to Negotiate and Execute an Agreement and Other Related Documents for Specialized Medical Education Services with Houston Methodist, Texas A&M

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- 5.12 \*Authorization to Submit a Notice of Intent to the U.S. Nuclear Regulatory Commission to Pursue an Early Site Permit for Potentially Siting Small Modular Nuclear Reactors at the RELIS Campus Located in Brazos County, Texas, A&M System

**6. CONSENT AGENDA ITEMS**

The Texas A&M University System/Board of Regents

- 6.1 Approval of Minutes, BOR
- 6.2 Confirmation of Appointment and Commissioning of Peace Officers, A&M System
- 6.3 Granting of the Title of Emeritus, November 2024, A&M System
- 6.4 Approval of Additional Signers for Authorized Signers for Revolving Fund Bank Accounts for The Texas A&M University System, A&M System
- 6.42 Designation of the Regents Professor Awards and the Regents Fellow Service Awards for Exemplary Performance and Professional Service During Fiscal Year 2023-24, A&M System

Prairie View A&M University

- 6.5 Granting of Faculty Development Leave for FY 2025, PVAMU

Tarleton State University

- 6.6 Approval of Academic Tenure, November 2024, Tarleton
- 6.7 Establishment of the Center for Rural Resilience, Tarleton
- 6.8 Approval of a New Bachelor of Science Degree Program with a Major in Health Science and Authorization to Request Approval from the Texas Higher Education Coordinating Board, Tarleton
- 6.9 Approval of a New Doctor of Philosophy with a Major in Integrative Biosciences Degree Program, and Authorization to Request Approval from the Texas Higher Education Coordinating Board, Tarleton

Texas A&M International University

- 6.10 Approval of Academic Tenure, November 2024, TAMIU
- 6.11 Approval of a New Bachelor of Science with a Major in Clinical Laboratory Science, and Authorization to Request Approval from the Texas Higher Education Coordinating Board, TAMIU

Texas A&M University

- 6.12 Approval of Academic Tenure, November 2024, Texas A&M
- 6.13 Establishment of the Center on the Structural Constitution, Texas A&M
- 6.14 \*Establishment and Naming of the “Flippen Leadership Institute,” Texas A&M
- 6.15 \*Authorization to Establish a Quasi-Endowment in the System Endowment Fund, Texas A&M
- 6.16 \*Naming of the College of Medicine, Texas A&M
- 6.17 \*Naming of Athletics Facilities and Related Structures, Texas A&M
- 6.18 \*Namings of Areas and Spaces in and Around Aggie Park, Texas A&M
- 6.19 \*Naming of the Student Check-In Area at the BUILD Facility, Texas A&M
- 6.20 \*Naming of Spaces Within the Wayne Roberts '85 Building, Texas A&M
- 6.21 \*Naming of the Supporting Experiential Education and Demonstrations (SEED) Garden within The Gardens, Texas A&M
- 6.22 \*Naming of Spaces within the Instructional Laboratory and Innovative Learning Building (ILSQ), Texas A&M
- 6.23 \*Naming of the Artillery Building being Constructed at the Dorothy and Arthur McFerrin '65 Parsons Mounted Cavalry Headquarters and a Room in the Susan & Michael Plank '83 Leadership Learning Center, Texas A&M
- 6.24 \*Authorization for the President to Negotiate and Execute Certain Specified Contracts Involving Consideration of \$500,000 or More, Texas A&M

Texas A&M University-Central Texas

- 6.25 Approval of Academic Tenure, November 2024, A&M-Central Texas
- 6.26 Approval of Amended Mission Statement and Authorization to Provide Notification to the Texas Higher Education Coordinating Board, A&M-Central Texas
- 6.27 \*Naming of the Tower within the General Robert M. Shoemaker Founders Hall, A&M-Central Texas

Texas A&M University-Commerce

*(No consent agenda items)*

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Texas A&M University-Corpus Christi

- 6.28 Approval of Academic Tenure, November 2024, A&M-Corpus Christi
- 6.29 \*Naming of the Lobby in the Performing Arts Center, A&M-Corpus Christi
- 6.30 \*Naming of the Performance Hall in the Performing Arts Center, A&M-Corpus Christi

Texas A&M University-Kingsville

- 6.31 Approval of Academic Tenure, November 2024, Texas A&M-Kingsville
- 6.32 Granting of Faculty Development Leave for FY 2025, Texas A&M-Kingsville
- 6.33 \*Naming of Various Areas within the Athletic Department, Texas A&M-Kingsville

Texas A&M University-San Antonio  
*(No consent agenda items)*Texas A&M University-Texarkana

- 6.34 Approval of a New Master of Business Administration Degree Program, with a Major in Supply Chain Management, and Authorization to Request Approval from the Texas Higher Education Coordinating Board, TAMUT
- 6.35 Approval of a New Master of Science Degree Program with a Major in Business and Data Analytics, and Authorization to Request Approval from the Texas Higher Education Coordinating Board, TAMUT
- 6.36 \*Naming of Various Buildings, Facilities, Areas, and Divisions, TAMUT

West Texas A&M University

- 6.37 Approval of Academic Tenure, November 2024, WTAMU
- 6.38 Authorization to Award an Honorary Degree to Terry Caviness, WTAMU

Texas A&M AgriLife Extension Service

- 6.39 Approval of 2025 Stiles Farm Foundation Budget, AgriLife Extension

Texas A&M AgriLife Research  
*(No consent agenda items)*

Texas A&M Engineering Experiment Station

*(No consent agenda items)*

Texas A&M Engineering Extension Service

- 6.40 \*Authorization of Signature Authority for Formosa Plastics Letter of Agreement, Contract 25-115356, TEEX

Texas A&M Forest Service

- 6.41 Authorization to Execute Federal Non-research Grant Agreements, and any Amendments, Modifications or Extensions, TFS

Texas A&M Veterinary Medical Diagnostic Laboratory

*(No consent agenda items)*

Texas A&M Transportation Institute

*(No consent agenda items)*

Texas Division of Emergency Management

*(No consent agenda items)*



A&M System .....	The Texas A&M University System
A&M-Central Texas .....	Texas A&M University-Central Texas
A&M-Commerce .....	Texas A&M University-Commerce
A&M-Corpus Christi .....	Texas A&M University-Corpus Christi
A&M-San Antonio .....	Texas A&M University-San Antonio
A/E.....	Architect/Engineer
AgriLife Extension.....	Texas A&M AgriLife Extension Service
AgriLife Research .....	Texas A&M AgriLife Research
BOR .....	Board of Regents
FP&C.....	Facilities Planning and Construction
POR.....	Program of Requirements
PUF.....	Permanent University Fund
PVAMU.....	Prairie View A&M University
RELLIS .....	Respect, Excellence, Leadership, Loyalty, Integrity and Selfless Service
RFS.....	Revenue Financing System
TAMHSC .....	Texas A&M Health Science Center
TAMIU .....	Texas A&M International University
TAMUG.....	Texas A&M University at Galveston
TAMUT .....	Texas A&M University-Texarkana
Tarleton.....	Tarleton State University
TEES.....	Texas A&M Engineering Experiment Station
TEEX.....	Texas A&M Engineering Extension Service
Texas A&M at Qatar.....	Texas A&M University at Qatar
Texas A&M .....	Texas A&M University
Texas A&M-Kingsville.....	Texas A&M University-Kingsville
TDEM.....	Texas Division of Emergency Management
TFS.....	Texas A&M Forest Service
THECB.....	Texas Higher Education Coordinating Board
TTI.....	Texas A&M Transportation Institute
TVMDL.....	Texas A&M Veterinary Medical Diagnostic Laboratory
UTIMCO.....	The University of Texas/Texas A&M Investment Management Company
WTAMU.....	West Texas A&M University

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Agenda Item No.

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of FY 2026 Operating Budget Guidelines

**Proposed Board Action:**

Approve FY 2026 operating budget guidelines per System Policy [27.03, Annual Operating Budget Process](#).

**Background Information:**

System Policy 27.03 states that the Board of Regents must approve annually, upon the recommendation of the chancellor, guidelines for the preparation of annual operating budgets for the system.

**A&M System Funding or Other Financial Implications:**

Not applicable.

**Strategic Plan Imperative(s) this Item Advances:**

The annual operating budget is inclusive of all the imperatives (directly or indirectly) included in The Texas A&M University System strategic plan.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 20, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of FY 2026 Operating Budget Guidelines

I recommend approval of the following minute order:

**“The Texas A&M University System guidelines for the FY 2026 operating budget, as shown in the attached exhibit, are hereby approved.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

**The Texas A&M University System**  
*FY 2026 Operating Budget Guidelines*

The Texas A&M University System (A&M System) is committed to serving the citizens of the state of Texas and understands that the valuable, but limited, resources provided to us must be utilized in the most efficient and effective manner and, as always, with the benefit of the state taxpayers foremost on our minds. The A&M System will continue to act as good stewards of the state of Texas' limited resources and will ensure the benefit to the state taxpayer is considered in every academic, research and service activity performed.

The A&M System remains focused on keeping the cost of attending our universities affordable, expanding student access, improving existing programs, developing innovative programs to meet new demands, expanding research and commercialization capabilities, and implementing operational efficiencies through shared services, strategic outsourcing, and other opportunities. The imperative of excellence in all that we do and the reality of resource limitations in the state of Texas, increase the difficulty of meeting these challenges and dictate that we devote our collective skills to ensuring that the productivity of all A&M System resources is optimized.

In preparation for the upcoming FY 2026 budget process, we will remain focused on keeping administrative costs low through the continued improvement of operational efficiencies. In addition, budget recommendations will be prepared within the estimated funds available and reserve balances should only be used in special one-time situations or where a definite plan provides justification of a limited use of such balances. In self-supporting activities, total funds budgeted must not exceed realistic estimates of income and balances brought forward. It is expected that government and private contracts will finance their proportionate share of increases being recommended. Recommendations for other operating expenses should be based upon careful estimates of actual needs, considering every possibility for savings. Every effort should be made to ensure that we are taking advantage of cost-saving opportunities and reducing expenditures wherever possible. In addition, all budgetary projections should include provisions to accommodate items subject to inflationary increases during the course of this operating year.

Chief Executive Officers are authorized to begin the process of preparing the FY 2026 operating budgets within the limits of available resources. The System Office of Budgets and Accounting will provide detailed instructions to be used in the support of each phase of the review and approval process for the chancellor and Board of Regents.

## **FY 2026 Budget Calendar**

### **Calendar Year 2025**

February 5 <sup>th</sup> – 7 <sup>th</sup>	FY 2025 Budget Update (thru December 2024) FY 2024 Financial Update
June	Preliminary Budget & Capital Plan submitted to the System Offices for review.
July/August (TBD)	Programmatic Budget Reviews (PBR presentations will be provided to the Board two weeks prior)
August 25 <sup>th</sup> – 27 <sup>th</sup>	FY 2026 Budget & Capital Plan presented to the Board for approval.

Agenda Item No.

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of New and Increased Graduate Program Fees at Texas A&M University

**Proposed Board Action:**

Approve the proposed new and increased graduate program fees at Texas A&M University to be effective with the fall 2025 semester.

**Background Information:**

The Texas Education Code provides guidance on all student tuition, fees and charges allowable for collection by institutions of higher education. Many of the authorized tuition and fees require approval from the Board of Regents (Board) prior to implementation.

As shown on the attached exhibit, Texas A&M University proposes two new graduate program fees and increases to four current graduate program fees. All but one, are being requested by the Mays Business School. The other request is from the College of Arts & Sciences.

**A&M System Funding or Other Financial Implications:**

See attached exhibit.

**Strategic Plan Imperative(s) this Item Advances:**

This agenda item is relevant to the advancement of all the imperatives of the Strategic Plan.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of New and Increased Graduate Program Fees at Texas A&M University to  
be Effective with the Fall 2025 Semester

I recommend adoption of the following minute order:

**“The request for new and increased graduate program fees recommended by Texas A&M University, as shown on Exhibit, is hereby approved to be effective with the fall 2025 semester.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

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John Sharp  
Chancellor

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel

**TEXAS A&M UNIVERSITY**

Summary of Proposed Graduate Program Fee Changes  
Proposed for Fall 2025

<b>FEE DESCRIPTION</b>	<b>BASIS</b>	<b>CURRENT</b>	<b>INCREASE</b>	<b>PROPOSED</b>	<b># OF STUDENTS</b>	<b>ADD'L REVENUE</b>
<b>College of Arts &amp; Sciences</b>						
<b>Master of Science in Psychology w/Concentration in Industrial-Organizational Psychology Program Fee</b> Fall/Spring	SEM	\$3,500	\$750	\$4,250	23	\$ 51,750
<b>Mays Business School</b>						
<b>Master of Science in Human Resource Management Program Fee</b> Fall/Spring	SEM	\$3,000	\$1,000	\$4,000	40	\$ 80,000
<b>Master of Science in Supply Chain and Analytics Program Fee <sup>1</sup></b> Fall/Spring	SCH	\$350	\$78	\$428	40	Please see note 1 below.
<b>Master of Science Certificate in Artificial Intelligence and Business Program Fee</b> Fall/Spring	(one-time) New Program Fee			\$10,000	200	\$ 2,000,000
<b>Professional Program in Accounting (PPA) Program Fee</b> Fall/Spring	SEM	NEW		\$750	300	\$ 675,000
<b>Master of Science Management Information Systems Program Fee</b> Fall/Spring	SEM	\$1,500	\$68	\$1,568	195	\$ 26,520

1. No additional revenue expected since this increase will replace the current mandatory \$2,500 international trip fee.



## College of Arts and Sciences - Fall 2025 Fee Requests

Program	Current Fee	Proposed Fee	Brief Description
<b><i>Master of Science in Psychology w/Concentration in Industrial-Organizational Psychology</i></b>	\$3,500/ semester	\$4,250/ semester	Master's program that emphasizes the application of psychological principles to human resource decisions and organizational behavior challenges. Graduates seek employment in corporations and consulting firms. <b>Benefit to students:</b> Increased instructional support for students through tutors; increased scholarship opportunities; expanded curriculum; expanded job recruiting and networking opportunities; increased professional speaker visits

## Mays Business School - Fall 2025 Fee Requests

Program	Current Fee	Proposed Fee	Brief Description
<b><i>MS Human Resource Management</i></b>	\$3,000/ semester	\$4,000/ semester	Additional investment in student recruitment is needed to attract a larger and more diverse applicant pool and meet and sustain enrollment of 40 students per cohort. Developing a Global Mindset and understanding of International HRM is becoming increasingly important for the program. We aspire to make an annual Study Abroad trip a part of the curriculum. The overall cost of Mays' MS-HRM program is at or below the costs of our top competitors. <b>Benefit to students:</b> More course offerings and scheduling flexibility; more elective courses for the students to choose from; more scholarship opportunities; addition of study abroad opportunities; more resources for career planning
<b><i>MS Supply Chain Analytics</i></b>	\$350/SCH	\$428/SCH	<b>This request does not increase the total cost to the student.</b> The MS-SCAN program requires an international trip (\$2500) currently not covered by student fees. Having this international trip outside of the regular cost of the program makes the payment for the trip more difficult for students. <b>Benefit to students:</b> Including the cost of the international trip within the program fee will allow the department to spread the cost out across multiple semesters and would also enable students to use their financial aid programs to help cover the cost of the program/trip thereby making things easier on the students.
<b><i>MS Certificate in AI and Business</i></b>	\$ -	\$10,000/ program	The AI and Business Flex Online certificate program equips students with cutting-edge AI skills to create and leverage value for business leaders. Courses include the use of generative AI, predictive modeling, natural language processing, audio/video analytics, and AI-enabled storytelling, preparing students to drive AI-powered business transformations. <b>Benefit to students:</b> AI complement to other Flex Online programs at Mays such as the Flex Online MBA and various other Flex Online Master's programs; students will learn using cutting-edge AI tools and platforms; provides students with a specific technical expertise that will make them more marketable in the workplace.

## Mays Business School - Fall 2025 Fee Requests

Program	Current Fee	Proposed Fee	Brief Description
<b><i>Professional Program in Accounting (PPA) Program Fee</i></b>	\$ -	\$750/ semester	<p>The James Benjamin Department of Accounting created the PPA program in 1992 to help students achieve the 150 credit hours that are required to take the Certified Public Accountant (CPA) exam and to address declining interest in accounting. PPA is unique because it has both an undergraduate and graduate component. Specifically, it is a five-year program that allows students to receive a Bachelor of Business Administration in Accounting as well as a Master of Financial Management (MFM) or Master of Science (MS) degree in one of the following disciplines: Accounting, Entrepreneurial Leadership, Human Resource Management, Marketing, Management Information Systems, or Supply Chain and Analytics. <b>Benefit to students:</b> Create new course offerings including new leadership programs; more networking opportunities and career fair specific to PPA students; more connections with industry leaders; more scholarship opportunities</p>
<b><i>Master of Science Management Information Systems Program Fee</i></b>	\$1,500/ semester	\$1,568/ semester	<p>The MS-MIS program seeks to provide opportunities for students to gain skills that are necessary to pursue careers in corporate Information Systems departments. Mays' MS-MIS program is a 36-hour program, comprised of two categories of students. Students enroll in a 4-semester program with time, usually during the summer, to pursue a corporate internship. These are high quality students, averaging three years of work experience, a 3.5 undergraduate GPA, and score at the 82nd percentile of the relevant standardized tests. We also provide an option for Texas A&amp;M undergraduates to pursue a 12-month or "4+1" program. These students complete several hours of graduate coursework during their undergraduate careers, complete their internship during the summer after graduating with their Bachelor's, and then finish the program in two graduate semesters. They graduate a year after receiving their Bachelor's degree. The MS-MIS program also encompasses approximately 60 students per year specializing in MIS while obtaining an MS-Accounting degree. <b>Benefit to students:</b> Program is requesting a small inflationary increase to help cover the rising costs of delivering this program; there has not been an increase to this fee since 2018; more scholarship opportunities will be available to students.</p>

**AGENDA ITEM BRIEFING**

**Submitted by:** Phillip Ray, Vice Chancellor for Business Affairs  
The Texas A&M University System

**Subject:** Approval of Revisions to System Policy *21.05, Gifts, Donations, Grants and Endowment*, System Policy *28.02, Educational Business Activities*, and System Policy *51.06, Naming of Buildings, Geographical Areas and Academic Entities*

**Proposed Board Action:**

Approve revisions to System Policy *21.05, Gifts, Donations, Grants and Endowments*, System Policy *28.02, Educational Business Activities*, and System Policy *51.06, Naming of Buildings, Geographical Areas and Academic Entities*.

**Background Information:**

**System Policy 21.05, Gifts, Donations, Grants and Endowments:**

Added clarifying language “execution of a gift agreement” in addition to “acceptance of a gift” throughout the document.

**Section 3** – Additional verbiage to clarify section 3 applies to gifts **to members**. Also clarified the exception for gifts to members **from** affiliated organizations.

**Section 3.1** – Additional verbiage to include that the CEO may execute a gift agreement for a gift with a fair market value of \$1,000,000 or greater as long as the gift agreement indicates the member’s acceptance of the gift is contingent upon final acceptance of the chancellor or designee.

**Section 3.2.1 and 3.2.2** – clarifying language added for cash gifts less than \$1,000,000 regarding restrictions, conditions, economic risk, liability issues and naming rights/recognition in the gift agreement. If an unrestricted, unconditional cash gift of less than \$1,000,000 contains a naming right/recognition, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift. If a cash gift of less than \$1,000,000 has restrictions, conditions, economic risk and/or liability issues, the CEO must obtain OGC review and approval prior to execution and acceptance. If the gift contains a naming right/recognition only, the CEO must obtain OGC review/approval prior to execution and acceptance unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

**Section 3.3.1 and 3.3.3** – clarifying language added for non-cash gifts regarding restrictions, conditions, economic risk, liability issues and naming rights/recognition in the gift agreement. The CEO must obtain SOBA and OGC review and approval prior to execution of a gift agreement and acceptance of a non-cash gift that involves a partial sale/partial gift transaction. If the non-cash gift has restrictions, conditions, economic risk and/or liability issues, the CEO must obtain OGC review and approval prior to execution and acceptance. If the non-cash gift contains a naming right/recognition only, the CEO must obtain OGC review/approval prior to execution and acceptance unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

Agenda Item No.  
Agenda Item Briefing

**Section 4** – Added a new section 4 requiring OGC review and approval of gifts to an affiliated organization made for the benefit of a member if the gift includes a naming right/recognition or financially obligates the system or the member and the gift agreement requires the member’s approval per the terms of the gift agreement or the member’s agreement with the affiliated organization. Notwithstanding the foregoing requirement of OGC review and approval, with regard to restrictions, conditions, or provisions related to a naming right/recognition in a gift agreement, no such review shall be required so long as such provisions have been previously approved by OGC.

Definitions – definition added for "naming right/recognition" – for purposes of the policy, a naming right/recognition refers to a naming of a building, definable portion of a building, geographical area, or academic entity pursuant to System Policy 51.06.

Renumbered remaining sections and other minor stylistic-type edits were made.

**System Policy 28.02, Educational Business Activities**

The purpose of this agenda item is to propose non-substantive revisions to policy 28.02 as part of its routine, five-year certification review. Non-substantive revisions include the deletion of repetitive text, renumbering paragraphs, and additional grammatical edits.

**System Policy 51.06, Naming of Buildings, Geographical Areas and Academic Entities:**

Added references to “business and other entities” and “definable portions of a building” throughout the document.

**Section 1** – Clarifying language added to include naming rights as part of a business transaction. Included the addition of namings of a “building, geographical area or academic entity” and added Section 3 reference.

**Section 2** – Deleted section 2 regarding fundraising activities and donor recognition as obsolete.

**Section 3.2** – Additional language instructing members to complete and include the Member Naming Request Checklist executed by the member CEO with Agenda Items seeking naming requests.

Added Appendix – Naming Request Checklist hyperlink.

**A&M System Funding or Other Financial Implications:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The board’s adoption, maintenance and revision of system policies advances all eight Strategic Plan Imperatives by providing policy direction to the member institutions and agencies.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
Office of the Vice Chancellor for Business Affairs  
September 6, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of Revisions to System Policy *21.05, Gifts, Donations, Grants and Endowment*, System Policy *28.02, Educational Business Activities*, and System Policy *51.06, Naming of Buildings, Geographical Areas and Academic Entities*

I recommend adoption of the following minute order:

**“The revisions to System Policies *21.05, Gifts, Donations, Grants and Endowments, 28.02 Educational Business Activities, and 51.06, Naming of Buildings, Geographical Areas and Academic Entities* as shown in the attached exhibits, are approved, effective immediately.”**

Respectfully submitted,

Phillip Ray  
Vice Chancellor for Business Affairs

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

## 21.05 Gifts, Donations, Grants and Endowments

[Revised November 7, 2024 \(MO -2024\)](#)

[Revised May 19, 2022 \(MO-085-2022\)](#)

Next Scheduled Review: ~~May 19, 2027~~[November 7, 2029](#)

Click to view [Revision History](#).



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### Policy Summary

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This policy delegates authority to The Texas A&M University System (system) chancellor and/or each member chief executive officer (CEO) to accept gifts, donations, grants and endowments on behalf of the respective member subject to certain limitations.

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### Definitions

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Click to view [Definitions](#).

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### Policy

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#### 1. GENERAL

Texas Education Code, Section 85.21, specifically authorizes the system Board of Regents (board), upon terms and conditions acceptable to it, to accept and administer gifts, donations, grants and endowments, from any source, for use by the system or any of its members.

#### 2. DELEGATION OF AUTHORITY

By this policy, and subject to the restrictions outlined in this policy, the board delegates authority for the acceptance of gifts, donations, grants and endowments to the chancellor and CEOs. The CEO is responsible for organizational compliance with state and federal law and system policy at all times. The CEO must ensure the member maintains the highest level of integrity and ethical standards in the solicitation or acceptance of gifts. The CEO may appoint a designee(s) to assist with these duties.

#### 3. ~~GIFT~~-ACCEPTANCE OF GIFTS TO MEMBERS

With the exception of gifts to members from affiliated organizations, as described in System Regulation *60.01.01, Association with Affiliated Organizations*, which are exempt from the review requirements of this policy, the CEO or designee must review all gifts to members in accordance with this policy and System Regulation *21.05.01, Gifts, Donations, Grants and Endowments*, prior to the execution of a gift agreement and acceptance of a gift. If a gift to a member requires chancellor or designee review and approval, the CEO must obtain such approval before acceptance of ~~such~~the gift occurs.

The following restrictions apply to gifts to members and outline requirements for chancellor or designee review and approval prior to execution of a gift agreement and acceptance of the gift by the CEO:

### 3.1 Gifts \$1,000,000 or Greater

The chancellor or designee has authority to accept any gift with a fair market value of \$1,000,000 or greater after the review and recommended approval by the System Office of Budgets and Accounting (SOBA) and the System Office of General Counsel (OGC). The chancellor must establish a process to notify the board office of each gift of \$1,000,000 or greater. The CEO may execute a gift agreement for a gift with a fair market value of \$1,000,000 or greater as long as the gift agreement indicates the member's acceptance of the gift is contingent upon final acceptance of the chancellor or designee.

### 3.2 Cash Gifts Less than \$1,000,000

3.2.1 The CEO may execute a gift agreement and accept an unrestricted, unconditional cash gift of less than \$1,000,000. If the gift agreement contains a naming right/recognition, the CEO must obtain the Office of General Counsel (OGC) review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

3.2.2 The CEO may execute a gift agreement and accept a restricted or conditional cash gift of less than \$1,000,000, including one that contains a naming right/recognition, as long as the gift is reviewed by the member development and business offices, fits within the current pattern of accepted gifts for the member, and the gift does not contain a restriction on ~~or~~ condition that is discriminatory or which violates any federal or state law, or system policy. If the gift has restrictions or conditions that create economic risk and/or liability issues ~~which warrant System Offices review, it is the responsibility of the CEO~~ must obtain OGC such ~~review~~ and approval prior to the execution of such gift agreement and acceptance of such ~~the~~ gift. If the gift contains a naming right/recognition only, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

### 3.3 Non-Cash Gifts

3.3.1 The CEO may execute a gift agreement and accept a non-cash gift (restricted or unrestricted) with a fair market value of less than \$250,000 unless the gift involves a partial sale/partial gift transaction. The CEO must obtain System Offices Budgets and Accounting (SOBA) and OGC review and approval prior to execution of a gift agreement and acceptance of a non-cash gift that involves a partial sale/partial gift transaction. This non-cash gift could be personal property or real property (land).

3.3.2 The CEO may accept a non-cash gift (restricted or unrestricted) with a fair market value of \$250,000 or greater only after review and approval from SOBA and OGC. The CEO may execute a gift agreement for a non-cash gift with a fair market value of \$250,000 or greater as long as the gift agreement indicates the member's acceptance of the gift is contingent upon review and approval from SOBA and OGC.

3.3.3 The CEO is responsible for the review of all non-cash gifts for restrictions, conditions, associated economic risks, and associated liability for the member organization. If the gift has restrictions or, conditions that create economic risk and/or liability issues, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift. If the non-cash gift contains a naming right/recognition only, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift. which warrant System Offices review, it is the responsibility of the CEO to obtain such review prior to the acceptance of the gift.

#### 3.4 Gifts of Real Property and Mineral Rights

3.4.1 The CEO may execute a gift agreement and accept any gift of real property or mineral rights only after review and approval from SOBA and OGC.

3.4.2 Gifts of real property and mineral rights must be reviewed in accordance with System Policy *41.01, Real Property*.

#### 3.5 Gifts of Closely-Held Securities and Interests in Entities

The CEO may execute a gift agreement and accept a gift of closely-held securities or a gift of an interest in an entity only after review and approval from SOBA and OGC. Gifts of securities that are publicly traded on a securities exchange and for which there are public price quotations are excluded from this section's requirement.

#### 3.6 Gifts of Intellectual Property

The CEO may execute a gift agreement and accept a gift of intellectual property only after review and approval from SOBA, OGC and the system's Texas A&M Technology Commercialization department.

### 4. GIFTS TO AN AFFILIATED ORGANIZATION

If a gift to an affiliated organization, made for the benefit of a member, includes a naming right/recognition or financially obligates the system or member and the gift agreement requires the member's approval per the terms of the gift agreement or the member's agreement with the affiliated organization, the member must seek OGC review and approval of the gift agreement prior to the member giving its approval to the affiliated organization or signing the gift agreement. Notwithstanding the foregoing requirement of OGC review and approval, with regard to restrictions, conditions, or provisions related to



a naming right/recognition in a gift agreement, no such review shall be required so long as such provisions have been previously approved by OGC.

#### 45. VALUATION OF GIFTS

The members do not have the authority to and must not provide appraisals or valuations to donors for any type of gift at any time. If the fair market value of a gift is in question, System Offices' deputy chancellor and chief financial officer or designee will determine an appropriate process to establish a fair market value for the gift.

#### 56. IMPLEMENTATION

The chancellor or designee is responsible for the implementation of this policy and must adopt a detailed system regulation in support of this policy.

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### Related Statutes, Policies, or Requirements

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[Tex. Educ. Code § 85.21\(b\)](#)

[System Regulation 21.05.01, Gifts, Donations, Grants and Endowments](#)

[System Regulation 21.05.02, Federal Reporting of Foreign Gifts, Donations, Grants, Endowments and Contracts](#)

[System Policy 41.01, Real Property](#)

[System Policy 60.01, Relationships with Affiliated Organizations](#)

[System Regulation 60.01.01, Association with Affiliated Organizations](#)

[Acceptance of Cash Gifts Request Form](#)

[Acceptance of Non-Cash Gifts Request Form](#)

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### Member Rule Requirements

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A rule is not required to supplement this policy.

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### Contact Office

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~~System Office of~~ Budgets and Accounting  
(979) 458-6100

## System Policy 21.05, Gifts, Donations, Grants and Endowments

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### Definitions

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Cash gift – a gift of cash, coins, currency, checks and other negotiable instruments that are easily convertible to cash.

Closely-held securities – instruments of ownership in a corporation that are not publicly traded on a securities exchange and for which there are no public price quotations.

Fair market value – intended to be a representation of the real, best appraised value of the property for which it might sell in an arm's length transaction at the time of the gift transaction.

Gift – financial support or property given voluntarily by a third party with nothing received in exchange. For purposes of this policy, the term “gift” shall include gifts, donations, grants and endowments unless the context indicates otherwise.

Intellectual property – a class of property that includes creations of the mind, including ideas, discoveries, inventions, processes, mask works, trade secrets, trademarks, service marks, copyrights, patents, symbols and any related applications, rights or registrations.

Mineral rights – a class of property that includes the rights to oil, gas or other minerals as defined by Texas law, whether joined or severed from the land.

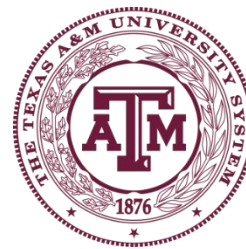
Naming right/recognition – for purposes of this policy, a naming right/recognition refers to a naming of a building, definable portion of a building, geographical area, or academic entity pursuant to System Policy 51.06.

Non-cash gift – a gift of a non-monetary item of property such as art, collectibles, books, equipment, vehicles, inventory, livestock or other physical assets or materials.

Personal property – a class of property that includes movable, tangible or intangible property that is not real property.

Real property – a class of property that includes land and anything attached to it or permanently affixed to it. For purposes of this policy, the term does not include mineral rights.

Restricted gift – for purposes of this policy, a gift that includes any condition or limitation that restricts the use of the gift or involves an income or remainder interest in a trust. A donor's specification that a gift be used for the general support of scholarships, academic excellence, equipment, library resources or academic programs is not considered a restriction or condition for the purposes of this policy.



## 28.02 Educational Business Activities

~~Revised November 7, 2024 (MO – 2024)~~

~~Revised October 31, 2019 (MO 215-2019)~~

Next Scheduled Review: ~~October 31, 2024~~ November 7, 2029

Click to view [Revision History](#).

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### Policy Summary

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The chief executive officers (CEOs) of The Texas A&M University System (system) are authorized to approve the establishment of all educational business activities ~~that~~which meet the criteria set forth below and which comply with all other state or federal regulations pertaining thereto.

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### Definitions

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Click to view [Definitions](#).

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### Policy

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~~1. The member CEOs are authorized to approve the establishment of all educational business activities which meet the criteria set forth below and which comply with all other state or federal regulations pertaining thereto.~~

~~1.1~~ In pursuing their mission of creating and disseminating knowledge, the members may find it necessary to charge fees for providing goods and services that further the purposes and functions of instructional, research, extension, public service, and all other educationally related activities.

1.~~1.2~~. System educational business activities must meet the following three criteria:

1.~~1.2~~.1 the activity is integral to and directly related to the fulfillment of the member's educational, research, extension, public service,<sub>2</sub> or campus support function without regard to profit;

1.~~1.2~~.2 the activity is needed to provide reliable goods or services on a consistent basis, at a reasonable price, on reasonable terms, and at a convenient location and time; and

1.~~1.2~~.3 the activity is required to meet educational needs and objectives and is carried out for the primary benefit of the students, faculty, staff,<sub>2</sub> or constituency of the member but with sensitivity to the impact upon the total community.

- 1.23 No member will establish any educational business activity until such activity has been reviewed and approved by its CEO, who will be responsible for compliance with the above criteria.
  - 1.34 Members establishing educational business activities must submit to the system chief financial officer a report detailing the purpose of the business activity and an assurance of compliance.
  - 1.45 All members must comply with applicable laws and regulations pertaining to educational business activities with particular attention to taxation, conflict of interest and unfair competition.
2. Privatization of business activities must be undertaken only with the approval of the chancellor and the Board of Regents. The chancellor will ensure that each contract must provide a mechanism to assure quality control of services provided with adequate provisions for noncompliance.

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## Related Statutes, Policies, or Requirements

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[System Regulation 21.01.01, Financial Accounting and Reporting](#)

[System Regulation 21.01.05, Service Departments or Centers](#)

[System Policy 25.07, Contract Administration](#)

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## Member Rule Requirements

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A rule is not required to supplement this policy.

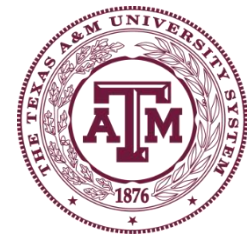
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## Contact Office

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~~System Office of~~ Budgets and Accounting  
(979) 458-6100

## 51.06 Naming of Buildings, Geographical Areas and Academic~~Other~~ Entities



~~Revised November 7, 2024 (MO -2024)~~

~~Revised November 18, 2021 (MO 209-2021)~~

Next Scheduled Review: ~~November 18, 2026~~ November 7, 2029

Click to view [Revision History](#).

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### Policy Summary

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It is the policy of the Board of Regents (board) of The Texas A&M University System (system) to honor or memorialize individuals, businesses and other entities who have made significant contributions to the system by naming buildings, definable portions of buildings, geographical areas or academic entities for such individuals, businesses and other entities.

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### Policy

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#### 1. ADVANCE APPROVAL OF INDIVIDUALS, BUSINESSES AND OTHER ENTITIES RECOGNIZED

It is the policy of the board to honor or memorialize individuals, businesses and other entities who have made major financial contributions or had major financial contributions made on their behalf or who have performed outstanding services for the system or one of the members by naming buildings, definable portions of buildings, geographical areas or academic entities (e.g., colleges, centers, institutes and similar organizational units) of the sSystem for such individuals, businesses and other entities. In all cases, ~~except as cited in the following section,~~ the board must approve in advance the names of such individuals, businesses and other entities to be so recognized, including naming rights as part of a business transaction.

Members are encouraged to develop guidelines to help determine what donor gifts are considered to be major financial contributions warranting the recommended naming of a building, definable portion of a building, geographical area or academic entity ~~facility~~ pursuant to Section 43 of this policy ~~or the naming of a facility pursuant to Section 2 of this policy~~.

#### ~~2. FUNDRAISING ACTIVITIES AND DONOR RECOGNITION~~

~~In the event, however, that one of the members wishes to undertake a plan of fundraising in which definable portions of a specific building or a well-defined geographical area under its jurisdiction would be given donors' names through member administrative action, the board will consider the approval of such a plan including the name in its entirety in advance. In such instances, the list of donors so recognized must be returned to the board upon the completion of the fundraising campaign for the purposes of maintaining a permanent historical record.~~

#### ~~32. LIMITATIONS ON INDIVIDUALS, BUSINESSES AND OTHER ENTITIES RECOGNIZED~~

—No buildings, definable portion of a building, geographical area or academic ~~or other~~ entities of the system may be named for a current member of the board, a current employee of the system or a current state or federal official unless:

~~(a) The naming is done in conjunction with Section 2 of this policy; or~~

~~(b) The naming is a result of a major financial contribution made by or on behalf of the individual, business or other entity and receives the unanimous approval of all the board members present at a regular meeting of the board. Naming a building, definable portion of a building, geographical area or academic ~~other~~ entity for a current regent makes that regent ineligible to vote on that agenda item.~~

#### 43. PROCEDURES FOR THE BOARD OF REGENTS

43.1 The board is responsible for the review, study and consideration of all matters submitted to the board regarding the naming of buildings, definable portions of buildings, ~~other~~ geographical areas and academic entities for persons, businesses and other entities who have made outstanding contributions to the member, state or nation, or who have attained eminent accomplishments in their field of endeavor and other related matters.

43.2 The board as a whole must seek persons, businesses and other entities to be recognized by having facilities and academic entities named in their honor. It must also consider nominations by individual regents, the chancellor and the member chief executive officers (CEO) and consider recommendations of the general public when they are transmitted through one of said officials. Faculty or staff recommendations must be made to the member CEO for consideration in submitting recommendations. Agenda items seeking naming requests must be accompanied by a completed Member Naming Request Checklist executed by the member CEO.

43.3 All recommendations other than those at board meetings must be forwarded to the executive director ~~of~~ the board accompanied by biographical/informational material for the individual, business or other entity to be recognized by the naming and reasons for the nomination. The executive director forwards copies of all recommendations to all members of the board and ~~to~~ the chancellor for study and review. The board may take action at any meeting on the recommendation.

43.4 The member CEO must notify the honoree of the action of the board immediately after such action is taken by the board.

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### Related Statutes, Policies, or Requirements

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[Tex. Gov't Code Ch. 2165](#)

[Naming Request Checklist](#)

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### Member Rule Requirements

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A rule is not required to supplement this policy.

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## Contact Office

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~~System Office of~~ Budgets and Accounting  
(979) 458-6100

## 21.05 Gifts, Donations, Grants and Endowments

Revised November 7, 2024 (MO -2024)  
Next Scheduled Review: November 7, 2029  
Click to view [Revision History](#).



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### Policy Summary

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This policy delegates authority to The Texas A&M University System (system) chancellor and/or each member chief executive officer (CEO) to accept gifts, donations, grants and endowments on behalf of the respective member subject to certain limitations.

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### Definitions

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Click to view [Definitions](#).

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### Policy

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#### 1. GENERAL

Texas Education Code, Section 85.21, specifically authorizes the system Board of Regents (board), upon terms and conditions acceptable to it, to accept and administer gifts, donations, grants and endowments, from any source, for use by the system or any of its members.

#### 2. DELEGATION OF AUTHORITY

By this policy, and subject to the restrictions outlined in this policy, the board delegates authority for the acceptance of gifts, donations, grants and endowments to the chancellor and CEOs. The CEO is responsible for organizational compliance with state and federal law and system policy at all times. The CEO must ensure the member maintains the highest level of integrity and ethical standards in the solicitation or acceptance of gifts. The CEO may appoint a designee(s) to assist with these duties.

#### 3. ACCEPTANCE OF GIFTS TO MEMBERS

With the exception of gifts to members **from** affiliated organizations, as described in System Regulation *60.01.01, Association with Affiliated Organizations*, which are exempt from the review requirements of this policy, the CEO or designee must review all gifts to members in accordance with this policy and System Regulation *21.05.01, Gifts, Donations, Grants and Endowments*, prior to the execution of a gift agreement and acceptance of a gift. If a gift to a member requires chancellor or designee review and approval, the CEO must obtain such approval before acceptance of such gift occurs.



The following restrictions apply to gifts to members and outline requirements for chancellor or designee review and approval prior to execution of a gift agreement and acceptance of the gift by the CEO:

### 3.1 Gifts \$1,000,000 or Greater

The chancellor or designee has authority to accept any gift with a fair market value of \$1,000,000 or greater after the review and recommended approval by the System Office of Budgets and Accounting (SOBA) and the System Office of General Counsel (OGC). The chancellor must establish a process to notify the board office of each gift of \$1,000,000 or greater. The CEO may execute a gift agreement for a gift with a fair market value of \$1,000,000 or greater as long as the gift agreement indicates the member's acceptance of the gift is contingent upon final acceptance of the chancellor or designee.

### 3.2 Cash Gifts Less than \$1,000,000

3.2.1 The CEO may execute a gift agreement and accept an unrestricted, unconditional cash gift of less than \$1,000,000. If the gift agreement contains a naming right/recognition, the CEO must obtain the Office of General Counsel (OGC) review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

3.2.2 The CEO may execute a gift agreement and accept a restricted or conditional cash gift of less than \$1,000,000, including one that contains a naming right/recognition, as long as the gift is reviewed by the member development and business offices, fits within the current pattern of accepted gifts for the member, and the gift does not contain a restriction or condition that is discriminatory or which violates any federal or state law, or system policy. If the gift has restrictions or conditions that create economic risk and/or liability issues, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift. If the gift contains a naming right/recognition only, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

### 3.3 Non-Cash Gifts

3.3.1 The CEO may execute a gift agreement and accept a non-cash gift (restricted or unrestricted) with a fair market value of less than \$250,000 unless the gift involves a partial sale/partial gift transaction. The CEO must obtain System Offices Budgets and Accounting (SOBA) and OGC review and approval prior to execution of a gift agreement and acceptance of a non-cash gift that involves a partial sale/partial gift transaction.

3.3.2 The CEO may accept a non-cash gift (restricted or unrestricted) with a fair market value of \$250,000 or greater only after review and approval from SOBA and OGC. The CEO may execute a gift agreement for a non-cash gift with a fair

market value of \$250,000 or greater as long as the gift agreement indicates the member's acceptance of the gift is contingent upon review and approval from SOBA and OGC.

3.3.3 The CEO is responsible for the review of all non-cash gifts for restrictions, conditions, economic risks, and associated liability for the member. If the gift has restrictions or conditions that create economic risk and/or liability issues, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift. If the non-cash gift contains a naming right/recognition only, the CEO must obtain OGC review and approval prior to the execution of such gift agreement and acceptance of such gift unless an unaltered, fill-in-the-blank only gift agreement form approved by OGC is used for the gift.

#### 3.4 Gifts of Real Property and Mineral Rights

3.4.1 The CEO may execute a gift agreement and accept any gift of real property or mineral rights only after review and approval from SOBA and OGC.

3.4.2 Gifts of real property and mineral rights must be reviewed in accordance with System Policy *41.01, Real Property*.

#### 3.5 Gifts of Closely-Held Securities and Interests in Entities

The CEO may execute a gift agreement and accept a gift of closely-held securities or a gift of an interest in an entity only after review and approval from SOBA and OGC. Gifts of securities that are publicly traded on a securities exchange and for which there are public price quotations are excluded from this section's requirement.

#### 3.6 Gifts of Intellectual Property

The CEO may execute a gift agreement and accept a gift of intellectual property only after review and approval from SOBA, OGC and the system's Texas A&M Technology Commercialization department.

### 4. GIFTS **TO** AN AFFILIATED ORGANIZATION

If a gift **to** an affiliated organization, made for the benefit of a member, includes a naming right/recognition or financially obligates the system or member and the gift agreement requires the member's approval per the terms of the gift agreement or the member's agreement with the affiliated organization, the member must seek OGC review and approval of the gift agreement prior to the member giving its approval to the affiliated organization or signing the gift agreement. Notwithstanding the foregoing requirement of OGC review and approval, with regard to restrictions, conditions, or provisions related to a naming right/recognition in a gift agreement, no such review shall be required so long as such provisions have been previously approved by OGC.

## 5. VALUATION OF GIFTS

The members do not have the authority to and must not provide appraisals or valuations to donors for any type of gift at any time. If the fair market value of a gift is in question, System Offices' deputy chancellor and chief financial officer or designee will determine an appropriate process to establish a fair market value for the gift.

## 6. IMPLEMENTATION

The chancellor or designee is responsible for the implementation of this policy and must adopt a detailed system regulation in support of this policy.

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## Related Statutes, Policies, or Requirements

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[Tex. Educ. Code § 85.21\(b\)](#)

[System Regulation 21.05.01, Gifts, Donations, Grants and Endowments](#)

[System Regulation 21.05.02, Federal Reporting of Foreign Gifts, Donations, Grants, Endowments and Contracts](#)

[System Policy 41.01, Real Property](#)

[System Policy 60.01, Relationships with Affiliated Organizations](#)

[System Regulation 60.01.01, Association with Affiliated Organizations](#)

[Acceptance of Cash Gifts Request Form](#)

[Acceptance of Non-Cash Gifts Request Form](#)

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## Member Rule Requirements

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A rule is not required to supplement this policy.

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## Contact Office

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Budgets and Accounting  
(979) 458-6100

## **System Policy 21.05, Gifts, Donations, Grants and Endowments**

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### **Definitions**

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Cash gift – a gift of cash, coins, currency, checks and other negotiable instruments that are easily convertible to cash.

Closely-held securities – instruments of ownership in a corporation that are not publicly traded on a securities exchange and for which there are no public price quotations.

Fair market value – intended to be a representation of the real, best appraised value of the property for which it might sell in an arm's length transaction at the time of the gift transaction.

Gift – financial support or property given voluntarily by a third party with nothing received in exchange. For purposes of this policy, the term “gift” shall include gifts, donations, grants and endowments unless the context indicates otherwise.

Intellectual property – a class of property that includes creations of the mind, including ideas, discoveries, inventions, processes, mask works, trade secrets, trademarks, service marks, copyrights, patents, symbols and any related applications, rights or registrations.

Mineral rights – a class of property that includes the rights to oil, gas or other minerals as defined by Texas law, whether joined or severed from the land.

Naming right/recognition – for purposes of this policy, a naming right/recognition refers to a naming of a building, definable portion of a building, geographical area, or academic entity pursuant to System Policy 51.06.

Non-cash gift – a gift of a non-monetary item of property such as art, collectibles, books, equipment, vehicles, inventory, livestock or other physical assets or materials.

Personal property – a class of property that includes movable, tangible or intangible property that is not real property.

Real property – a class of property that includes land and anything attached to it or permanently affixed to it. For purposes of this policy, the term does not include mineral rights.

Restricted gift – for purposes of this policy, a gift that includes any condition or limitation that restricts the use of the gift or involves an income or remainder interest in a trust. A donor's specification that a gift be used for the general support of scholarships, academic excellence, equipment, library resources or academic programs is not considered a restriction or condition for the purposes of this policy.

## 28.02 Educational Business Activities

Revised [November 7, 2024](#) (MO – 2024)  
Next Scheduled Review: November 7, 2029  
Click to view [Revision History](#).



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### Policy Summary

---

The chief executive officers (CEOs) of The Texas A&M University System (system) are authorized to approve the establishment of all educational business activities that meet the criteria set forth below and which comply with all other state or federal regulations pertaining thereto.

---

### Definitions

---

Click to view [Definitions](#).

---

### Policy

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- 1 In pursuing their mission of creating and disseminating knowledge, the members may find it necessary to charge fees for providing goods and services that further the purposes and functions of instructional, research, extension, public service, and all other educationally related activities.
  - 1.1 System educational business activities must meet the following three criteria:
    - 1.1.1 the activity is integral to and directly related to the fulfillment of the member's educational, research, extension, public service, or campus support function without regard to profit;
    - 1.1.2 the activity is needed to provide reliable goods or services on a consistent basis, at a reasonable price, on reasonable terms, and at a convenient location and time; and
    - 1.1.3 the activity is required to meet educational needs and objectives and is carried out for the primary benefit of the students, faculty, staff, or constituency of the member but with sensitivity to the impact upon the total community.
  - 1.2 No member will establish any educational business activity until such activity has been reviewed and approved by its CEO, who will be responsible for compliance with the above criteria.

- 1.3 Members establishing educational business activities must submit to the system chief financial officer a report detailing the purpose of the business activity and an assurance of compliance.
  - 1.4 All members must comply with applicable laws and regulations pertaining to educational business activities with particular attention to taxation, conflict of interest and unfair competition.
2. Privatization of business activities must be undertaken only with the approval of the chancellor and the Board of Regents. The chancellor will ensure that each contract must provide a mechanism to assure quality control of services provided with adequate provisions for noncompliance.

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## **Related Statutes, Policies, or Requirements**

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[System Regulation 21.01.01, Financial Accounting and Reporting](#)

[System Regulation 21.01.05, Service Departments or Centers](#)

[System Policy 25.07, Contract Administration](#)

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## **Member Rule Requirements**

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A rule is not required to supplement this policy.

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## **Contact Office**

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Budgets and Accounting  
(979) 458-6100

## 51.06 Naming of Buildings, Geographical Areas and Academic Entities

Revised November 7, 2024 (MO -2024)  
Next Scheduled Review: November 7, 2029  
Click to view [Revision History](#).



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### Policy Summary

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It is the policy of the Board of Regents (board) of The Texas A&M University System (system) to honor or memorialize individuals, businesses and other entities who have made significant contributions to the system by naming buildings, definable portions of buildings, geographical areas or academic entities for such individuals, businesses and other entities.

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### Policy

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#### 1. ADVANCE APPROVAL OF INDIVIDUALS, BUSINESSES AND OTHER ENTITIES RECOGNIZED

It is the policy of the board to honor or memorialize individuals, businesses and other entities who have made major financial contributions or had major financial contributions made on their behalf or who have performed outstanding services for the system or one of the members by naming buildings, definable portions of buildings, geographical areas or academic entities (e.g., colleges, centers, institutes and similar organizational units) of the system for such individuals, businesses and other entities. In all cases, the board must approve in advance the names of such individuals, businesses and other entities to be so recognized, including naming rights as part of a business transaction.

Members are encouraged to develop guidelines to help determine what donor gifts are considered to be major financial contributions warranting the recommended naming of a building, definable portion of a building, geographical area or academic entity pursuant to Section 3 of this policy.

#### 2. LIMITATIONS ON INDIVIDUALS RECOGNIZED

No building, definable portion of a building, geographical area or academic entity of the system may be named for a current member of the board, a current employee of the system or a current state or federal official unless the naming is a result of a major financial contribution made by or on behalf of the individual and receives the unanimous approval of all the board members present at a regular meeting of the board. Naming a building, definable portion of a building, geographical area or academic entity for a current regent makes that regent ineligible to vote on that agenda item.

### 3. PROCEDURES FOR THE BOARD OF REGENTS

- 3.1 The board is responsible for the review, study and consideration of all matters submitted to the board regarding the naming of buildings, definable portions of buildings, geographical areas and academic entities for persons, businesses and other entities who have made outstanding contributions to the member, state or nation, or who have attained eminent accomplishments in their field of endeavor and other related matters.
- 3.2 The board as a whole must seek persons, businesses and other entities to be recognized by having facilities and academic entities named in their honor. It must also consider nominations by individual regents, the chancellor and the member chief executive officers (CEO) and consider recommendations of the general public when they are transmitted through one of said officials. Faculty or staff recommendations must be made to the member CEO for consideration in submitting recommendations. Agenda items seeking naming requests must be accompanied by a completed Member Naming Request Checklist executed by the member CEO.
- 3.3 All recommendations other than those at board meetings must be forwarded to the executive director of the board accompanied by biographical/informational material for the individual, business or other entity to be recognized by the naming and reasons for the nomination. The executive director forwards copies of all recommendations to all members of the board and the chancellor for study and review. The board may take action at any meeting on the recommendation.
- 3.4 The member CEO must notify the honoree of the action of the board immediately after such action is taken by the board.

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### **Related Statutes, Policies, or Requirements**

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[Tex. Gov't Code Ch. 2165](#)

[Naming Request Checklist](#)

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### **Member Rule Requirements**

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A rule is not required to supplement this policy.

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### **Contact Office**

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Budgets and Accounting  
(979) 458-6100



Agenda Item No.

## **AGENDA ITEM BRIEFING**

**Submitted by:** Charlie Hrncir, Chief Auditor  
The Texas A&M University System

**Subject:** Approval of Revisions to System Policy *10.01, Internal Auditing*

### **Proposed Board Action:**

Approve revisions to System Policy *10.01, Internal Auditing*.

### **Background Information:**

Below is a summary of the proposed revisions.

#### **System Policy 10.01.**

The Institute of Internal Auditors (IIA) released new Global Internal Audit Standards January 9, 2024 that will become effective January 9, 2025, which included required revisions to internal audit charters. The internal audit policy serves as the A&M System's internal audit charter.

The key changes to the IIA standards include the following areas:

- Governance
- Strategy and Performance Objectives
- External Quality Assurance
- Audit Reporting

While the changes to the standards are very comprehensive in their format/structure and language, these changes will not require substantial modifications to System Internal Audit operations.

Internal audit will need to update some operating procedures and formalize more communications with the Chair of the Committee on Audit to reflect the new IIA Standards format and language.

### **A&M System Funding or Other Financial Implications:**

None.

### **Strategic Plan Imperative(s) this Item Addresses:**

The board's adoption, maintenance, and revision of system policies advances all eight Strategic Plan Imperatives by providing policy direction to the member institutions and agencies.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
System Office of the Chief Auditor  
September 12, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of Revisions to System Policy *10.01, Internal Auditing*

I recommend adoption of the following minute order:

**“The revisions to System Policy *10.01, Internal Auditing* as shown in the attached exhibit, are approved, effective immediately.”**

Respectfully submitted,

Charlie Hrcir  
Chief Auditor

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer



## 10.01 Internal Auditing

Revised November 7, 2024 (MO – 2024)

Revised November 18, 2021 (MO 207-2021)

Next Scheduled Review: November ~~7~~<sup>18</sup>, 202~~9~~<sup>6</sup>

Click to view [Revision History](#).

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### Policy Summary

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This policy develops a framework for the implementation of the auditing activities within the system and defines the authority and scope of the internal auditing ~~function~~<sup>program</sup> as an effective management tool for use by the board, chancellor, university presidents, and agency directors. The system's internal audit function mandate is found in the Texas Internal Auditing Act which requires the system to have an internal auditing function and recognizes internal auditing as a professional management support and control activity. This policy serves as the system's internal audit charter.

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### Definitions

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Click to view [Definitions](#).

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### Policy

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#### 1. ~~PURPOSE, AUTHORITY AND SCOPE OF THE INTERNAL AUDIT FUNCTION~~<sup>PROGRAM</sup>

The internal auditing ~~function~~<sup>program</sup> of The Texas A&M University System (system) provides the Board of Regents (board), chancellor, university presidents, and agency directors independent, objective assurance and ~~advisory~~<sup>consulting</sup> services designed to add value and improve the system's operations. The internal auditing ~~function~~<sup>program</sup> helps the members accomplish their goals and objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the members' risk management, control and governance processes. Additionally, the internal auditing ~~program~~<sup>function</sup> provides useful and timely information on both the internal and external auditing activities occurring within the system.

The System Internal Audit Department (~~SIAD~~), under the advice and consent of the board's Committee on Audit, has sole authority and responsibility for providing the internal auditing ~~function~~<sup>program</sup> for the system. ~~The department~~<sup>program</sup> must perform its duties in accordance with the Texas Internal Auditing Act, generally accepted government auditing standards, and the Institute of Internal Auditors' International Professional Practices Framework, which are including the ~~Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of~~

~~Internal Auditing, and the Definition of Internal Auditing~~ Global Internal Audit Standards and Topical Requirements. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit ~~function~~activity's performance.

To establish, maintain, and ~~en~~assure that ~~the internal audit function~~SIAD has sufficient authority to fulfill its duties, the Committee on Audit:

- Discusses with the chief auditor and chancellor the appropriate authority, role, responsibilities, scope, and services of the internal audit function.
- Approves the risk-based internal audit plan.
- Reviews the internal audit policy periodically with the chief auditor to consider changes affecting the organization, such as employment of a new chief auditor, changes in the system organizational structure, changes to auditing standards, or changes in risks to the system.
- Approves the internal audit function's performance objectives annually.
- Ensures a quality assurance and improvement program has been established and reviews the results annually.
- Reviews and approves the chief auditor's plan for the performance of an external quality assessment including the scope and frequency, competencies and independence of the external assessor, and rationale for choosing to conduct a self-assessment with independent validation instead of an external quality assessment, as applicable.
- Receives communications from the chief auditor on the internal audit department's~~SIAD's~~ performance relative to its plan and other matters, including budgetary and staffing resources.
- Participates in discussions with the chief auditor and senior management about the "essential conditions" described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approves decisions regarding the appointment and removal of the chief auditor, ensuring adequate competencies and qualifications and conformance with auditing standards-
- Approves the remuneration of the chief auditor and the budget of the internal audit department.
- Makes appropriate inquiries of management and the chief auditor to determine whether there are~~is~~ inappropriate scope or resource limitations.
- Ensures ~~T~~the chief auditor has unrestricted access to, and communicates and interacts directly with, the Committee on Audit, including in-~~\_~~private meetings without management present.

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assurance and advisory services~~assessments~~ to the Committee on Audit, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for the system. Internal audit assessments include evaluating whether:

- Risks relating to the achievement of the system's strategic objectives are appropriately identified and managed.
- The actions of the system's officers, directors, management, employees, and contractors, or other relevant parties -are in compliance with the system's policies,

procedures, and applicable laws, regulations, and governance standards.

- The results of operations ~~and/or~~ programs are consistent with established goals and objectives.
- Operations ~~and/or~~ programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the system.
- Information and the means used to identify, measure, analyze, classify, and report such information are reliable and have integrity.
- Resources and assets are acquired economically, used efficiently, and protected adequately.

The chief auditor and staff of ~~the internal audit department~~SIAD are authorized to:

- Have full, free, and unrestricted access to all functions, data, records, information, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from necessary system personnel, as well as other specialized services from within or outside the system, in order to complete the engagement.

## 2. INDEPENDENCE AND OBJECTIVITY

To provide for the independence of the internal auditing ~~function~~program, the chief auditor reports functionally to the board's Committee on Audit and administratively to the chancellor, with the exception of annual performance and compensation reviews which are conducted by the Committee on Audit. In accordance with Section 2.5 of System Policy *01.03, Appointing Power and Terms and Conditions of Employment*, "The board appoints the chief auditor. ...The chief auditor reports to the board through the Committee on Audit of the Board, with access to the chancellor. The board may dismiss or reassign the chief auditor without cause."

The chief auditor periodically reports to the Committee on Audit ~~the internal audit department's~~SIAD's purpose, authority, and responsibility; and its conformance with The Institute of Internal Auditor's ~~Code of Ethics and~~ Global Internal Audit StandardsStandards, and action plans to address any significant conformance issues.

The chief auditor ensures that ~~SIAD~~the internal audit department remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the chief auditor determines that independence or objectivity may be impaired in fact or appearance, the details of impairment are disclosed to appropriate parties.

Internal auditors maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors do not implement internal controls, develop

procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for the system or its affiliates.
- Initiating or approving transactions external to the internal audit department.
- Directing the activities of any system employee not employed by the internal audit departmentSIAD, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to the chief auditor at least annually.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### 3. RESPONSIBILITIES

The chief auditor, in the discharge of the chief auditor's duties, is accountable to the Committee on Audit and the system board to:

- Develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the system and aligns with the expectations of the board, chancellor, and other key stakeholders. The chief auditor will periodically review the internal audit strategy with the board and chancellor.
- Develop an annual audit plan using an appropriate risk-based methodology and submit the plan to the board through the Committee on Audit for review and approval.
- Implement the annual audit plan and report results to the board, chancellor and the university presidents and agency directors.
- Review and adjust the internal audit plan, as necessary, in response to changes in the system's risks, operations, programs, systems, and controls.
- Communicate to the Committee on Audit and chancellor any significant changes to the internal audit plan.
- Review allegations of fraud or fraudulent actions in accordance with the system fraud policy, *Policy 10.02, Fraud, ~~Waste and Abuse Prevention.~~*
- Provide reports to the Committee on Audit and chancellor on the implementation status of prior audit recommendations.
- Provide information periodically to the Committee on Audit and chancellor on the status and results of the annual audit plan and the sufficiency of department budgetary and staffing resources.
- ~~Act as the system's general liaison with any external audit agency.~~
- Provide reports to the Committee on Audit and chancellor on any issues related to significant external audits, including audits conducted by the Texas State Auditor's Office.
- Provide advisory ~~and consulting~~ services to assist management in meeting its objectives, related to the procurement, development, implementation or modification of major information systems.

- Report any response to risk by management that may be unacceptable to the system.
- Identify and communicate significant risk exposures and control issues to the Committee on Audit and chancellor that could interfere with the achievement of the system's objectives.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of audit standards and the Texas Internal Auditing Act.
- Ensure compliance/conformance with applicable auditing standards including the Texas Internal Auditing Act, generally accepted government auditing standards, and the Global Internal Audit Standards.
- Maintain a quality assurance and improvement program that covers all aspects of the internal audit department. The program will include external and internal assessments of the internal audit function's compliance/conformance with the Texas Internal Auditing Act, generally accepted government auditing standards, and the Global Internal Audit Standards. These assessments will include plans to address deficiencies identified and opportunities for improvement.
- Communicate to senior management and the Committee on Audit on the internal audit department's SIAD's quality assurance and improvement program, including results of internal assessments (both ongoing and periodic) and external assessments conducted at least once every three years by a qualified, independent assessor or assessment team from outside the system. These qualifications must include at least one assessor holding an active Certified Internal Auditor credential.

Management has the responsibility to:

- Within the time period determined by the chief auditor, furnish a written report of planned or completed actions to address the recommendations outlined in the internal audit report provided to the university president or agency director. The report must include a timetable for the planned actions and the position(s) responsible for implementing the action.
- Report to the chief auditor the status of implementation of prior audit recommendations.
- Notify the chief auditor of any external audits, investigations or inspections to be conducted at its institution or agency.
- Obtain authorization by law or through a delegation of authority from the Texas State Auditor's Office when contracting for an external audit.
- Provide the chief auditor information on audit issues from all external audits, investigations or inspections conducted at its institution or agency, including a copy of the final audit report with management's responses, if applicable.
- Notify the chief auditor when its institution or agency begins the procurement, development, implementation or modification of a major information system.

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## Related Statutes, Policies, or Requirements

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[Texas Internal Auditing Act \(Government Code, Chapter 2102\)](#)

[The Institute of Internal Auditors, International Professional Practices Framework Global Internal Audit Standards and Topical Requirements](#)

This policy supersedes:

~~System Policy 21.02, *Compliance with Recommendations of the State Auditor*~~

~~System Regulation 21.02.01, *Audits by the State Auditor*~~

~~System Regulation 21.02.02, *External Audits Other than by State Auditor*~~

~~System Policy 21.03, *Internal Auditing*~~

~~System Regulation 21.03.01, *Internal Auditing*~~

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## Member Rule Requirements

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A rule is not required to supplement this policy.

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## Contact Office

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~~System~~ Internal Audit ~~Department~~

(979) 458-7100



## System Policy 10.01, Internal Auditing

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### Definitions

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Assurance services – an objective examination of evidence for the purpose of providing an independent assessment on risk management, control or governance processes for the organization. Examples may include financial, performance, compliance, system security, and due diligence engagements.

Advisory Consulting services – ~~consulting advisory~~ and related client service activities, the nature and scope of which are agreed with the client and which are intended to add value and improve an organization's governance, risk management and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation, and training.

## 10.01 Internal Auditing

Revised [November 7, 2024](#) (MO – 2024)  
Next Scheduled Review: November 7, 2029  
Click to view [Revision History](#).



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### Policy Summary

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This policy develops a framework for the implementation of the auditing activities within the system and defines the authority and scope of the internal auditing function as an effective management tool for use by the board, chancellor, university presidents, and agency directors. The system's internal audit function mandate is found in the Texas Internal Auditing Act which requires the system to have an internal auditing function and recognizes internal auditing as a professional management support and control activity. This policy serves as the system's internal audit charter.

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### Definitions

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Click to view [Definitions](#).

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### Policy

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#### 1. PURPOSE, AUTHORITY AND SCOPE OF THE INTERNAL AUDIT FUNCTION

The internal auditing function of The Texas A&M University System (system) provides the Board of Regents (board), chancellor, university presidents, and agency directors independent, objective assurance and advisory services designed to add value and improve the system's operations. The internal auditing function helps the members accomplish their goals and objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the members' risk management, control and governance processes. Additionally, the internal auditing function provides useful and timely information on both the internal and external auditing activities occurring within the system.

The System Internal Audit Department, under the advice and consent of the board's Committee on Audit, has sole authority and responsibility for providing the internal auditing function for the system. department must perform its duties in accordance with the Texas Internal Auditing Act, generally accepted government auditing standards, and the Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit function's performance.

To establish, maintain, and ensure that the internal audit function has sufficient authority to fulfill its duties, the Committee on Audit:

- Discusses with the chief auditor and chancellor the appropriate authority, role, responsibilities, scope, and services of the internal audit function.
- Approves the risk-based internal audit plan.
- Reviews the internal audit policy periodically with the chief auditor to consider changes affecting the organization, such as employment of a new chief auditor, changes in the system organizational structure, changes to auditing standards, or changes in risks to the system.
- Approves the internal audit function's performance objectives annually.
- Ensures a quality assurance and improvement program has been established and reviews the results annually.
- Reviews and approves the chief auditor's plan for the performance of an external quality assessment including the scope and frequency, competencies and independence of the external assessor, and rationale for choosing to conduct a self-assessment with independent validation instead of an external quality assessment, as applicable.
- Receives communications from the chief auditor on the internal audit department's performance relative to its plan and other matters, including budgetary and staffing resources.
- Participates in discussions with the chief auditor and senior management about the "essential conditions" described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approves decisions regarding the appointment and removal of the chief auditor, ensuring adequate competencies and qualifications and conformance with auditing standards
- Approves the remuneration of the chief auditor and the budget of the internal audit department.
- Makes appropriate inquiries of management and the chief auditor to determine whether there are inappropriate scope or resource limitations.
- Ensures the chief auditor has unrestricted access to, and communicates and interacts directly with, the Committee on Audit, including in private meetings without management present.

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assurance and advisory services to the Committee on Audit, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for the system. Internal audit assessments include evaluating whether:

- Risks relating to the achievement of the system's strategic objectives are appropriately identified and managed.
- The actions of the system's officers, directors, management, employees, contractors, or other relevant parties are in compliance with the system's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the system.
- Information and the means used to identify, measure, analyze, classify, and report such

information are reliable and have integrity.

- Resources and assets are acquired economically, used efficiently, and protected adequately.

The chief auditor and staff of the internal audit department are authorized to:

- Have full, free, and unrestricted access to all functions, data, records, information, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives and issue reports.
- Obtain assistance from necessary system personnel, as well as other specialized services from within or outside the system, in order to complete the engagement.

## 2. INDEPENDENCE AND OBJECTIVITY

To provide for the independence of the internal auditing function, the chief auditor reports functionally to the board's Committee on Audit and administratively to the chancellor, with the exception of annual performance and compensation reviews which are conducted by the Committee on Audit. In accordance with Section 2.5 of System Policy *01.03, Appointing Power and Terms and Conditions of Employment*, "The board appoints the chief auditor. ...The chief auditor reports to the board through the Committee on Audit of the Board, with access to the chancellor. The board may dismiss or reassign the chief auditor without cause."

The chief auditor periodically reports to the Committee on Audit the internal audit department's purpose, authority, and responsibility; and its conformance with The Institute of Internal Auditor's Global Internal Audit Standards, and action plans to address any significant conformance issues.

The chief auditor ensures that the internal audit department remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the chief auditor determines that independence or objectivity may be impaired in fact or appearance, the details of impairment are disclosed to appropriate parties.

Internal auditors maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors do not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for the system or its affiliates.
- Initiating or approving transactions external to the internal audit department.
- Directing the activities of any system employee not employed by the internal audit

department, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to the chief auditor at least annually.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### 3. RESPONSIBILITIES

The chief auditor, in the discharge of the chief auditor's duties, is accountable to the Committee on Audit and the system board to:

- Develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the system and aligns with the expectations of the board, chancellor, and other key stakeholders. The chief auditor will periodically review the internal audit strategy with the board and chancellor.
- Develop an annual audit plan using an appropriate risk-based methodology and submit the plan to the board through the Committee on Audit for review and approval.
- Implement the annual audit plan and report results to the board, chancellor and the university presidents and agency directors.
- Review and adjust the internal audit plan, as necessary, in response to changes in the system's risks, operations, programs, systems, and controls.
- Communicate to the Committee on Audit and chancellor any significant changes to the internal audit plan.
- Review allegations of fraud or fraudulent actions in accordance with the system fraud policy, *Policy 10.02, FraudPrevention*.
- Provide reports to the Committee on Audit and chancellor on the implementation status of prior audit recommendations.
- Provide information periodically to the Committee on Audit and chancellor on the status and results of the annual audit plan and the sufficiency of department budgetary and staffing resources.
- Provide reports to the Committee on Audit and chancellor on any issues related to significant external audits, including audits conducted by the Texas State Auditor's Office.
- Provide advisory services to assist management in meeting its objectives, related to the procurement, development, implementation or modification of major information systems.
- Report any response to risk by management that may be unacceptable to the system.
- Identify and communicate significant risk exposures and control issues to the Committee on Audit and chancellor that could interfere with the achievement of the system's objectives.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of audit standards and the Texas Internal Auditing Act.

- Ensure compliance/conformance with applicable auditing standards including the Texas Internal Auditing Act, generally accepted government auditing standards, and the Global Internal Audit Standards.
- Maintain a quality assurance and improvement program that covers all aspects of the internal audit department. The program will include external and internal assessments of the internal audit function's compliance/conformance with the Texas Internal Auditing Act, generally accepted government auditing standards and the Global Internal Audit Standards. These assessments will include plans to address deficiencies identified and opportunities for improvement.
- Communicate to senior management and the Committee on Audit on the internal audit department's quality assurance and improvement program, including results of internal assessments (both ongoing and periodic) and external assessments conducted at least once every three years by a qualified, independent assessor or assessment team from outside the system. These qualifications must include at least one assessor holding an active Certified Internal Auditor credential.

Management has the responsibility to:

- Within the time period determined by the chief auditor, furnish a written report of planned or completed actions to address the recommendations outlined in the internal audit report provided to the university president or agency director. The report must include a timetable for the planned actions and the position(s) responsible for implementing the action.
- Report to the chief auditor the status of implementation of prior audit recommendations.
- Notify the chief auditor of any external audits, investigations or inspections to be conducted at its institution or agency.
- Obtain authorization by law or through a delegation of authority from the Texas State Auditor's Office when contracting for an external audit.
- Provide the chief auditor information on audit issues from all external audits, investigations or inspections conducted at its institution or agency, including a copy of the final audit report with management's responses, if applicable.
- Notify the chief auditor when its institution or agency begins the procurement, development, implementation or modification of a major information system.

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## **Related Statutes, Policies, or Requirements**

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[Texas Internal Auditing Act \(Government Code, Chapter 2102\)](#)

[Global Internal Audit Standards and Topical Requirements](#)

[U.S. Government Accountability Office, Government Auditing Standards \(The Yellow Book\)](#)

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## **Member Rule Requirements**

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A rule is not required to supplement this policy.

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## **Contact Office**

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Internal Audit  
(979) 458-7100

## **System Policy 10.01, Internal Auditing**

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### **Definitions**

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Assurance services – an objective examination of evidence for the purpose of providing an independent assessment on risk management, control or governance processes for the organization. Examples may include financial, performance, compliance, system security, and due diligence engagements.

Advisory services – consulting and related client service activities, the nature and scope of which are agreed with the client and which are intended to add value and improve an organization's governance, risk management and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation, and training.



**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the CUP Generator Replacement Project, Texas A&M University, College Station, Texas (Project No. 02-3345)

**Background and Prior Actions:**

The Central Utility Plant (CUP) Generator Replacement Project was included as a proposed project on the FY 2022 – FY 2026 A&M System Capital Plan approved by the Board of Regents at the August 2021 meeting with an FY 2022 start date and a planning amount of \$26,500,000.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$23,850,000 for construction services and related project costs. \$2,650,000 has been previously appropriated to this project.
- (3) Approve construction of the CUP Generator Replacement Project at Texas A&M University (Texas A&M).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	<u>\$26,500,000</u>	\$1,947,056	Utility Revenue
Total Project Funds	<u>\$26,500,000</u>		

**Project Justification:**

The CUP on the main campus of Texas A&M uses one gas turbine generator and two steam turbine generators to produce heat and power for the campus. The gas turbine generator and one of the steam turbine generators (STG-2) were installed with the Combined Heat and Power Plant addition in 2010, whereas the other steam turbine generator (STG-4) was installed in the mid-1950s and is at the end of its useful life. Additionally, the original equipment manufacturer no longer supports components, and replacement parts are obsolete. The existing STG-4 is a

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multistage, condensing steam turbine with a 20-psig extraction and a direct drive, 3600-rpm, 5 MW generator. This steam turbine's upper shell and rotor are currently out for repairs and will require significant work to restore them to operable status. Consequently, this project covers the replacement of STG-4 with a new steam turbine generator as well as the replacement of related equipment. The STG-4 replacement will require significant structural adaptations of the building's roof and STG-4 pedestal to install the new STG-4 and surface condenser.

**Scope:**

This project consists of the replacement of STG-4 along with its auxiliary equipment and the required balance of plant modifications, including cooling tower structural refurbishment and capacity upgrade. All equipment except for the cooling tower and cooling water pumps will be located within the CUP. Major equipment installation will be performed by opening the roof and creating a securable lid for access to remove the old turbine generator and install the new turbine generator.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for March 2026. The total project budget is \$26,500,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The CUP Generator Replacement Project supports Strategic Plan Imperative No 6.

*Imperative No. 6:* The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability. Our member institutions will be diligent about their plans for growth, and the A&M System will ensure financially sound decision-making at the aggregate level. We have robust financial management capabilities in place and will continue to manage the A&M System's financial health in a holistic manner.

The CUP Generator Replacement Project proposes to replace existing STG-4, which has served the campus for over 65 years and is beyond its useful life. The new generator is expected to provide additional electrical capacity, providing redundancy in addition to the existing Gas Turbine Generator-1 and STG-2. The structural portion of the project provides a removable roof while the generator replacement is ongoing and repurposes much of the existing STG pedestal for the new machine.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM  
FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the CUP Generator Replacement Project, Texas A&M University, College Station, Texas (Project No. 02-3345)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$26,500,000 for the CUP Generator Replacement Project is approved.**

**The amount of \$23,850,000 is appropriated from Account No. 01-083540, Revenue Financing System Debt Proceeds (Utility Revenue), for construction services and related project costs.**

**The CUP Generator Replacement Project, Texas A&M University, College Station, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**

**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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Mark A. Welsh III, President  
Texas A&M University

<b>CUP GENERATOR REPLACEMENT</b> <b>TEXAS A&amp;M UNIVERSITY</b> <b>PROJECT NO. 02-3345</b>	<b>PROJECT BUDGET</b>
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1.	Construction .....	\$20,837,500
2.	Project Contingency .....	1,960,757
3.	Program of Requirements.....	78,000
4.	Pre-Construction Services .....	2,316,243
5.	Commissioning.....	0
6.	Construction Testing .....	229,379
7.	Campus Services & Technology .....	121,000
8.	Furnishings .....	0
9.	Equipment .....	0
10.	Other Project Costs.....	273,000
11.	Project Management & Inspection .....	<u>\$684,121</u>
12.	TOTAL ESTIMATED COST OF PROJECT .....	<u>\$26,500,000</u>

1. BOR Approval to Include in Capital Plan ..... August 26, 2021
2. Issue A/E RFQ ..... July 10, 2023
3. Receive A/E RFQ Responses..... August 1, 2023
4. Shortlist A/E Firms ..... August 10, 2023
5. Interview A/E Shortlist ..... August 24, 2023
6. A/E Ranked Order Approved by Chancellor ..... September 6, 2023
7. Execute A/E Agreement ..... November 14, 2023
8. A/E Design Kick-Off ..... December 19, 2023
9. Complete Schematic Design ..... February 19, 2024
10. Complete Design Development ..... May 29, 2024
11. Complete Construction Documents ..... August 28, 2024
12. Advertise for CSP ..... September 17, 2024
13. Receive CSP Response ..... October 15, 2024
14. Submit THECB Application ..... October 15, 2024
15. CSP Ranked Order Approved by Chancellor ..... November 1, 2024
16. BOR Approval for Construction ..... November 7, 2024
17. Begin Construction ..... December 2024
18. Substantial Completion ..... March 2026
19. Owner Occupancy ..... April 2026



# CUP Generator Replacement

Texas A&M University

Project No. 02-3345

**TEXAS A&M UNIVERSITY SYSTEM  
REVENUE FINANCING SYSTEM  
02-3345 CUP Generator Replacement  
Utility Revenue**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	26,765,000.00				
YEAR 1	26,225,000.00	540,000.00	1,405,162.50	1,945,162.50	2,236,936.88
YEAR 2	25,655,000.00	570,000.00	1,376,812.50	1,946,812.50	2,238,834.38
YEAR 3	25,055,000.00	600,000.00	1,346,887.50	1,946,887.50	2,238,920.63
YEAR 4	24,425,000.00	630,000.00	1,315,387.50	1,945,387.50	2,237,195.63
YEAR 5	23,760,000.00	665,000.00	1,282,312.50	1,947,312.50	2,239,409.38
YEAR 6	23,060,000.00	700,000.00	1,247,400.00	1,947,400.00	2,239,510.00
YEAR 7	22,325,000.00	735,000.00	1,210,650.00	1,945,650.00	2,237,497.50
YEAR 8	21,550,000.00	775,000.00	1,172,062.50	1,947,062.50	2,239,121.88
YEAR 9	20,735,000.00	815,000.00	1,131,375.00	1,946,375.00	2,238,331.25
YEAR 10	19,875,000.00	860,000.00	1,088,587.50	1,948,587.50	2,240,875.63
YEAR 11	18,970,000.00	905,000.00	1,043,437.50	1,948,437.50	2,240,703.13
YEAR 12	18,020,000.00	950,000.00	995,925.00	1,945,925.00	2,237,813.75
YEAR 13	17,020,000.00	1,000,000.00	946,050.00	1,946,050.00	2,237,957.50
YEAR 14	15,965,000.00	1,055,000.00	893,550.00	1,948,550.00	2,240,832.50
YEAR 15	14,855,000.00	1,110,000.00	838,162.50	1,948,162.50	2,240,386.88
YEAR 16	13,690,000.00	1,165,000.00	779,887.50	1,944,887.50	2,236,620.63
YEAR 17	12,460,000.00	1,230,000.00	718,725.00	1,948,725.00	2,241,033.75
YEAR 18	11,165,000.00	1,295,000.00	654,150.00	1,949,150.00	2,241,522.50
YEAR 19	9,805,000.00	1,360,000.00	586,162.50	1,946,162.50	2,238,086.88
YEAR 20	8,375,000.00	1,430,000.00	514,762.50	1,944,762.50	2,236,476.88
YEAR 21	6,865,000.00	1,510,000.00	439,687.50	1,949,687.50	2,242,140.63
YEAR 22	5,280,000.00	1,585,000.00	360,412.50	1,945,412.50	2,237,224.38
YEAR 23	3,610,000.00	1,670,000.00	277,200.00	1,947,200.00	2,239,280.00
YEAR 24	1,850,000.00	1,760,000.00	189,525.00	1,949,525.00	2,241,953.75
YEAR 25	-	1,850,000.00	97,125.00	1,947,125.00	2,239,193.75
		<u>\$ 26,765,000.00</u>	<u>\$ 21,911,400.00</u>	<u>\$ 48,676,400.00</u>	<u>\$ 55,977,860.07</u>

Estimated issuance costs and rounding of \$265,000 are included in this schedule.  
Long-term rates are assumed to be 5.25%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 08/29/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**



**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Clinical Veterinary Teaching & Research Complex Project, Texas A&M University, College Station, Texas (Project No. 02-3378)

**Background and Prior Actions:**

The Clinical Veterinary Teaching & Research Complex Project was added to the FY 2022 – FY 2026 A&M System Capital Plan after legislative approval of the Capital Construction Assistance Projects (CCAP). The project was included as an approved project on the FY 2023 – FY 2027 A&M System Capital Plan approved by the Board at the May 2022 meeting with an FY 2023 start date and a \$118,846,458 increase for a total planning amount of \$175,000,000. The project was included as an approved project on the FY 2025 – FY 2029 A&M System Capital Plan approved by the Board at the May 2024 meeting with a \$6,000,000 increase for a revised total planning amount of \$181,000,000.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$162,900,000 for construction services and related project costs. \$18,100,000 has been previously appropriated to this project.
- (3) Approve construction of the Clinical Veterinary Teaching & Research Complex Project at Texas A&M University (Texas A&M).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund Debt Proceeds	\$69,897,111	\$5,664,438	Available University Fund Capital Construction Assistance Project
Revenue Financing System Debt Proceeds	\$56,153,542	\$4,895,885	
Revenue Financing System Debt Proceeds	\$31,310,370	\$2,537,338	Gifts*

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Cash (Gifts)	\$8,638,977	N/A	N/A
Cash (AUF)	<u>\$15,000,000</u>	N/A	N/A
Total Project Funds	<u>\$181,000,000</u>		

\*Currently, 70.0% of gifts have been pledged, and 21.6% have been received. System Policy 51.04 requires that 50% of the gift funds are in hand and another 25% of the gift funds have been pledged at the time of construction approval. Should Texas A&M University (Texas A&M) fail to receive the remaining \$31,310,370 needed to fund the gift portion of the project, Texas A&M has agreed to make timely payments to The Texas A&M University System (A&M System) as necessary to fully service commercial paper or other debt issued to support the project, and such payment shall be made from Designated Tuition.

Note: Any gifts received for this project are hereby appropriated, and previous appropriations are reverted from Revenue Financing System Debt Proceeds.

**Project Justification:**

Established in 1916, the College of Veterinary Medicine and Biomedical Sciences (VMBS) enhances animal and human health through transformational education, research, innovation, patient care, and public service to impact the state, nation, and world for a better tomorrow.

As one of the largest Doctor of Veterinary Medicine (DVM) training programs in the country, VMBS curriculum builds a foundation of scientific knowledge and provides experiential learning to master professional clinical skills. Each fourth-year veterinary student is trained by veterinarians in the only academic Veterinary Medical Teaching Hospital (VMTH) in the state of Texas. Providing hands-on experience in primary care and veterinary specialties, this facility merges education and expert care. Fourth-year veterinary students integrate into the patient care team alongside clinical faculty, residents, interns, and veterinary technicians. As a community and global leader, the Small Animal Teaching Hospital (SATH) vision is to provide best-in-class and the most comprehensive range of specialized services to clients and patients.

Opened in May 1981, the SATH was designed and built when the development of veterinary specialties was still in its infancy. Although state-of-the-art when completed, over the last 43 years the profession has expanded and changed tremendously, resulting in a hospital that is too small to accommodate the current caseload necessary for robust teaching and research missions. While originally designed to support a caseload of 6,000, the SATH currently sees approximately 24,000 cases annually. Substantive advancements in veterinary medicine—including the emergence of new technologies and veterinary specialties—have resulted in more faculty clinicians, staff, students, equipment, and patients.

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While VMBS faculty, students, and staff perform extraordinary work, the current facility falls behind other peer institutions, especially with respect to age and condition. Additionally, during the 2022 American Veterinary Medical Association Council on Education (COE) site visit, the COE noted “there is clear evidence that the SATH is at or reaching patient and personnel capacity.”

The exceptional education and veterinary care are accomplished despite the space, biosecurity, and potential safety challenges. As a trusted leader committed to the welfare of animals and the highest standard of care, replacement of the SATH is vitally important to sustain and elevate the national reputation of VMBS and Texas A&M that supports the human-animal bond and impactful clinical trials that bring scientists together from across Texas A&M and around the world to solve medical mysteries that benefit both animals and human beings.

**Scope:**

The Clinical Veterinary Teaching & Research Complex (CVTRC) will total approximately 135,000 gross square feet, on two floors and be located at the corner of Raymond Stotzer Parkway and Agronomy Road to replace the SATH. The existing Veterinary Medical Sciences Building 507 will be demolished, and the site used for the new facility.

The new facility is programmed to provide VMBS with teaching and clinical spaces that reflect the substantive advancements in new technologies in clinical trials and veterinary specialties that have occurred in the field of veterinary medicine. Education and research through clinical patient care will be conducted through treatment, diagnostic, and surgical spaces. Additional hospital and teaching support will be provided through the hospital’s client services team, instrument processing, laundry, central supplies, and a clinical skills lab for resident, intern, and student training.

Allotting approximately 75% of the assignable square feet to direct clinical space, the new CVTRC is programmed to provide a training ground for VMBS to build upon already outstanding educational experiences and exceptional patient care, advance clinical care, and education for the next generation of veterinary medical doctors. Space vacated by this project in the existing SATH will be retained by the university for use by VMBS for clinical services.

Construction on this project is scheduled to start in January 2025 with substantial completion scheduled for June 2027. The total project budget is \$181,000,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The new CVTRC project supports A&M System strategic imperatives 3, 4, and 5:

*Imperative No. 3: Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.*

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*Imperative No. 4: The A&M System will increase its prominence by building a robust and targeted research portfolio.*

*Imperative No. 5: The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy.*

The CVTRC project will directly support hands-on educational experiences that are critical to training the next generation of DVM candidates and board-certified specialists. As a state-of-the-art facility, the CVTRC will support and encourage cross-institution and cross-discipline collaboration and research pursuits. As the only teaching hospital in the state of Texas, it is vital to support ongoing clinical education, patient care, and research that has a national and global impact.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Clinical Veterinary Teaching & Research Complex Project, Texas A&M University, College Station, Texas (Project No. 02-3378)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$181,000,000 for the Clinical Veterinary Teaching & Research Complex Project is approved.**

**The amount of \$69,897,111 is appropriated from Account No. 01-084900 Permanent University Fund Debt Proceeds (AUF), and the amount of \$38,053,542 is appropriated from Account No. 01-083540 Revenue Financing System Debt Proceeds (CCAP), and the amount of \$31,310,370 is appropriated from Account No. 01-083540 Revenue Financing System Debt Proceeds (Gifts), and the amount of \$15,000,000 is appropriated from Account No. 02-806301 Vet Clinical Research, and the amount of \$8,638,977 is appropriated from Account No. 02-500220-00020 Small Animal Construction Fund, for construction services and related project costs.**

**The Clinical Veterinary Teaching & Research Complex Project, Texas A&M University, College Station, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**

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September 30, 2024

**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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Mark A. Welsh III, President  
Texas A&M University

<b>CLINICAL VETERINARY TEACHING AND RESEARCH COMPLEX TEXAS A&amp;M UNIVERSITY PROJECT NO. 02-3378</b>	<b>PROJECT BUDGET</b>
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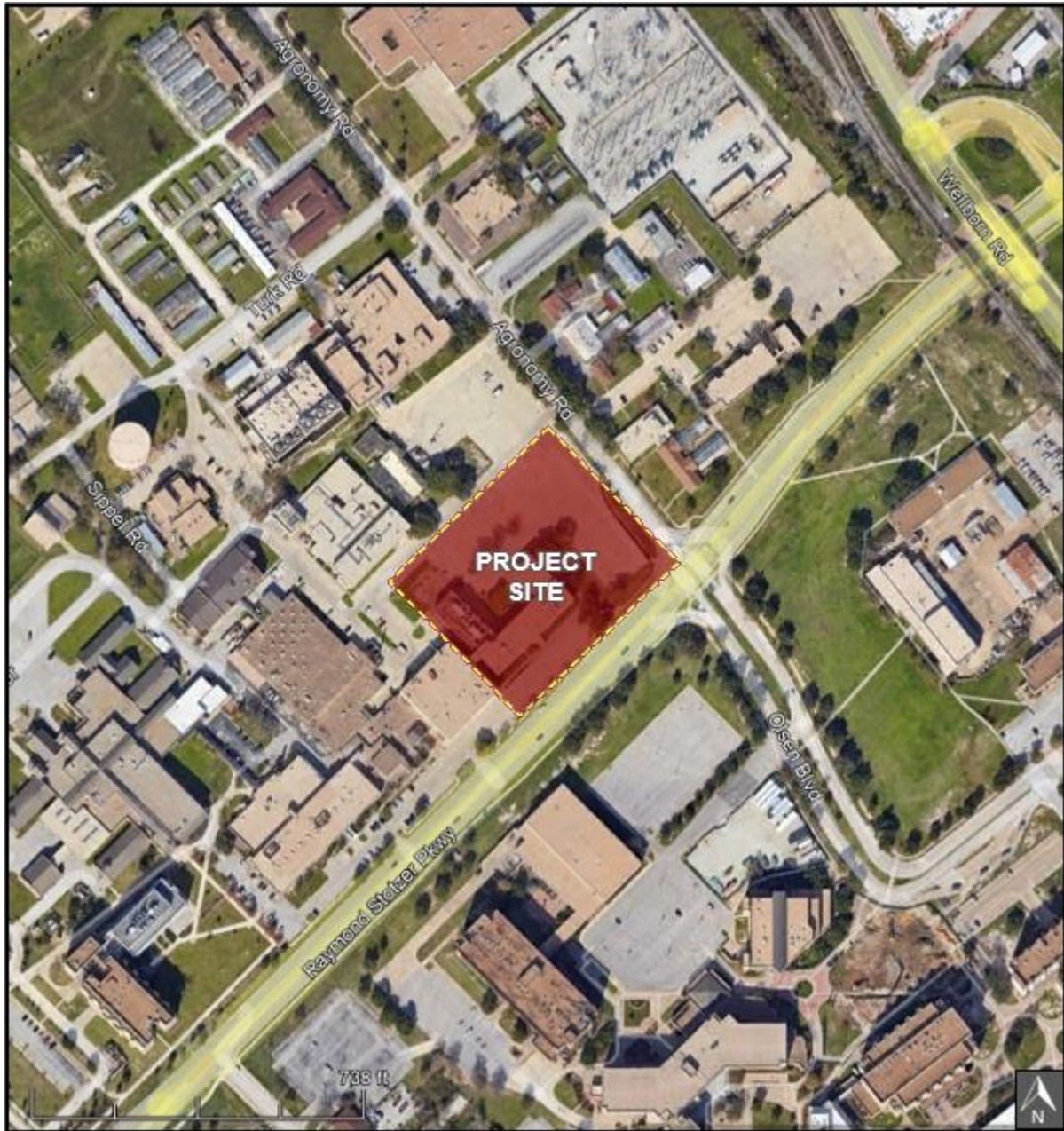
1.	Construction .....	\$136,000,000
2.	Project Contingency .....	7,154,777
3.	Program of Requirements.....	364,600
4.	Pre-Construction Services .....	11,274,120
5.	Commissioning.....	350,000
6.	Construction Testing .....	237,000
7.	Campus Services & Technology .....	2,002,000
8.	Furnishings .....	1,400,000
9.	Equipment .....	10,926,313
10.	Other Project Costs.....	6,494,690
11.	Project Management & Inspection .....	<u>\$4,796,500</u>
12.	TOTAL ESTIMATED COST OF PROJECT .....	<u>\$181,000,000</u>

**CLINICAL VETERINARY TEACHING AND  
RESEARCH COMPLEX  
TEXAS A&M UNIVERSITY  
PROJECT NO. 02-3378**

**PROJECT SCHEDULE**

1. BOR Approval to Include in Capital Plan ..... January 10, 2022
2. Issue A/E RFQ ..... January 5, 2024
3. Issue CMAR RFP ..... January 5, 2024
4. Receive A/E RFQ Responses..... January 30, 2024
5. Receive CMAR RFP Response ..... February 1, 2024
6. Shortlist A/E Firms ..... February 6, 2024
7. Shortlist CMAR Firms ..... February 6, 2024
8. Interview A/E Shortlist ..... February 26, 2024
9. Interview CMAR Firms ..... February 27, 2024
10. A/E Ranked Order Approved by Chancellor ..... March 21, 2024
11. CMAR Ranked Order Approved by Chancellor ..... March 27, 2024
12. Execute A/E Agreement ..... May 16, 2024
13. Execute CMAR Agreement ..... May 29, 2024
14. Complete Schematic Design ..... September 6, 2024
15. Receive GMP from CMAR ..... October 9, 2024
16. Submit THECB Application ..... October 17, 2024
17. BOR Approval for Construction ..... November 7, 2024
18. Begin Construction ..... January 2025
19. Complete Design Development ..... March 2025
20. Complete Construction Documents ..... July 2025
21. Substantial Completion ..... June 2027
22. Owner Occupancy ..... August 2027





## Clinical Veterinary Teaching & Research Complex

Texas A&M University

Project No. 02-3378

**TEXAS A&M UNIVERSITY  
PERMANENT UNIVERSITY FUND  
02-3378 Clinical Veterinary Teaching and Research Complex  
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	70,590,000.00			
YEAR 1	68,455,000.00	2,135,000.00	3,529,500.00	5,664,500.00
YEAR 2	66,215,000.00	2,240,000.00	3,422,750.00	5,662,750.00
YEAR 3	63,860,000.00	2,355,000.00	3,310,750.00	5,665,750.00
YEAR 4	61,390,000.00	2,470,000.00	3,193,000.00	5,663,000.00
YEAR 5	58,795,000.00	2,595,000.00	3,069,500.00	5,664,500.00
YEAR 6	56,070,000.00	2,725,000.00	2,939,750.00	5,664,750.00
YEAR 7	53,210,000.00	2,860,000.00	2,803,500.00	5,663,500.00
YEAR 8	50,205,000.00	3,005,000.00	2,660,500.00	5,665,500.00
YEAR 9	47,050,000.00	3,155,000.00	2,510,250.00	5,665,250.00
YEAR 10	43,740,000.00	3,310,000.00	2,352,500.00	5,662,500.00
YEAR 11	40,265,000.00	3,475,000.00	2,187,000.00	5,662,000.00
YEAR 12	36,615,000.00	3,650,000.00	2,013,250.00	5,663,250.00
YEAR 13	32,780,000.00	3,835,000.00	1,830,750.00	5,665,750.00
YEAR 14	28,755,000.00	4,025,000.00	1,639,000.00	5,664,000.00
YEAR 15	24,530,000.00	4,225,000.00	1,437,750.00	5,662,750.00
YEAR 16	20,090,000.00	4,440,000.00	1,226,500.00	5,666,500.00
YEAR 17	15,430,000.00	4,660,000.00	1,004,500.00	5,664,500.00
YEAR 18	10,535,000.00	4,895,000.00	771,500.00	5,666,500.00
YEAR 19	5,395,000.00	5,140,000.00	526,750.00	5,666,750.00
YEAR 20	-	5,395,000.00	269,750.00	5,664,750.00
		<u>\$ 70,590,000.00</u>	<u>\$ 42,698,750.00</u>	<u>\$ 113,288,750.00</u>

Estimated issuance costs and rounding of \$692,889 are included in this schedule.  
 Long-term rates are assumed to be 5.00%. Rates are subject to market change.  
 Prepared by the Office of the Treasurer - Treasury Services 09/13/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
02-3378 Clinical Veterinary Teaching and Research Complex  
Capital Construction Assistance Project (CCAP)**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	56,155,000.00			
YEAR 1	54,630,000.00	1,525,000.00	3,369,300.00	4,894,300.00
YEAR 2	53,010,000.00	1,620,000.00	3,277,800.00	4,897,800.00
YEAR 3	51,295,000.00	1,715,000.00	3,180,600.00	4,895,600.00
YEAR 4	49,475,000.00	1,820,000.00	3,077,700.00	4,897,700.00
YEAR 5	47,550,000.00	1,925,000.00	2,968,500.00	4,893,500.00
YEAR 6	45,510,000.00	2,040,000.00	2,853,000.00	4,893,000.00
YEAR 7	43,345,000.00	2,165,000.00	2,730,600.00	4,895,600.00
YEAR 8	41,050,000.00	2,295,000.00	2,600,700.00	4,895,700.00
YEAR 9	38,615,000.00	2,435,000.00	2,463,000.00	4,898,000.00
YEAR 10	36,035,000.00	2,580,000.00	2,316,900.00	4,896,900.00
YEAR 11	33,300,000.00	2,735,000.00	2,162,100.00	4,897,100.00
YEAR 12	30,400,000.00	2,900,000.00	1,998,000.00	4,898,000.00
YEAR 13	27,330,000.00	3,070,000.00	1,824,000.00	4,894,000.00
YEAR 14	24,075,000.00	3,255,000.00	1,639,800.00	4,894,800.00
YEAR 15	20,625,000.00	3,450,000.00	1,444,500.00	4,894,500.00
YEAR 16	16,965,000.00	3,660,000.00	1,237,500.00	4,897,500.00
YEAR 17	13,085,000.00	3,880,000.00	1,017,900.00	4,897,900.00
YEAR 18	8,975,000.00	4,110,000.00	785,100.00	4,895,100.00
YEAR 19	4,620,000.00	4,355,000.00	538,500.00	4,893,500.00
YEAR 20	-	4,620,000.00	277,200.00	4,897,200.00
		<u>\$ 56,155,000.00</u>	<u>\$ 41,762,700.00</u>	<u>\$ 97,917,700.00</u>

Estimated rounding of \$1,458 is included in this schedule.  
Long-term rates are assumed to be 6.00%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 09/13/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
02-3378 Clinical Veterinary Teaching and Research Complex  
Gifts**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	31,620,000.00				
YEAR 1	30,665,000.00	955,000.00	1,581,000.00	2,536,000.00	2,916,400.00
YEAR 2	29,660,000.00	1,005,000.00	1,533,250.00	2,538,250.00	2,918,987.50
YEAR 3	28,605,000.00	1,055,000.00	1,483,000.00	2,538,000.00	2,918,700.00
YEAR 4	27,500,000.00	1,105,000.00	1,430,250.00	2,535,250.00	2,915,537.50
YEAR 5	26,340,000.00	1,160,000.00	1,375,000.00	2,535,000.00	2,915,250.00
YEAR 6	25,120,000.00	1,220,000.00	1,317,000.00	2,537,000.00	2,917,550.00
YEAR 7	23,840,000.00	1,280,000.00	1,256,000.00	2,536,000.00	2,916,400.00
YEAR 8	22,495,000.00	1,345,000.00	1,192,000.00	2,537,000.00	2,917,550.00
YEAR 9	21,080,000.00	1,415,000.00	1,124,750.00	2,539,750.00	2,920,712.50
YEAR 10	19,595,000.00	1,485,000.00	1,054,000.00	2,539,000.00	2,919,850.00
YEAR 11	18,035,000.00	1,560,000.00	979,750.00	2,539,750.00	2,920,712.50
YEAR 12	16,400,000.00	1,635,000.00	901,750.00	2,536,750.00	2,917,262.50
YEAR 13	14,685,000.00	1,715,000.00	820,000.00	2,535,000.00	2,915,250.00
YEAR 14	12,880,000.00	1,805,000.00	734,250.00	2,539,250.00	2,920,137.50
YEAR 15	10,985,000.00	1,895,000.00	644,000.00	2,539,000.00	2,919,850.00
YEAR 16	8,995,000.00	1,990,000.00	549,250.00	2,539,250.00	2,920,137.50
YEAR 17	6,905,000.00	2,090,000.00	449,750.00	2,539,750.00	2,920,712.50
YEAR 18	4,715,000.00	2,190,000.00	345,250.00	2,535,250.00	2,915,537.50
YEAR 19	2,415,000.00	2,300,000.00	235,750.00	2,535,750.00	2,916,112.50
YEAR 20	-	2,415,000.00	120,750.00	2,535,750.00	2,916,112.50
		<u>\$ 31,620,000.00</u>	<u>\$ 19,126,750.00</u>	<u>\$ 50,746,750.00</u>	<u>\$ 58,358,762.50</u>

Estimated issuance costs and rounding of \$309,630 are included in this schedule.

Long-term rates are assumed to be 5.00%. Rates are subject to market change.

Prepared by the Office of the Treasurer - Treasury Services 09/13/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**The backup source of repayment for Gifts is Designated Tuition.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of Project Renaming, and the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Texas A&M University Space Institute Project, Texas A&M University, Houston, Texas (Project No. 02-3417)

**Background and Prior Actions:**

The Space Collaboration Facility Project was included as a proposed project on the FY 2024 – FY 2028 A&M System Capital Plan approved by the Board at the August 2023 meeting with an FY 2024 start date and a planning amount of \$200,000,000.

**Proposed Board Action:**

- (1) Change the project name from “Space Collaboration Facility” to “Texas A&M University Space Institute”.
- (2) Approve the project scope and budget.
- (3) Appropriate \$180,000,000 for construction services and related project costs. \$20,000,000 has been previously appropriated to this project.
- (4) Approve construction of the Texas A&M University Space Institute project at Texas A&M University (Texas A&M).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Cash (General Revenue)	<u>\$200,000,000</u>	N/A	N/A
Total Project Funds	<u>\$200,000,000</u>		

**Project Justification:**

In early 2023, State Rep. Greg Bonnen, who chairs the House Appropriations Committee, R-Friendswood, and A&M Class of 1988, authored House Bill 3447 to create the Texas Space Commission (TSC), the Space Exploration and Aeronautics Research Fund and the Texas Aerospace Research and Space Economy Consortium. This is a \$350 million investment. Gov. Greg Abbott signed HB 3447 into law in June 2023, which created the TSC that will oversee planning for the state’s space industry.

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The measure allocates \$150 million to the Space Exploration and Aeronautics Research Fund and \$200 million to Texas A&M for the development of a facility at the Johnson Space Center. Texas A&M has leased 32 acres along Saturn Lane, adjacent to Rocket Park and at the entrance of the Johnson Space Center. The purpose of the new facility in Houston is to ensure that Texas remains a leader in the field of space exploration. Scientists and other personnel at the facility will support mission training, aeronautics research, advanced robotics, and work on lunar and Mars exploration.

The members of the Board of Regents of The Texas A&M University System (A&M System) on August 16, 2023, approved the creation of the Texas A&M Space Institute and the construction of a Texas A&M facility next to NASA's Johnson Space Center in Houston.

This visionary institute is poised to play a pivotal role in amplifying Texas's prominence as a frontrunner in the burgeoning space economy. Harnessing the expansive expertise within the A&M System and partnerships with public and private entities, the institute is dedicated to spearheading groundbreaking discoveries, technological advancements, and health innovations. Collaborative efforts will be the cornerstone of the institute's approach, as Texas A&M's engineers, scientists, physicians, and students join forces with counterparts from academia, industry, and government. Together, these multidisciplinary teams will undertake cutting-edge research aimed at ensuring the safety and success of forthcoming space missions, with a special focus on lunar and Mars exploration.

**Scope:**

The facility is planned to be a 400,000 square foot four-level facility.

Level 1 will consist of approximately 215,000 square feet of conditioned Moon and Mars 'scapes' to provide a relevant environment for full-scale engineering, science, health and medicine simulations, mission development, and training. Also, on level 1 are enclosed, secured research 'garages' to support academic, industry, and government research and development, scientific research, workforce training, and related programming. There will also be common technical support areas for specialty equipment and common research activities.

Level 2 will primarily be made up of garage mezzanines that are connected with collaboration spaces. This level will also house pre-function space that services the Level 3 Auditorium.

Level 3 houses a dedicated lecture and instructional auditorium to support seminars, symposia, and education outreach facilities. This level also houses flexible project rooms for tenants to use for lab space, classroom/training facilities, or potential office space to support level 1 research.

The site for the facility will include utility and support connectivity to support mobile containerized labs and facilities as needed by future tenants and researchers.

The project will also extend utilities to the new project site including water and sanitary services from Clear Lake City Water Authority, electrical and gas service from Centerpoint, and data services.

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Construction on this project is scheduled to start in January 2025 with substantial completion scheduled for October 2026. The total project budget is \$200,000,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The Texas A&M University Space Institute supports the Strategic Imperatives in a variety of ways, but the primary support descriptions are as follows:

*Imperative No. 1:* The Texas A&M University Space Institute project will enhance existing A&M System space activities. The expanded capabilities provided by this new facility will provide Texas A&M students unique opportunities to engage in space-related research, space industry partner collaboration, and many other unique pathways to pursue academic ambitions and interests.

*Imperative No. 2:* This project will grow revenue potential for the Texas A&M Space Institute. This institute is unique in that it provides potential sources of revenue in partnerships with industry leaders. As such the robust nature of the program contributes to the bottom line thus offsetting costs that would otherwise be passed on to students.

*Imperative No. 3:* This project will provide a valuable experience where students and the global economic community mix and interact. Space-related technologies have resulted in products such as CAT scans, air purifiers, LASIK surgery, the insulin pump, the computer mouse, and others that have permeated the globe. The relevance for local and international students creates this common bond that goes beyond.

*Imperative No. 4:* This project will encourage cross-institution and interdisciplinary collaboration within the A&M System and within other participating higher education institutions across the state of Texas. This will strengthen the existing interdisciplinary space-related research that occurs in more than 12 colleges/schools across the A&M System.

*Imperative No. 5:* As previously noted, space-related technologies have resulted in breakthrough products and services that have the track record to improve peoples' lives in Texas and beyond. The project may very well host events thus supporting the Texas economy and being an ambassador for the university and the state in demonstrating excellence.

*Imperative No. 6:* The Texas A&M University Space Institute project requires significant investment from the state of Texas. The benefits, as outlined in the noted support roles this project will play in supporting the A&M System Strategic Imperatives for the future, underscore the importance of this investment. The return on investment will pay dividends with continued excellence that will reflect favorably on Texas A&M and its pace-setting standards locally, nationally, and internationally.

*Imperative No. 7:* This project will impact global challenges in a positive way. The elevation of the venue to a national spotlight provides an opportunity to communicate positive initiatives and

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positive messages through the Texas A&M Space Institute program. Encouraging engagement of local charitable and business organizations and being an example to the nation to the extent that the Texas A&M Space Institute is a positive impact. This is a trend that has been growing for years at all levels of the Space Grant enterprise and the new Texas A&M University Space Institute increases that voice.

*Imperative No. 8:* The Texas A&M University Space Institute project will enhance the ability to recruit and retain talented students, staff, and faculty. It will contribute to the development of a rich student life experience at the Johnson Space Center thus increasing the appeal to incoming student growth. It will become a magnet for industry partnerships and a visitor attraction. When compared to other initiatives that may be temporary in nature, this project will provide a facility that serves to enhance the perception of the University for decades. It is a worthwhile, long-term initiative.



Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of Project Renaming, Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Texas A&M University Space Institute Project, Texas A&M University, Houston, Texas (Project No. 02-3417)

I recommend adoption of the following minute order:

**“The project name is changed from Space Collaboration Facility to Texas A&M University Space Institute.**

**The project scope along with a project budget of \$200,000,000 for the Texas A&M University Space Institute Project is approved.**

**The amount of \$180,000,000 is appropriated from Account No. 02-808400 TX Space Commission Institute, for construction services and related project costs.**

**The Texas A&M University Space Institute, Texas A&M University, Houston, Texas, is approved for construction.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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Mark A. Welsh III, President  
Texas A&M University

<b>TEXAS A&amp;M UNIVERSITY SPACE INSTITUTE</b> <b>TEXAS A&amp;M UNIVERSITY</b> <b>PROJECT NO. 02-3417</b>	<b>PROJECT BUDGET</b>
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1. Construction .....	\$156,944,891
2. Project Contingency .....	10,568,474
3. Program of Requirements.....	198,000
4. Pre-Construction Services .....	10,535,000
5. Commissioning.....	1,010,000
6. Construction Testing .....	1,717,699
7. Campus Services & Technology .....	2,753,000
8. Furnishings .....	2,000,000
9. Equipment .....	4,408,000
10. Other Project Costs.....	4,701,760
11. Project Management & Inspection .....	<u>\$5,163,176</u>
12. TOTAL ESTIMATED COST OF PROJECT .....	<u>\$200,000,000</u>

1. BOR Approval to Include in Capital Plan ..... August 17, 2023
2. Issue D-B RFQ..... February 13, 2024
3. Receive D-B RFQ Responses ..... March 5, 2024
4. Shortlist D-B Firms..... March 8, 2024
5. Interview D-B Firms ..... March 27, 2024
6. D-B Ranked Order Approved by Chancellor..... April 9, 2024
7. Execute D-B Agreement ..... May 9, 2024
8. Complete Schematic Design ..... July 14, 2024
9. Complete Design Development ..... September 26, 2024
10. Receive GMP from CMAR ..... October 9, 2024
11. BOR Approval for Construction ..... November 7, 2024
12. Submit THECB Application ..... November 2024
13. Begin Construction ..... January 2025
14. Complete Construction Documents ..... March 2025
15. Substantial Completion ..... October 2026
16. Owner Occupancy ..... November 2026



## Texas A&M University Space Institute

Texas A&M University

Project No. 02-3417

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, Bryan, Texas (Project No. 09-3394)

**Background and Prior Actions:**

The TEEEX RELLIS Training Props Project was included as a proposed project on The Texas A&M University System (A&M System) FY 2024 – FY 2028 Capital Plan approved by the Board of Regents (Board) at the August 2023 meeting with an FY 2024 start date and a planning amount of \$25,300,000.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$22,770,000 for construction services and related project costs. \$2,530,000 has been previously appropriated to this project.
- (3) Approve construction of the TEEEX RELLIS Training Props Project at Texas A&M Engineering Extension Service (TEEX).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund Debt Proceeds	\$20,000,000	\$1,215,750	Available University Fund
Cash (E&G Unrestricted)	<u>\$5,300,000</u>		
Total Project Funds	<u>\$25,300,000</u>		

**Project Justification:**

TEEX, a member of the A&M System, is an internationally recognized provider of training and technical assistance in fire and rescue, infrastructure and safety, law enforcement, economic and workforce development, cybersecurity, and homeland security. For more than 80 years, TEEEX has provided these services. Over the last 10 years, TEEEX has served an annual average of more than 190,000 people representing every U.S. state and 189 countries and territories worldwide. In

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many cases, it is the first responders and citizens of Texas who benefit from TEEEX's expertise and facilities.

The training TEEEX provides requires a wide range of infrastructure, facilities and equipment to simulate realistic situations. To obtain, build and maintain this infrastructure demands substantial resources. To meet changing requirements, satisfy customer demands, and support our mission, TEEEX must continually adapt and update our infrastructure. This relocation project will move key elements of TEEEX's training from multiple locations to a new consolidated site on the Texas A&M-RELLIS Campus. The new area is approximately 86 acres and will allow TEEEX to expand and upgrade offerings while freeing up the current TEEEX space for new Texas A&M-RELLIS ventures. The new site also includes a location for a future TEEEX Headquarters. TEEEX operates two divisions (the Institute for Law Enforcement and Protective Services Excellence and the Infrastructure Training and Safety Institute) and a service center (the Digital Print Shop) on the Texas A&M-RELLIS campus.

The TEEEX RELLIS operations have shown significant and steady growth over the past five to six years, and it is expected that this trend will continue. While TEEEX's operations at Texas A&M-RELLIS are only a portion of TEEEX's activities, these operations are integral to the agency's overall success and its service to the state of Texas.

**Scope:**

The project includes the construction of an urban simulation grid, drive track, skills pad, props buildings, and training classrooms. This project will construct new training infrastructure to simulate realistic training scenarios for divisions of TEEEX. The project is located on the Texas A&M-RELLIS Campus to the southeast of the Innovation Proving Grounds (IPG). The site is bound by Taxi 7 to the north, IPG to the west, private property to the east, and Goodson Bend Road to the south.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for April 2026. The total project budget is \$25,300,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The TEEEX RELLIS Training Props Project supports Strategic Plan Imperatives 5 and 6:

*Imperative No. 5:* The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy. We will continue to address the needs of Texas and utilize technology to reach citizens in new ways.

*Imperative No. 6:* The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability. Our member institutions will be diligent about their plans for growth, and the A&M System will ensure financially sound decision-making at the aggregate level. We have robust financial

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management capabilities in place and will continue to manage the A&M System's financial health in a holistic manner.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 13, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, Bryan, Texas (Project No. 09-3394)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$25,300,000 for the TEEEX RELLIS Training Props Project is approved.**

**The amount of \$17,470,000 is appropriated from Account No. 01-084900 Permanent University Fund Debt Proceeds (AUF), and the amount of \$5,300,000 is appropriated from Account No. 09-274100, Capital Investment Reserve, for construction services and related project costs.**

**The TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, Bryan, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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David E. Coatney, Agency Director  
Texas A&M Engineering Extension Service



<b>TEEX RELLIS TRAINING PROPS</b> <b>TEXAS A&amp;M ENGINEERING EXTENSION SERVICE</b> <b>PROJECT NO. 09-3394</b>	<b>PROJECT BUDGET</b>
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1.	Construction .....	\$21,154,255
2.	Project Contingency .....	1,368,948
3.	Program of Requirements.....	0
4.	Pre-Construction Services .....	1,801,700
5.	Commissioning.....	54,000
6.	Construction Testing .....	190,385
7.	Campus Services & Technology .....	27,000
8.	Furnishings .....	0
9.	Equipment .....	0
10.	Other Project Costs.....	50,570
11.	Project Management & Inspection .....	<u>\$653,142</u>
12.	TOTAL ESTIMATED COST OF PROJECT .....	<u>\$25,300,000</u>

1. BOR Approval to Include in Capital Plan ..... August 16, 2023
2. Issue A/E RFQ ..... September 5, 2023
3. Issue CMAR RFP ..... September 6, 2023
4. Receive A/E RFQ Responses..... September 26, 2023
5. Receive CMAR RFP Response ..... September 28, 2023
6. Shortlist A/E and CMAR Firms.....October 5, 2023
7. Interview A/E Shortlist .....October 10, 2023
8. Interview CMAR Firms .....October 11, 2023
9. A/E Ranked Order Approved by Chancellor .....November 15, 2023
10. CMAR Ranked Order Approved by Chancellor .....November 15, 2023
11. Execute A/E Agreement ..... January 17, 2024
12. Execute CMAR Agreement ..... January 24, 2024
13. Complete Schematic Design ..... May 10, 2024
14. Complete Design Development ..... August 26, 2024
15. Submit THECB Application .....October 1, 2024
16. Receive GMP from CMAR .....October 9, 2024
17. BOR Approval for Construction .....November 7, 2024
18. Begin Construction ..... December 2024
19. Complete Construction Documents ..... December 2024
20. Substantial Completion ..... April 2026
21. Owner Occupancy ..... May 2026



## TEEX RELIS Training Props

Texas A&M Engineering Extension Service

Project No. 09-3394

**TEXAS A&M ENGINEERING EXTENSION SERVICE  
PERMANENT UNIVERSITY FUND  
RELLIS Training Props  
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	15,150,000.00			
YEAR 1	14,690,000.00	460,000.00	757,500.00	1,217,500.00
YEAR 2	14,210,000.00	480,000.00	734,500.00	1,214,500.00
YEAR 3	13,705,000.00	505,000.00	710,500.00	1,215,500.00
YEAR 4	13,175,000.00	530,000.00	685,250.00	1,215,250.00
YEAR 5	12,620,000.00	555,000.00	658,750.00	1,213,750.00
YEAR 6	12,035,000.00	585,000.00	631,000.00	1,216,000.00
YEAR 7	11,420,000.00	615,000.00	601,750.00	1,216,750.00
YEAR 8	10,775,000.00	645,000.00	571,000.00	1,216,000.00
YEAR 9	10,100,000.00	675,000.00	538,750.00	1,213,750.00
YEAR 10	9,390,000.00	710,000.00	505,000.00	1,215,000.00
YEAR 11	8,645,000.00	745,000.00	469,500.00	1,214,500.00
YEAR 12	7,860,000.00	785,000.00	432,250.00	1,217,250.00
YEAR 13	7,035,000.00	825,000.00	393,000.00	1,218,000.00
YEAR 14	6,170,000.00	865,000.00	351,750.00	1,216,750.00
YEAR 15	5,265,000.00	905,000.00	308,500.00	1,213,500.00
YEAR 16	4,315,000.00	950,000.00	263,250.00	1,213,250.00
YEAR 17	3,315,000.00	1,000,000.00	215,750.00	1,215,750.00
YEAR 18	2,265,000.00	1,050,000.00	165,750.00	1,215,750.00
YEAR 19	1,160,000.00	1,105,000.00	113,250.00	1,218,250.00
YEAR 20	-	1,160,000.00	58,000.00	1,218,000.00
		<u>\$ 15,150,000.00</u>	<u>\$ 9,165,000.00</u>	<u>\$ 24,315,000.00</u>

Estimated issuance costs and rounding of \$150,000 are included in this schedule.  
 Long-term rates are assumed to be 5.00%. Rates are subject to market change.  
 Prepared by the Office of the Treasurer - Treasury Services 08/29/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Morris Recreation Center Expansion Project, Texas A&M University-Commerce, Commerce, Texas (Project No. 21-3401)

**Background and Prior Actions:**

The Morris Recreation Center Expansion Project was included as a proposed project on the FY 2024 – FY 2028 A&M System Capital Plan approved by the Board of Regents at the August 2023 meeting with an FY 2024 start date and a planning amount of \$17,500,000.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$15,750,000 for construction services and related project costs. \$1,750,000 has been previously appropriated to this project.
- (3) Approve construction of the Morris Recreation Center Expansion Project at Texas A&M University-Commerce (A&M-Commerce).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	\$13,500,000	\$1,094,050	Recreational Sports Fees
Cash (Recreational Sports Fees)	<u>\$4,000,000</u>	N/A	N/A
Total Project Funds	<u>\$17,500,000</u>		

**Project Justification:**

Currently, the Morris Recreation Center (MRC) does not adequately meet the recreational needs of the A&M-Commerce student population. When the MRC opened in 2003, the total student body was 8,130 students. Now, the student population is over 11,200, and the Texas Higher Education Coordinating Board forecasts the campus to grow to 14,238 by 2035. This growth has contributed to overcrowding in some recreational areas. The expansion and renovation of the MRC is designed to address these concerns.

**Scope:**

This project is a renovation of the existing MRC and two one-story additions. There will be approximately 12,000 gross square feet added to the building, and approximately 38% of the existing 53,000 square feet will be renovated.

The main components for the expansion and renovation include:

- An additional 6,000 square feet of fitness equipment space as well as the renovation of existing fitness equipment spaces. This includes new fitness equipment and fitness turf areas. This additional space will allow A&M-Commerce to meet the recommended guidelines proposed by the National Intramural Recreational Sports Association.
- Additional group exercise space, including different fitness opportunities such as boxing.
- Relocating a majority of the outdoor adventure group to the main part of campus, but the water sports equipment storage will remain in its current location.
- A new visually dynamic and functional entrance for pedestrians.
- Modernized locker room that includes private changing rooms.
- New food preparation space for nutritional programs and outdoor adventure trips.
- Expanded office suite for additional full-time staff and student employees.

Two new additions will be attached to the existing MRC. A main entry space will be added to expand the entry sequence, an administration suite and locker/changing space will be provided as a part of this addition and renovation. A large addition/renovation will be located on the northwest corner of the building to house the expanded fitness spaces. A renovation on the south side will co-locate and enlarge the activity rooms. The existing Multi-Activity Courts Building will be repurposed to house the bike shop and storage for the Outdoor Adventure group.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for August 2026. The total project budget is \$17,500,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The MRC Expansion supports Strategic Plan Imperatives 1 and 6 in the following ways:

*Strategic Plan Imperative No. 1:* All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests. We will develop a coordinated recruitment and admissions strategy for the A&M System and create coherent pathways among institutions.

The MRC Expansion will provide students with new, more diverse recreation and wellness options to enhance their overall well-being and campus experience.

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Agenda Item Briefing

*Strategic Plan Imperative No. 6:* The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability. Our member institutions will be diligent about their plans for growth, and the A&M System will ensure financially sound decision-making at the aggregate level. We have robust financial management capabilities in place and will continue to manage the A&M System's financial health in a holistic manner.

The MRC Expansion will be executed in a manner that is financially prudent while aligned with the growth projections for campus.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Morris Recreation Center Expansion Project, Texas A&M University-Commerce, Commerce, Texas (Project No. 21-3401)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$17,500,000 for the Morris Recreation Center Expansion Project is approved.**

**The amount of \$13,500,000 is appropriated from Account No. 01-083540, Revenue Financing System Debt Proceeds (Recreational Sports Fees), and the amount of \$2,250,000 is appropriated from Account No. 21-831803-20301, MRC Expansion – Unappropriated Reserve, for construction services and related project costs.**

**The Morris Recreation Center Expansion Project, Texas A&M University-Commerce, Commerce, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**



**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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Mark J. Rudin, President  
Texas A&M University-Commerce

<b>MORRIS RECREATION CENTER EXPANSION</b> <b>TEXAS A&amp;M UNIVERSITY-COMMERCE</b> <b>PROJECT NO. 21-3401</b>	<b>PROJECT BUDGET</b>
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1. Construction .....	\$14,000,000
2. Project Contingency .....	656,148
3. Program of Requirements.....	0
4. Pre-Construction Services .....	1,463,794
5. Commissioning.....	90,000
6. Construction Testing .....	248,000
7. Campus Services & Technology .....	106,375
8. Furnishings .....	200,000
9. Equipment .....	229,000
10. Other Project Costs.....	54,905
11. Project Management & Inspection .....	<u>\$451,778</u>
12. TOTAL ESTIMATED COST OF PROJECT .....	<u>\$17,500,000</u>

1. BOR Approval to Include in Capital Plan ..... August 17, 2023
2. Issue A/E RFQ ..... August 17, 2023
3. Issue CMAR RFP ..... August 17, 2023
4. Receive A/E RFQ Responses..... September 6, 2023
5. Receive CMAR RFP Response ..... September 7, 2023
6. Shortlist A/E & CMAR Firms ..... September 13, 2023
7. Interview A/E Shortlist ..... September 20, 2023
8. Interview CMAR Firms ..... September 21, 2023
9. A/E Ranked Order Approved by Chancellor .....October 17, 2023
10. CMAR Ranked Order Approved by Chancellor .....October 17, 2023
11. Execute A/E Agreement ..... January 17, 2024
12. Execute CMAR Agreement ..... January 24, 2024
13. A/E Design Kick-Off ..... February 10, 2024
14. Complete Schematic Design ..... June 14, 2024
15. Complete Design Development ..... August 30, 2024
16. Receive GMP from CMAR .....October 9, 2024
17. Submit THECB Application .....October 17, 2024
18. BOR Approval for Construction .....November 7, 2024
19. Begin Construction ..... December 2024
20. Complete Construction Documents ..... December 2024
21. Substantial Completion ..... August 2026
22. Owner Occupancy .....October 2026



## Morris Recreation Center Expansion

Texas A&M University-Commerce

Project No. 21-3401

**TEXAS A&M UNIVERSITY - COMMERCE**  
**REVENUE FINANCING SYSTEM**  
**Morris Recreation Center Expansion**  
**Rec Sports Fees**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	13,635,000.00				
YEAR 1	13,225,000.00	410,000.00	681,750.00	1,091,750.00	1,255,512.50
YEAR 2	12,790,000.00	435,000.00	661,250.00	1,096,250.00	1,260,687.50
YEAR 3	12,335,000.00	455,000.00	639,500.00	1,094,500.00	1,258,675.00
YEAR 4	11,855,000.00	480,000.00	616,750.00	1,096,750.00	1,261,262.50
YEAR 5	11,355,000.00	500,000.00	592,750.00	1,092,750.00	1,256,662.50
YEAR 6	10,830,000.00	525,000.00	567,750.00	1,092,750.00	1,256,662.50
YEAR 7	10,275,000.00	555,000.00	541,500.00	1,096,500.00	1,260,975.00
YEAR 8	9,695,000.00	580,000.00	513,750.00	1,093,750.00	1,257,812.50
YEAR 9	9,085,000.00	610,000.00	484,750.00	1,094,750.00	1,258,962.50
YEAR 10	8,445,000.00	640,000.00	454,250.00	1,094,250.00	1,258,387.50
YEAR 11	7,775,000.00	670,000.00	422,250.00	1,092,250.00	1,256,087.50
YEAR 12	7,070,000.00	705,000.00	388,750.00	1,093,750.00	1,257,812.50
YEAR 13	6,330,000.00	740,000.00	353,500.00	1,093,500.00	1,257,525.00
YEAR 14	5,550,000.00	780,000.00	316,500.00	1,096,500.00	1,260,975.00
YEAR 15	4,735,000.00	815,000.00	277,500.00	1,092,500.00	1,256,375.00
YEAR 16	3,880,000.00	855,000.00	236,750.00	1,091,750.00	1,255,512.50
YEAR 17	2,980,000.00	900,000.00	194,000.00	1,094,000.00	1,258,100.00
YEAR 18	2,035,000.00	945,000.00	149,000.00	1,094,000.00	1,258,100.00
YEAR 19	1,040,000.00	995,000.00	101,750.00	1,096,750.00	1,261,262.50
YEAR 20	-	1,040,000.00	52,000.00	1,092,000.00	1,255,800.00
		<u>\$ 13,635,000.00</u>	<u>\$ 8,246,000.00</u>	<u>\$ 21,881,000.00</u>	<u>\$ 25,163,150.00</u>

Estimated issuance costs and rounding of \$135,000 are included in this schedule.  
Long-term rates are assumed to be 5.00%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 8/29/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Educare Building Project, Texas A&M University-San Antonio, San Antonio, Texas (Project No. 25-3402)

**Background and Prior Actions:**

The Educare Building Project was included as a proposed project on the FY 2023 – FY 2027 A&M System Capital Plan approved by the Board of Regents (Board) at the May 2022 meeting with an FY 2024 start date and a planning amount of \$20,000,000. The project was included as a proposed project on the FY 2024 – FY 2028 A&M System Capital Plan approved by the Board at the August 2023 meeting with an FY 2024 start date, and a planning amount of \$16,970,000. The funding source amounts were revised, and the project planning amount was approved by the Board to increase to \$19,790,000, and \$1,979,000 was appropriated for pre-construction services at the November 2023 meeting. The project was included as an approved project on the FY 2025 – FY 2029 A&M System Capital Plan approved by the Board at the May 2024 meeting with an addition of \$1,900,000 for a revised total planning amount of \$21,690,000.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$19,521,000 for construction services and related project costs. \$2,169,000 has been previously appropriated to this project.
- (3) Approve construction of the Educare Building Project at Texas A&M University-San Antonio (A&M-San Antonio).

**Funding/Budget Amount:**

Funding Source	<u>Project Budget</u>	<u>Proposed Adjustment</u>	<u>Proposed Budget</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund Debt Proceeds	\$7,900,000	\$0	\$7,900,000	\$640,488	Available University Fund
Revenue Financing System Debt Proceeds	\$6,790,000	\$0	\$6,790,000	\$1,561,700	Grant (City of San Antonio) & University Services Fee Reserves*
Revenue Financing System Debt Proceeds	\$1,800,000	\$0	\$1,800,000	\$414,000	University Services Fee Reserves**

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Revenue Financing System Debt Proceeds	\$3,030,000	(\$632,500)	\$2,397,500	\$554,315	Gifts***
Cash (Gifts in Hand)	\$2,075,000	\$685,000	\$2,760,000	N/A	N/A
Cash (Designated Tuition)	\$0	\$42,500	\$42,500	N/A	N/A
Cash (Indirect Cost Recoveries)	<u>\$95,000</u>	<u>(\$95,000)</u>	<u>\$0</u>	N/A	N/A
Total Project Cost	<u>\$21,690,000</u>	<u>\$0</u>	<u>\$21,690,000</u>		

\*RFS debt will be used, as needed, to manage cashflows and timing of reimbursements for paid project expenses. RFS debt will be repaid or replaced with grant funds as received. Texas A&M University-San Antonio (A&M-San Antonio) has committed to use University Services Fee (USF) Reserves to cover interest expense and as a backstop to the grant funds.

\*\*Debt will be repaid with USF Reserves. If the pending county grant agreement is executed, the County Grant and USF Reserves will replace USF Reserves as the source of repayment and the footnote \* above will apply to this portion of the project funding.

\*\*\*Currently, 100% of all gifts have been pledged, and 53.5% have been received. System Policy 51.04 requires that 50% of the gift funds are in hand, and another 25% of the gift funds have been pledged at the time of construction approval. Should A&M-San Antonio fail to receive the remaining \$2,397,500 needed to fund the gift portion of the project, A&M-San Antonio has agreed to make timely payments to A&M System as necessary to fully service commercial paper or other debt issued to support the project, and such payment shall be made from USF Reserves and Designated Tuition.

Note: Any gifts received for this project are hereby appropriated and previous appropriations are reverted from Revenue Financing System Debt Proceeds.

**Project Justification:**

A&M-San Antonio, in partnership with Pre-K 4 SA, Early Matters, and other early childhood advocates, is championing the development of Educare San Antonio, a state-of-the-art early childhood development school that will propel the future of our youngest learners (ages six weeks through kindergarten). The construction of Educare San Antonio will establish the first Educare school in Texas, joining a national network of 25 birth-through-age 5 schools across the country. In constructing this building, Educare San Antonio will elevate the quality of early childhood education in Texas and stand as a hub for innovation, inspiration and transformation in its local communities, transforming the early childhood ecosystem. Major outcomes from this construction include strengthening the early childcare ecosystem in Bexar County as follows:

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- Offer affordable high-quality childcare to families living or working in Bexar County.
- Support teachers at childcare centers, city and statewide, as they enhance the quality of services offered to an estimated 2,000 children.
- Directly and indirectly strengthen the early childhood care workforce.

**Scope:**

The Educare Building Project is a single-story building with 24,561 gross square feet of space. This space includes offices for administration, early childhood classrooms for infants to five years old, support rooms for resources, consultation, observation, and gross motor activity space. Also included is a conference room, a pantry, a food prep area, and storage space. The User Group for this space will be the College of Education and Human Development (CoE&HD).

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for April 2026. The total project budget is \$21,690,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

This agenda item supports the following A&M System Strategic Plan Imperative:

*Imperative No. 1: “All qualified students will find a place in the A&M System and will have an array of pathways to pursue their ambitions and interests.”*

This project supports this strategic initiative in two ways: first, it supports the instructional and practical experience needs of the CoE&HD; second, it provides practical childcare support to students, allowing them the time and freedom to pursue their educational goals.

*Imperative No. 2: “The A&M System will remain affordable and accessible.”*

This project will be constructed to “commercial” standards to better reflect the building type typical of a childcare facility. This will result in lower construction costs thereby reducing the impact on tuition and fees to the students. This project will also make childcare available to A&M-San Antonio students thereby making it easier for them to attain their educational goals.

*Imperative No. 3: “Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.”*

This project will provide a valuable “real-world” lab-school experience for the A&M-San Antonio CoE&HD students. Additionally, the several cooperative agreements with outside agencies such as Educare, City of San Antonio Preschool 4 SA, United Way, Advance, etc., provide opportunities for networking, employment, and continuing education opportunities for the students, staff and faculty of the facility.



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*Imperative No. 5: “The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy.”*

Quality childcare is greatly needed throughout the San Antonio area and especially in the south sectors in and around the A&M-San Antonio campus. This project will provide state-of-the-art childcare to ensure a quality experience for the families using the Educare Building Project. Additionally, given this will be a “lab-school” for the CoE&HD, the instructional benefits will assist the campus and the cooperating agencies in proliferating similar facilities to the surrounding communities.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Educare Building Project, Texas A&M University-San Antonio, San Antonio, Texas (Project No. 25-3402)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$21,690,000 for the Educare Building Project is approved.**

**The amount of \$5,731,000 is appropriated from Account No. 01-084900, Permanent University Fund Debt Proceeds (AUF), and the amount of \$6,790,000 is appropriated from Account No. 01-083538, Revenue Financing System Debt Proceeds (City of San Antonio Grant & University Services Fee Reserves), and the amount of \$1,800,000 is appropriated from Account No. 01-083538, Revenue Financing System Debt Proceeds (University Services Fee Reserves), and the amount of \$2,397,500 is appropriated from Account No. 01-083538, Revenue Financing System Debt Proceeds (Gifts), and the amount of \$2,760,000 is appropriated from Account No. 25-050228, Educare Construction, and the amount of \$42,500 is appropriated from Account No. 25-022300, Designated Tuition Reserve, for construction services and related project costs.**

**The Educare Building Project, Texas A&M University-San Antonio, San Antonio, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial**

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**obligations of the Board relating to the Revenue Financing System and that the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

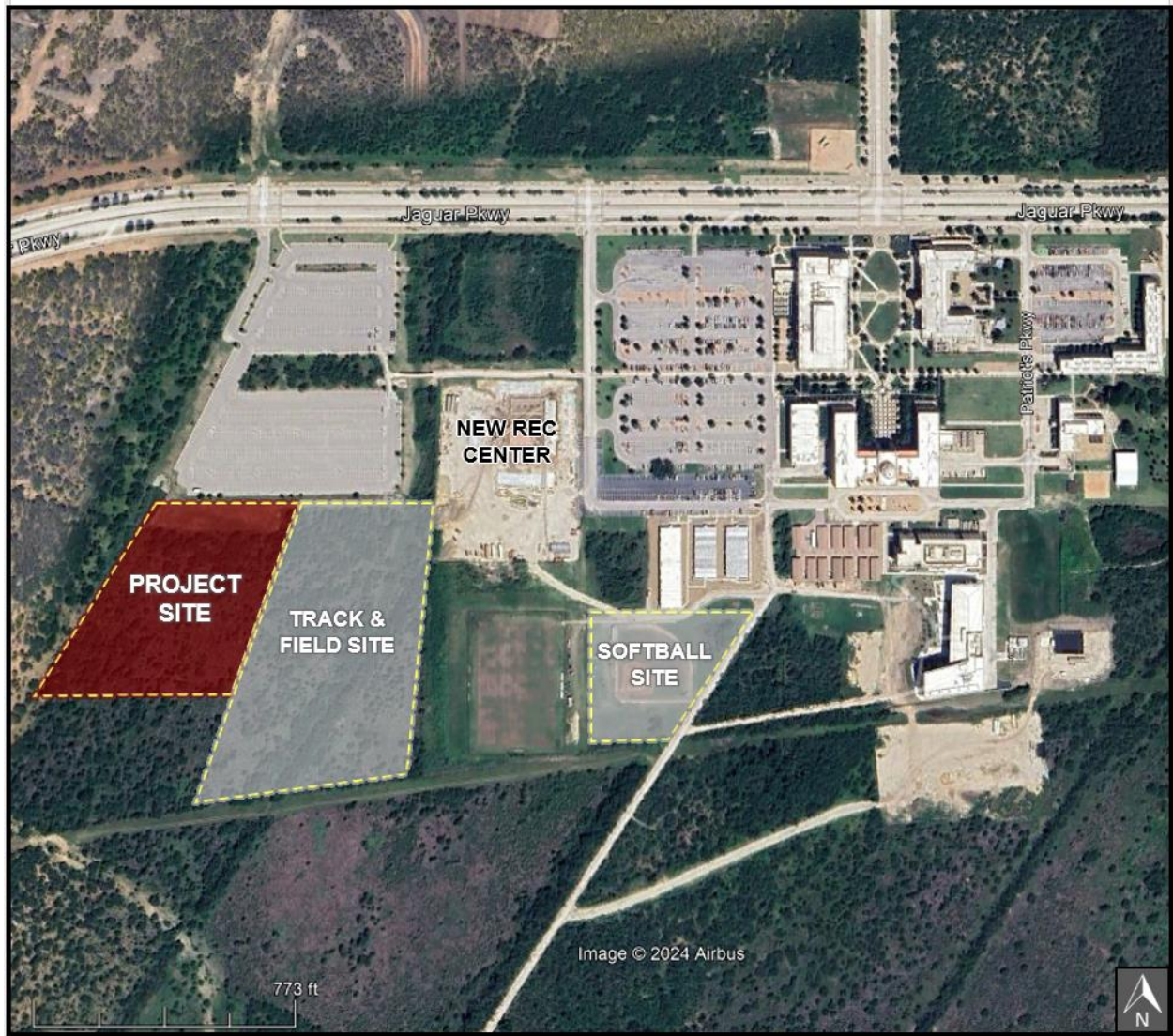
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Salvador Hector Ochoa, Ph.D., President  
Texas A&M University-San Antonio

<b>EDUCARE BUILDING</b> <b>TEXAS A&amp;M UNIVERSITY-SAN ANTONIO</b> <b>PROJECT NO. 25-3402</b>	<b>PROJECT BUDGET</b>
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1.	Construction .....	\$17,036,073
2.	Project Contingency .....	130,000
3.	Program of Requirements.....	0
4.	Pre-Construction Services .....	1,440,000
5.	Commissioning.....	70,000
6.	Construction Testing .....	234,660
7.	Campus Services & Technology .....	433,000
8.	Furnishings .....	888,000
9.	Equipment .....	808,000
10.	Other Project Costs.....	139,371
11.	Project Management & Inspection .....	<u>\$510,896</u>
12.	TOTAL ESTIMATED COST OF PROJECT .....	<u>\$21,690,000</u>

1. BOR Approval to Include in Capital Plan ..... May 19, 2022
2. Issue A/E RFQ .....November 15, 2023
3. Issue CMAR RFP .....November 15, 2023
4. Receive A/E RFQ Responses..... December 5, 2023
5. Receive CMAR RFP Response ..... December 7, 2023
6. Shortlist A/E Firms ..... December 13, 2023
7. Interview A/E Shortlist ..... December 19, 2023
8. Interview CMAR Firms ..... December 20, 2023
9. A/E Ranked Order Approved by Chancellor ..... January 18, 2024
10. CMAR Ranked Order Approved by Chancellor ..... January 18, 2024
11. Execute A/E Agreement ..... March 5, 2024
12. Execute CMAR Agreement ..... March 18, 2024
13. Complete Schematic Design ..... June 5, 2024
14. Complete Design Development ..... August 9, 2024
15. Receive GMP from CMAR .....October 9, 2024
16. BOR Approval for Construction .....November 7, 2024
17. Submit THECB Application .....November 2024
18. Complete Construction Documents .....November 2024
19. Begin Construction ..... December 2024
20. Substantial Completion ..... April 2026
21. Owner Occupancy ..... June 2026



## Educare Building

Texas A&M University-San Antonio

Project No. 25-3402

**TEXAS A&M UNIVERSITY - SAN ANTONIO  
PERMANENT UNIVERSITY FUND  
25-3402 Educare Building  
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	7,900,000.00			
YEAR 1	7,660,000.00	240,000.00	399,000.00	639,000.00
YEAR 2	7,410,000.00	250,000.00	387,000.00	637,000.00
YEAR 3	7,145,000.00	265,000.00	374,500.00	639,500.00
YEAR 4	6,870,000.00	275,000.00	361,250.00	636,250.00
YEAR 5	6,575,000.00	295,000.00	347,500.00	642,500.00
YEAR 6	6,265,000.00	310,000.00	332,750.00	642,750.00
YEAR 7	5,940,000.00	325,000.00	317,250.00	642,250.00
YEAR 8	5,600,000.00	340,000.00	301,000.00	641,000.00
YEAR 9	5,245,000.00	355,000.00	284,000.00	639,000.00
YEAR 10	4,870,000.00	375,000.00	266,250.00	641,250.00
YEAR 11	4,475,000.00	395,000.00	247,500.00	642,500.00
YEAR 12	4,060,000.00	415,000.00	227,750.00	642,750.00
YEAR 13	3,625,000.00	435,000.00	207,000.00	642,000.00
YEAR 14	3,170,000.00	455,000.00	185,250.00	640,250.00
YEAR 15	2,690,000.00	480,000.00	162,500.00	642,500.00
YEAR 16	2,190,000.00	500,000.00	138,500.00	638,500.00
YEAR 17	1,665,000.00	525,000.00	113,500.00	638,500.00
YEAR 18	1,110,000.00	555,000.00	87,250.00	642,250.00
YEAR 19	530,000.00	580,000.00	59,500.00	639,500.00
YEAR 20	(80,000.00)	610,000.00	30,500.00	640,500.00
		<u>\$ 7,980,000.00</u>	<u>\$ 4,829,750.00</u>	<u>\$ 12,809,750.00</u>

Estimated issuance costs and rounding of \$80,000 are included in this schedule.  
Long-term rates are assumed to be 5.00%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 08/19/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**TEXAS A&M UNIVERSITY - SAN ANTONIO  
REVENUE FINANCING SYSTEM  
25-3402 Educare Building  
City Grant and University Services Fees**

<b>Dates</b>	<b>Outstanding Principal</b>	<b>Principal Amount</b>	<b>Interest Amount</b>	<b>Annual Total</b>	<b>Coverage 1.15x</b>
Coml Paper	6,790,000.00				
YEAR 1	5,432,000.00	1,358,000.00	339,500.00	1,697,500.00	1,952,125.00
YEAR 2	4,074,000.00	1,358,000.00	271,600.00	1,629,600.00	1,874,040.00
YEAR 3	2,716,000.00	1,358,000.00	203,700.00	1,561,700.00	1,795,955.00
YEAR 4	1,358,000.00	1,358,000.00	135,800.00	1,493,800.00	1,717,870.00
YEAR 5	-	1,358,000.00	67,900.00	1,425,900.00	1,639,785.00
		<u>\$ 6,790,000.00</u>	<u>\$ 1,018,500.00</u>	<u>\$ 7,808,500.00</u>	<u>\$ 8,979,775.00</u>

Short-term rates are assumed to be 5.00%. Rates are subject to market change.  
Assuming that debt will remain in commercial paper until paid off. USF Reserves will be used to pay interest;  
RFS Debt will be repaid or replaced with grant funds as received.  
Prepared by the Office of the Treasurer - Treasury Services 08/19/2024

University Services Fee Reserves is the backup source of repayment for any shortfall in grant funding.

**Rates are variable and subject to market change.**



**TEXAS A&M UNIVERSITY - SAN ANTONIO  
REVENUE FINANCING SYSTEM  
25-3402 Educare Building  
University Services Fees Reserves**

<b>Dates</b>	<b>Outstanding Principal</b>	<b>Principal Amount</b>	<b>Interest Amount</b>	<b>Annual Total</b>	<b>Coverage 1.15x</b>
Coml Paper	1,800,000.00				
YEAR 1	1,440,000.00	360,000.00	90,000.00	450,000.00	517,500.00
YEAR 2	1,080,000.00	360,000.00	72,000.00	432,000.00	496,800.00
YEAR 3	720,000.00	360,000.00	54,000.00	414,000.00	476,100.00
YEAR 4	360,000.00	360,000.00	36,000.00	396,000.00	455,400.00
YEAR 5	-	360,000.00	18,000.00	378,000.00	434,700.00
		<u>\$ 1,800,000.00</u>	<u>\$ 270,000.00</u>	<u>\$ 2,070,000.00</u>	<u>\$ 2,380,500.00</u>

Short-term rates are assumed to be 5.00%. Rates are subject to market change.  
Assuming that debt will remain in commercial paper until paid off.  
Prepared by the Office of the Treasurer - Treasury Services 08/19/2024

**Rates are variable and subject to market change.**

**TEXAS A&M UNIVERSITY - SAN ANTONIO  
REVENUE FINANCING SYSTEM  
25-3402 Educare Building  
Gifts**

<b>Dates</b>	<b>Outstanding Principal</b>	<b>Principal Amount</b>	<b>Interest Amount</b>	<b>Annual Total</b>	<b>Coverage 1.15x</b>
Coml Paper	2,397,500.00				
YEAR 1	1,974,000.00	423,500.00	119,875.00	543,375.00	624,881.25
YEAR 2	1,525,000.00	449,000.00	98,700.00	547,700.00	629,855.00
YEAR 3	1,047,000.00	478,000.00	76,250.00	554,250.00	637,387.50
YEAR 4	538,000.00	509,000.00	52,350.00	561,350.00	645,552.50
YEAR 5	-	538,000.00	26,900.00	564,900.00	649,635.00
		<u>\$ 2,397,500.00</u>	<u>\$ 374,075.00</u>	<u>\$ 2,771,575.00</u>	<u>\$ 3,187,311.25</u>

Short-term rates are assumed to be 5.00%. Rates are subject to market change.  
Assuming that debt will remain in commercial paper until paid off.  
Prepared by the Office of the Treasurer - Treasury Services 08/19/2024

University Services Fees and Designated Tuition are the backup source of repayment for any shortfall in gifts.

**Rates are variable and subject to market change.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Multipurpose Field, Competition Track & Softball Field Upgrades Project, Texas A&M University-San Antonio, San Antonio, Texas (Project No. 25-3421)

**Background and Prior Actions:**

The Multipurpose Field, Competition Track & Softball Field Upgrades Project was included as a proposed project on The Texas A&M University System (A&M System) FY 2024 – FY 2028 Capital Plan approved by the Board of Regents (Board) at the August 2023 meeting with an FY 2024 start date and a planning amount of \$9,958,856. At the November 2023 meeting, the Board approved increasing the project planning amount to \$10,000,000, revising the funding sources for the project, and appropriating \$1,000,000 for pre-construction services.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$9,000,000 for construction services and related project costs. \$1,000,000 has been previously appropriated to this project.
- (3) Approve construction of the Multipurpose Field, Competition Track & Softball Field Upgrades Project at Texas A&M University-San Antonio (A&M-San Antonio).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	\$7,500,000	\$1,732,250	Grant*
Cash (Grant)	<u>\$2,500,000</u>	N/A	N/A
Total Project Funds	<u>\$10,000,000</u>		

\*RFS debt will be used, as needed, to manage cashflows and timing of installments from Bexar County. RFS debt will be repaid or replaced with grant funds as received. A&M-San Antonio has committed to use University Services Fees to cover interest expenses and as a backstop to the grant funds.

**Project Justification:**

On September 13, 2022, Bexar County, Texas, approved the funding of \$10 million to support the build-out of renovations to an existing softball facility and the construction of a multipurpose field and track (Sports Facilities). The entire project will cost \$10 million. Bexar County will reimburse the full amount of this project in phases upon completion, but A&M System funding is necessary to front the costs to ensure timely payment for pre-construction and construction services.

Bexar County, Texas, sees the value in supporting the construction of this athletic project to enhance the A&M-San Antonio athletic program and provide great athletic amenities for South San Antonio, which will benefit the Athletics Department, students and amateur sports groups. The Sports Facilities will be owned, exclusively managed and operated by A&M-San Antonio.

On May 18, 2023, A&M-San Antonio was granted authorization by the Board to negotiate and execute a grant and development agreement and an operating agreement with Bexar County, Texas regarding the track, multipurpose field, and softball facility.

**Scope:**

The project is the construction of a multipurpose synthetic field for soccer and intramurals, an NCAA 8-lane competition track and 300-seat bleachers with a press box. The competition field will have field lights. Access will be through concrete sidewalks, a pedestrian gateway, pedestrian lighting, and a pedestrian maintenance vehicle bridge. Also included is enhancing the existing softball field to include a synthetic turf, 300-seat bleachers with press box and new dugouts. Safety netting, a scoreboard, and sound system are included with the softball improvements. An ADA-accessible route from Parking Lot 2 will be included. These facilities will be utilized by A&M-San Antonio Athletics and Intramurals, as well as the Bexar County community.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for December 2025. The total project budget is \$10,000,000.

**Other Major Fiscal Impacts:**

A&M-San Antonio will be responsible for all costs of ownership of the Sports Facilities. A&M-San Antonio will be responsible for fully equipping, operating and maintaining the facilities. The construction cost will be fully funded by Bexar County, Texas utilizing the \$10 million approved for this purpose.

The term of the agreements for Bexar County, Texas, and A&M-San Antonio will not exceed 10 total years. The operational costs of the softball and the new Sports Facilities will be provided from annual operational funds of the recreation and athletic program as well as user fees assessed to external parties that lease or rent the facilities under facility use agreements.

There will be a fee applied for organized activities (e.g., team competitions, practices) to cover the sustainability, operational and maintenance costs of the facilities. Maintenance includes, but is not limited to, mowing, fertilizing, pest management, weed control, etc.

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A&M-San Antonio will allow the use of the Sports Facilities by other amateur sports groups, subject to the availability of the Sports Facilities based on A&M-San Antonio's use for its own practices, games, tournaments, maintenance, and other related uses.

A&M-San Antonio will consider regional tournaments and other events that will result in attendance by large numbers of citizens of Bexar County or visitors outside of Bexar County. It is expected that the operating agreement will cover the provisions for limited or specific dates up to five dates per year to allow the county to have access to the facilities for exclusive use at no cost other than their direct event-specific costs such as security, cleanup and any repairs that result from the county's use.

**Strategic Plan Imperative(s) this Item Advances:**

This agenda item supports the following A&M System Strategic Plan Imperative:

*Imperative No. 5: "The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy."*

A&M-San Antonio expects these facilities will provide services to athletics as well as the community, but more importantly, they will increase access to physical activities for Bexar County residents, have a positive impact on the social determinants of health and support the growth of the A&M-San Antonio Athletics Department.

In addition, the Sports Facilities will address a disparity of dedicated sports fields for youth and amateur sports in South San Antonio, an area that has a large population and is anticipated to experience rapid growth. The Sports Facilities will have a generational impact on our community and improve the quality of life for South Bexar County residents.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 13, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Multipurpose Field, Competition Track & Softball Field Upgrades Project, Texas A&M University-San Antonio, San Antonio, Texas (Project No. 25-3421)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$10,000,000 for the Multipurpose Field, Competition Track & Softball Field Upgrades Project is approved.**

**The amount of \$6,500,000 is appropriated from Account No. 01-083540 Revenue Financing System Debt Proceeds (Grant), and the amount of \$2,500,000 is appropriated from Account No. 01-081010 TAMUS Local, for construction services and related project costs.**

**The Multipurpose Field, Competition Track & Softball Field Upgrades Project, Texas A&M University-San Antonio, San Antonio, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**

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**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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Dr. Salvador Hector Ochoa, President  
Texas A&M University-San Antonio

<b>MULTIPURPOSE FIELD, COMPETITION TRACK &amp; SOFTBALL FIELD UPGRADES TEXAS A&amp;M UNIVERSITY-SAN ANTONIO PROJECT NO. 25-3421</b>	<b>PROJECT BUDGET</b>
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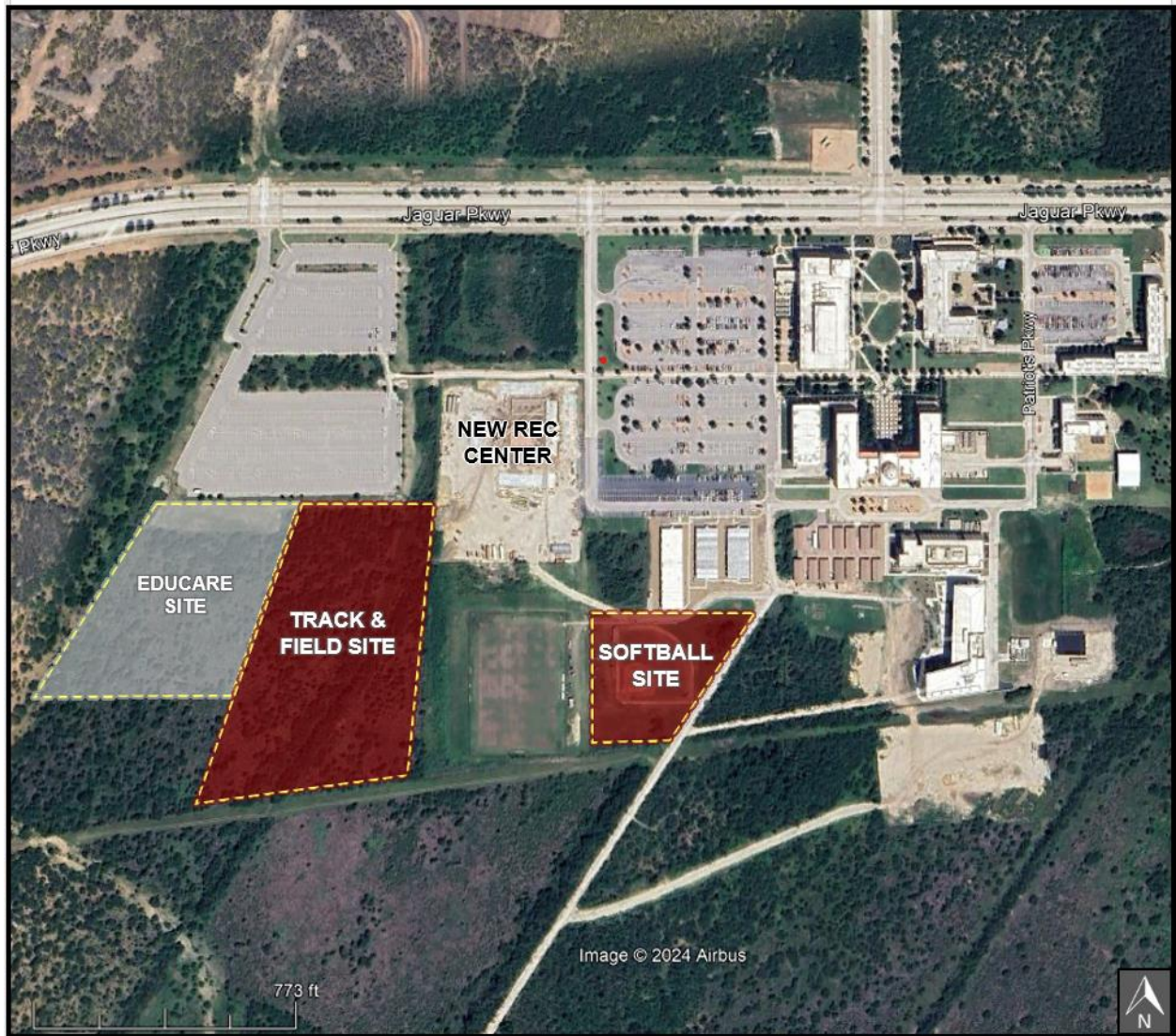
1.	Construction .....	\$8,410,000
2.	Project Contingency .....	210,161
3.	Program of Requirements.....	0
4.	Pre-Construction Services .....	824,000
5.	Commissioning.....	25,000
6.	Construction Testing .....	74,851
7.	Campus Services & Technology .....	50,000
8.	Furnishings .....	50,000
9.	Equipment .....	34,000
10.	Other Project Costs.....	63,829
11.	Project Management & Inspection .....	<u>\$258,159</u>
12.	TOTAL ESTIMATED COST OF PROJECT .....	<u>\$10,000,000</u>



**MULTIPURPOSE FIELD, COMPETITION TRACK &  
SOFTBALL FIELD UPGRADES  
TEXAS A&M UNIVERSITY-SAN ANTONIO  
PROJECT NO. 25-3421**

**PROJECT SCHEDULE**

1. BOR Approval to Include in Capital Plan ..... August 16, 2023
2. Issue DB RFQ .....November 21, 2023
3. Receive DB RFQ Responses ..... December 12, 2023
4. Issue DB RFP ..... December 15, 2023
5. Receive DB RFP Response..... January 4, 2024
6. DB Ranked Order Approved by Chancellor ..... January 18, 2024
7. Execute DB Agreement ..... March 18, 2024
8. Complete Schematic Design ..... June 17, 2024
9. Complete Design Development ..... August 22, 2024
10. Receive GMP from DB .....October 9, 2024
11. Complete Construction Documents .....October 19, 2024
12. BOR Approval for Construction .....November 7, 2024
13. Begin Construction ..... December 2024
14. Substantial Completion ..... December 2025
15. Owner Occupancy ..... December 2025



## Multipurpose Field, Competition Track & Softball Field Upgrades

Texas A&M University-San Antonio

Project No. 25-3421

**TEXAS A&M UNIVERSITY - SAN ANTONIO**  
**REVENUE FINANCING SYSTEM**  
**25-3421 Multipurpose Field, Competition Track & Softball Field Upgrades**  
**County Grant and University Services Fees**

<b>Dates</b>	<b>Outstanding Principal</b>	<b>Principal Amount</b>	<b>Interest Amount</b>	<b>Annual Total</b>	<b>Coverage 1.15x</b>
Coml Paper	7,500,000.00				
YEAR 1	6,140,000.00	1,360,000.00	375,000.00	1,735,000.00	1,995,250.00
YEAR 2	4,715,000.00	1,425,000.00	307,000.00	1,732,000.00	1,991,800.00
YEAR 3	3,220,000.00	1,495,000.00	235,750.00	1,730,750.00	1,990,362.50
YEAR 4	1,650,000.00	1,570,000.00	161,000.00	1,731,000.00	1,990,650.00
YEAR 5	-	1,650,000.00	82,500.00	1,732,500.00	1,992,375.00
		<u>\$ 7,500,000.00</u>	<u>\$ 1,161,250.00</u>	<u>\$ 8,661,250.00</u>	<u>\$ 9,960,437.50</u>

Short-term rates are assumed to be 5.00%. Rates are subject to market change.  
Assuming that debt will remain in commercial paper until paid off. University Service Fees will be used to pay interest.  
RFS Debt will be repaid or replaced with grant funds as received.  
Prepared by the Office of the Treasurer - Treasury Services 08/29/2024

**Rates are variable and subject to market change.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Hypersonic Wind Tunnel Project, Texas A&M Engineering Experiment Station, Bryan, Texas (Project No. 28-3419)

**Background and Prior Actions:**

The Hypersonic Wind Tunnel Project was included as a proposed project on the FY 2024 – FY 2028 A&M System Capital Plan approved by the Board at the August 2023 meeting with an FY 2024 start date and a planning amount of \$30,000,000. The project planning amount was reduced to \$10,000,000 on the FY 2025 – FY 2029 A&M System Capital Plan approved by the Board at the May 2024 meeting.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$9,000,000 for construction services and related project costs. \$1,000,000 has been previously appropriated to this project.
- (3) Approve construction of the Hypersonic Wind Tunnel Project at Texas A&M Engineering Experiment Station (TEES).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Cash (General Revenue)	<u>\$10,000,000</u>	N/A	N/A
Total Project Funds	<u>\$10,000,000</u>		

**Project Justification:**

The TEES mission is to perform the highest quality, relevant engineering- and technology-oriented research. As a research and development agency of the state and a member of The Texas A&M University System, TEES innovates and advances research that supports industry and enhances the economic development of the state and nation. TEES supports initiatives to solve problems through applied engineering research and development, technology, and

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collaboration with industry, government, and academia. TEES focuses on strategic research and market sectors for the greatest impact: energy and power, healthcare, materials and manufacturing, infrastructure, and national security. Within the national security initiative, hypersonic research is of critical interest to modernize national defense and continue aeronautical advancements and space research. While TEES has access to basic research capabilities and bridge research, test and evaluation scale capabilities are lacking. Providing large-scale aerodynamic testing in the range of Mach 5 to 9, the new Hypersonic Wind Tunnel (HWT) facility is poised to become the largest academic facility of its kind in the country.

**Scope:**

As currently programmed, the HWT single-story facility totals approximately 8,600 gross square feet (GSF), which translates to approximately 5,100 assignable square feet. Located on the Texas A&M-RELLIS campus, this facility will complement research at the adjacent Ballistics Aero-optics, and Materials (BAM) Range, and the Detonation Research Test Facility. The new facility is being constructed to accommodate TEES with space and infrastructure to house advanced hypersonic research equipment.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for February 2026. The total project budget is \$10,000,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The new HWT facility will support The Texas A&M University System (A&M System) Strategic Plan Imperatives Nos. 3, 4, and 5.

*Imperative No. 3:* Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy. Our member institutions will develop the educational experiences, experiential opportunities, and service opportunities that our students need to succeed post-graduation in a global economy.

*Imperative No. 4:* The A&M System will increase its prominence by building a robust and targeted research portfolio. We will continue to encourage cross-institution and cross-discipline collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status.

*Imperative No. 5:* The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy. We will continue to address the needs of Texas and use technology to reach citizens in new ways. The HWT facility will directly support hands-on educational and research experiences that are critical to training the next generation of research-driven engineers. As the only academic facility of its kind in the country, the new HWT will continue to advance hypersonic research in support of national defense.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
**FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
September 23, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Hypersonic Wind Tunnel Project, Texas A&M Engineering Experiment Station, Bryan, Texas (Project No. 28-3419)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$10,000,000 for the Hypersonic Wind Tunnel Project is approved.**

**The amount of \$9,000,000 is appropriated from Account No. 28-810950 Hypersonic Wind Tunnel Appropriation, for construction services and related project costs.**

**The Hypersonic Wind Tunnel Project, Texas A&M Engineering Experiment Station, Bryan, Texas, is approved for construction.”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs

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Robert H. Bishop, Director  
Texas A&M Engineering Experiment Station

<b>HYPERSONIC WIND TUNNEL</b> <b>TEXAS A&amp;M ENGINEERING EXPERIMENT STATION</b> <b>PROJECT NO. 28-3419</b>	<b>PROJECT BUDGET</b>
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1.	Construction .....	\$7,500,000
2.	Project Contingency .....	471,295
3.	Program of Requirements.....	188,000
4.	Pre-Construction Services .....	750,405
5.	Commissioning.....	15,300
6.	Construction Testing .....	52,400
7.	Campus Services & Technology .....	242,000
8.	Furnishings .....	200,000
9.	Equipment .....	252,585
10.	Other Project Costs.....	74,441
11.	Project Management & Inspection .....	<u>\$253,574</u>
12.	TOTAL ESTIMATED COST OF PROJECT .....	<u>\$10,000,000</u>

1. BOR Approval to Include in Capital Plan ..... August 16, 2023
2. Issue A/E RFQ ..... January 5, 2024
3. Receive A/E RFQ Responses ..... January 31, 2024
4. Shortlist A/E Firms ..... February 7, 2024
5. Interview A/E Shortlist ..... February 14, 2024
6. A/E Ranked Order Approved by Chancellor ..... March 6, 2024
7. Execute A/E Agreement ..... April 17, 2024
8. A/E Design Kick-Off ..... April 18, 2024
9. Complete Schematic Design ..... June 4, 2024
10. Complete Design Development ..... July 18, 2024
11. Complete Construction Documents ..... September 3, 2024
12. Advertise for CSP ..... September 4, 2024
13. Receive CSP Response ..... October 1, 2024
14. CSP Ranked Order Approved by Chancellor ..... October 15, 2024
15. Submit THECB Application ..... August 16, 2024
16. BOR Approval for Construction ..... November 7, 2024
17. Begin Construction ..... December 2024
18. Substantial Completion ..... February 2026
19. Owner Occupancy ..... March 2026





## Hypersonic Wind Tunnel

Texas A&M Engineering Experiment Station

Project No. 28-3419

**AGENDA ITEM BRIEFING**

**Submitted by:** Mark A. Welsh III, President  
Texas A&M University

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Davis-Gary Hall HVAC Renovations Project, Texas A&M University, College Station, Texas (Project No. 2023-06092)

**Background and Prior Actions:**

The Davis-Gary Hall HVAC Renovations Project was included as a proposed project on the FY 2024 – FY 2028 Texas A&M University System Capital Plan approved by the Board at the August 2023 meeting with an FY 2024 start date and a planning amount of \$9,218,500.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$8,296,650 for construction services and related project costs. \$921,850 has been previously appropriated to this project.
- (3) Approve construction of the Davis-Gary Hall HVAC Renovations Project at Texas A&M University (Texas A&M).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	<u>\$9,218,500</u>	\$677,194	Housing Revenue
Total Project Funds	<u>\$9,218,500</u>		

**Project Justification:**

Davis-Gary Hall was designed by Alfred C. Finn Architects in 1940 and built in 1942. Designated as a Level 3 Heritage Campus Building, Davis-Gary Hall has served Texas A&M as a student dormitory throughout its history. The original design did not include provision for air conditioning, but over the years, has been updated to include the current HVAC system. The latest system was installed in 1987.

Except for modifications to the group toilet rooms performed during the summer of 2018 and partial piping replacement performed during the summer of 2022, the remaining HVAC systems installed during the 1987 renovation project have reached the end of their useful life and require replacement.

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**Scope:**

The scope of this project will include the removal and replacement of both building pumps and all chilled water and heating water piping from the 1987 renovation (except for the piping already replaced as part of projects in 2018 and 2022). Fan coil units in each dorm room will be replaced and a new pre-treated outside air system will be provided to supply fresh air to the dorm rooms and common areas throughout the building (except for the group restrooms, which were addressed in the 2018 renovation). Direct Digital Controls will be required for all new equipment and will be tied into the campus-wide control system for energy management by Texas A&M Utilities and Energy Services. Limited architectural finish repairs are anticipated in support of new piping and equipment replacements. No other significant architectural work is expected.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for August 2025. The total project budget is \$9,218,500.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The Davis-Gary Hall HVAC Renovation Project supports The Texas A&M University System strategic imperative 3, by providing students a more comfortable living and study space. Improving the quality of campus life will improve the educational experience of all residents. In support of imperative 6, this project displays prudent financial stewardship and sustainability. By replacing aging systems within the building, long-term costs to the university will be minimized and the useful life of the building will be extended.

Agenda Item No.

**TEXAS A&M UNIVERSITY**

Office of the President

September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Davis-Gary Hall HVAC Renovations Project, Texas A&M University, College Station, Texas (Project No. 2023-06092)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$9,218,500 for the Davis-Gary Hall HVAC Renovations Project is approved.**

**The amount of \$8,296,650 is appropriated from Account No. 01-083540, Revenue Financing System Debt Proceeds (Housing Revenue), for construction services and related project costs.**

**The Davis-Gary Hall HVAC Renovations Project, Texas A&M University, College Station, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**

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**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Mark A. Welsh III  
President

**Approval Recommended:**

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John Sharp  
Chancellor

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

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Phillip Ray  
Vice Chancellor for Business Affairs

<b>DAVIS-GARY HALL HVAC RENOVATIONS</b> <b>TEXAS A&amp;M UNIVERSITY</b> <b>PROJECT NO. 2023-06092</b>	<b>PROJECT BUDGET</b>
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1. Construction .....	\$7,350,000
2. Project Contingency .....	735,000
3. Program of Requirements.....	0
4. Pre-Construction Services .....	735,000
5. Commissioning.....	75,000
6. Construction Testing .....	5,000
7. Campus Services & Technology .....	10,000
8. Furnishings .....	0
9. Equipment .....	0
10. Other Project Costs.....	40,000
11. Project Management & Inspection .....	<u>\$268,500</u>
12. TOTAL ESTIMATED COST OF PROJECT .....	<u>\$9,218,500</u>

1. BOR Approval to Include in Capital Plan ..... August 17, 2023
2. Issue A/E RFQ ..... September 5, 2023
3. Receive A/E RFQ Responses..... September 26, 2023
4. Shortlist A/E Firms .....October 3, 2023
5. Interview A/E Shortlist .....October 10, 2023
6. Execute A/E Agreement .....October 20, 2023
7. A/E Design Kick-Off .....October 23, 2023
8. Complete Schematic Design ..... January 31, 2024
9. Complete Design Development ..... March 27, 2024
10. Complete Construction Documents ..... May 14, 2024
11. Advertise for CSP ..... June 6, 2024
12. Receive CSP Response .....July 17, 2024
13. CSP Evaluation .....October 17, 2024
14. BOR Approval for Construction .....November 7, 2024
15. Begin Construction ..... December 2024
16. Commencement of Demolition and Construction ..... May 2025
17. Substantial Completion ..... August 2025
18. Owner Occupancy ..... August 2025



# Davis-Gary Hall HVAC Renovations

Texas A&M University

Project No. 2023-06092



**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
Davis-Gary Hall HVAC Renovations  
Housing Revenue**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	9,310,000.00				
YEAR 1	9,120,000.00	190,000.00	488,775.00	678,775.00	780,591.25
YEAR 2	8,925,000.00	195,000.00	478,800.00	673,800.00	774,870.00
YEAR 3	8,715,000.00	210,000.00	468,562.50	678,562.50	780,346.88
YEAR 4	8,495,000.00	220,000.00	457,537.50	677,537.50	779,168.13
YEAR 5	8,265,000.00	230,000.00	445,987.50	675,987.50	777,385.63
YEAR 6	8,020,000.00	245,000.00	433,912.50	678,912.50	780,749.38
YEAR 7	7,765,000.00	255,000.00	421,050.00	676,050.00	777,457.50
YEAR 8	7,495,000.00	270,000.00	407,662.50	677,662.50	779,311.88
YEAR 9	7,210,000.00	285,000.00	393,487.50	678,487.50	780,260.63
YEAR 10	6,910,000.00	300,000.00	378,525.00	678,525.00	780,303.75
YEAR 11	6,595,000.00	315,000.00	362,775.00	677,775.00	779,441.25
YEAR 12	6,265,000.00	330,000.00	346,237.50	676,237.50	777,673.13
YEAR 13	5,915,000.00	350,000.00	328,912.50	678,912.50	780,749.38
YEAR 14	5,550,000.00	365,000.00	310,537.50	675,537.50	776,868.13
YEAR 15	5,165,000.00	385,000.00	291,375.00	676,375.00	777,831.25
YEAR 16	4,760,000.00	405,000.00	271,162.50	676,162.50	777,586.88
YEAR 17	4,335,000.00	425,000.00	249,900.00	674,900.00	776,135.00
YEAR 18	3,885,000.00	450,000.00	227,587.50	677,587.50	779,225.63
YEAR 19	3,410,000.00	475,000.00	203,962.50	678,962.50	780,806.88
YEAR 20	2,910,000.00	500,000.00	179,025.00	679,025.00	780,878.75
YEAR 21	2,385,000.00	525,000.00	152,775.00	677,775.00	779,441.25
YEAR 22	1,835,000.00	550,000.00	125,212.50	675,212.50	776,494.38
YEAR 23	1,255,000.00	580,000.00	96,337.50	676,337.50	777,788.13
YEAR 24	645,000.00	610,000.00	65,887.50	675,887.50	777,270.63
YEAR 25	-	645,000.00	33,862.50	678,862.50	780,691.88
		<u>\$ 9,310,000.00</u>	<u>\$ 7,619,850.00</u>	<u>\$ 16,929,850.00</u>	<u>\$ 19,469,327.58</u>

Estimated issuance costs and rounding of \$91,500 are included in this schedule.  
Long-term rates are assumed to be 5.25%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 08/29/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Mark A. Welsh III, President  
Texas A&M University

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Moses Hall HVAC Renovations Project, Texas A&M University, College Station, Texas (Project No. 2023-06085)

**Background and Prior Actions:**

The Moses Hall HVAC Renovations Project was included as a proposed project on the FY 2024 – FY 2028 Texas A&M University System Capital Plan approved by the Board at the August 2023 meeting with an FY 2024 start date and a planning amount of \$9,218,500.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$8,296,650 for construction services and related project costs. \$921,850 has been previously appropriated to this project.
- (3) Approve construction of the Moses Hall HVAC Renovations Project at Texas A&M University (Texas A&M).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	Average Estimated Annual <u>Debt Service</u>	Debt Service <u>Source</u>
Revenue Financing System Debt Proceeds	<u>\$9,218,500</u>	\$677,194	Housing Revenue
Total Project Funds	<u>\$9,218,500</u>		

**Project Justification:**

Moses Hall was designed by Alfred C. Finn Architects in 1940 and built in 1942. Designated as a Level 3 Heritage Campus Building, Moses Hall has served Texas A&M as a student dormitory throughout its history. The original design did not include provision for air conditioning, but over the years, has been updated to include the current HVAC system. The latest system was installed in 1987.

Except for modifications to the group toilet rooms performed during the summer of 2018 and partial piping replacement performed during the summer of 2022, the remaining HVAC systems installed during the 1987 renovation project have reached the end of their useful life and require replacement.

**Scope:**

The scope of this project will include the removal and replacement of both building pumps and all chilled water and heating water piping from the 1987 renovation (except for the piping already replaced as part of projects in 2018 and 2022). Fan coil units in each dorm room will be replaced and a new pre-treated outside air system provided to supply fresh air to dorm rooms and common areas throughout the building (except for the group restrooms, which were addressed in the 2018 renovation). Direct Digital Controls will be required for all new equipment and will be tied into the campus-wide control system for energy management by Texas A&M Utilities and Energy Services. Limited architectural finish repairs are anticipated in support of new piping and equipment replacements. No other significant architectural work is expected.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for August 2025. The total project budget is \$9,218,500.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The Moses Hall HVAC Renovations Project supports The Texas A&M University System strategic imperative 3, by providing students a more comfortable living and study space. Improving the quality of campus life will improve the educational experience of all residents. In support of imperative 6, this project displays prudent financial stewardship and sustainability. By replacing aging systems within the building, long-term costs to the University will be minimized and the useful life of the building will be extended.

Agenda Item No.

**TEXAS A&M UNIVERSITY**

Office of the President

September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Moses Hall HVAC Renovations Project, Texas A&M University, College Station, Texas (Project No. 2023-06085)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$9,218,500 for the Moses Hall HVAC Renovations Project is approved.**

**The amount of \$8,296,650 is appropriated from Account No. 01-083540, Revenue Financing System Debt Proceeds (Housing Revenue), for construction services and related project costs.**

**The Moses Hall HVAC Renovations Project, Texas A&M University, College Station, Texas, is approved for construction.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**

Agenda Item No.  
September 30, 2024

**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Mark A. Welsh III  
President

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

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Phillip Ray  
Vice Chancellor for Business Affairs

<b>MOSES HALL HVAC RENOVATIONS</b> <b>TEXAS A&amp;M UNIVERSITY</b> <b>PROJECT NO. 2023-06085</b>	<b>PROJECT BUDGET</b>
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1. Construction .....	\$7,350,000
2. Project Contingency .....	735,000
3. Program of Requirements.....	0
4. Pre-Construction Services .....	735,000
5. Commissioning.....	75,000
6. Construction Testing .....	5,000
7. Campus Services & Technology .....	10,000
8. Furnishings .....	0
9. Equipment .....	0
10. Other Project Costs.....	40,000
11. Project Management & Inspection .....	<u>\$268,500</u>
12. TOTAL ESTIMATED COST OF PROJECT .....	<u>\$9,218,500</u>

1. BOR Approval to Include in Capital Plan ..... August 17, 2023
2. Issue A/E RFQ ..... September 5, 2023
3. Receive A/E RFQ Responses..... September 26, 2023
4. Shortlist A/E Firms .....October 3, 2023
5. Interview A/E Shortlist .....October 10, 2023
6. Execute A/E Agreement .....October 20, 2023
7. A/E Design Kick-Off .....October 23, 2023
8. Complete Schematic Design ..... January 31, 2024
9. Complete Design Development ..... March 27, 2024
10. Complete Construction Documents ..... May 14, 2024
11. Advertise for CSP ..... June 6, 2024
12. Receive CSP Response .....July 17, 2024
13. CSP Evaluation .....October 17, 2024
14. BOR Approval for Construction .....November 7, 2024
15. Begin Construction ..... December 2024
16. Commencement of Demolition and Construction ..... May 2025
17. Substantial Completion ..... August 2025
18. Owner Occupancy ..... August 2025



## Moses Hall HVAC Renovations

Texas A&M University

Project No. 2023-06085



**TEXAS A&M UNIVERSITY  
REVENUE FINANCING SYSTEM  
Moses Hall HVAC Renovations  
Housing Revenue**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	9,310,000.00				
YEAR 1	9,120,000.00	190,000.00	488,775.00	678,775.00	780,591.25
YEAR 2	8,925,000.00	195,000.00	478,800.00	673,800.00	774,870.00
YEAR 3	8,715,000.00	210,000.00	468,562.50	678,562.50	780,346.88
YEAR 4	8,495,000.00	220,000.00	457,537.50	677,537.50	779,168.13
YEAR 5	8,265,000.00	230,000.00	445,987.50	675,987.50	777,385.63
YEAR 6	8,020,000.00	245,000.00	433,912.50	678,912.50	780,749.38
YEAR 7	7,765,000.00	255,000.00	421,050.00	676,050.00	777,457.50
YEAR 8	7,495,000.00	270,000.00	407,662.50	677,662.50	779,311.88
YEAR 9	7,210,000.00	285,000.00	393,487.50	678,487.50	780,260.63
YEAR 10	6,910,000.00	300,000.00	378,525.00	678,525.00	780,303.75
YEAR 11	6,595,000.00	315,000.00	362,775.00	677,775.00	779,441.25
YEAR 12	6,265,000.00	330,000.00	346,237.50	676,237.50	777,673.13
YEAR 13	5,915,000.00	350,000.00	328,912.50	678,912.50	780,749.38
YEAR 14	5,550,000.00	365,000.00	310,537.50	675,537.50	776,868.13
YEAR 15	5,165,000.00	385,000.00	291,375.00	676,375.00	777,831.25
YEAR 16	4,760,000.00	405,000.00	271,162.50	676,162.50	777,586.88
YEAR 17	4,335,000.00	425,000.00	249,900.00	674,900.00	776,135.00
YEAR 18	3,885,000.00	450,000.00	227,587.50	677,587.50	779,225.63
YEAR 19	3,410,000.00	475,000.00	203,962.50	678,962.50	780,806.88
YEAR 20	2,910,000.00	500,000.00	179,025.00	679,025.00	780,878.75
YEAR 21	2,385,000.00	525,000.00	152,775.00	677,775.00	779,441.25
YEAR 22	1,835,000.00	550,000.00	125,212.50	675,212.50	776,494.38
YEAR 23	1,255,000.00	580,000.00	96,337.50	676,337.50	777,788.13
YEAR 24	645,000.00	610,000.00	65,887.50	675,887.50	777,270.63
YEAR 25	-	645,000.00	33,862.50	678,862.50	780,691.88
		<u>\$ 9,310,000.00</u>	<u>\$ 7,619,850.00</u>	<u>\$ 16,929,850.00</u>	<u>\$ 19,469,327.58</u>

Estimated issuance costs and rounding of \$91,500 are included in this schedule.  
Long-term rates are assumed to be 5.25%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 08/29/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Mark A. Welsh III, President  
Texas A&M University

**Subject:** Approval to Amend the FY 2025 – FY 2029 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriate Funding for Pre-Construction Services for the Satellite Utility Plant 1 (SUP1) Expansion Project for Texas A&M University (Project No. 02-3434)

**Background and Prior Actions:**

The project was included as a proposed project on the FY 2025 – FY 2029 Texas A&M University System Capital Plan approved by the Board at the May 2024 meeting with an FY 2026 start date and a total planning amount of \$30,000,000.

**Proposed Board Action:**

- (1) Amend the approved FY 2025 – FY 2029 Texas A&M University System Capital Plan to change the fiscal year designation for project initiation for the Satellite Utility Plant 1 (SUP1) Expansion Project from FY 2026 to FY 2025.
- (2) Appropriate \$3,000,000 for pre-construction services and related project costs.

**Funding/Planning Amount:**

<u>Funding Source</u>	<u>Planning Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	<u>\$30,000,000</u>	\$2,203,946	Utility Revenue
Total Project Cost	<u>\$30,000,000</u>		

**Change Justification:**

The thermal capacity at Satellite Utility Plant 1 (SUP1) is appropriately sized to meet the current campus demand on West Campus. The upcoming addition on West Campus of the planned Aplin Center and the new Clinical Veterinary Teaching & Research Complex requires expanding both the footprint of the facility as well as its chilled water production capacity to meet the increased demand from these two buildings. The fiscal year change is being requested to commence with preconstruction services in order to stay on track with these new building projects.

**Project Justification:**

The primary goal of the project is to allow Texas A&M University (Texas A&M) to efficiently, reliably and cost-effectively provide the utility needs that accompany educational and research

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activity on the Texas A&M campus. Texas A&M maintains an N+1 Redundancy strategy for major equipment at each individual utility plant. N+1 refers to the ability to satisfy plant production requirements in the event that the largest piece of utility generation equipment within the system is unavailable. The installation of an additional 2,500-ton chiller at SUP1 as part of this project will allow for the continuation of the N+1 strategy.

Utilities & Energy Services (UES) undertook an update to the Utility Master Plan in late 2022, which is ongoing. As part of that update, the existing plant capacity was compared against current and future projected campus utility loads. Early efforts prioritized a 5-year load projection, which identified a capacity shortfall on West Campus. This project will address that shortfall and provide future space for additional capacity installation as the campus load continues to grow.

**Scope:**

As currently programmed, the Satellite Utility Plant 1 (SUP1) Expansion Project will involve the physical expansion of the SUP1 facility to allow for the installation of one 2,500-ton centrifugal, water-cooled chiller with all ancillary equipment and a cooling tower with space for an additional chiller, ancillary equipment and cooling tower at a later date. The additional 2,500 tons will increase the cooling capacity of the plant by 21%.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

Approval of this agenda item supports the A&M System Strategic Plan imperative 6.

*Imperative 6: The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability.*

UES completes utility master planning for the campus to ensure that no debt is incurred for additional infrastructure before it is actually needed. Texas A&M is requesting to change fiscal years to meet the cooling requirements of new buildings that will be coming online on West Campus in the near future. By changing the fiscal year for the expansion of the SUP1 utility plant on West Campus, UES will be expanding the campus infrastructure to support the campus growth as necessary for the forthcoming construction projects.

Agenda Item No.

**TEXAS A&M UNIVERSITY**

Office of the President

September 16, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval to Amend the FY 2025 – FY 2029 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriate Funding for Pre-Construction Services for the Satellite Utility Plant 1 (SUP1) Expansion Project for Texas A&M University (Project No. 02-3434)

I recommend adoption of the following minute order:

**“The request to amend the FY 2025 – FY 2029 Texas A&M University System Capital Plan to change the fiscal year designation for project initiation for the Satellite Utility Plant 1 (SUP1) Expansion Project for Texas A&M University from FY 2026 to FY 2025 is approved.**

**The amount of \$3,000,000 is appropriated from Account No. 01-083540, Revenue Financing System Debt Proceeds (Utility Revenue), for pre-construction services and related project costs.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).**

**As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that**

**the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”**

Respectfully submitted,

Mark A. Welsh III  
President

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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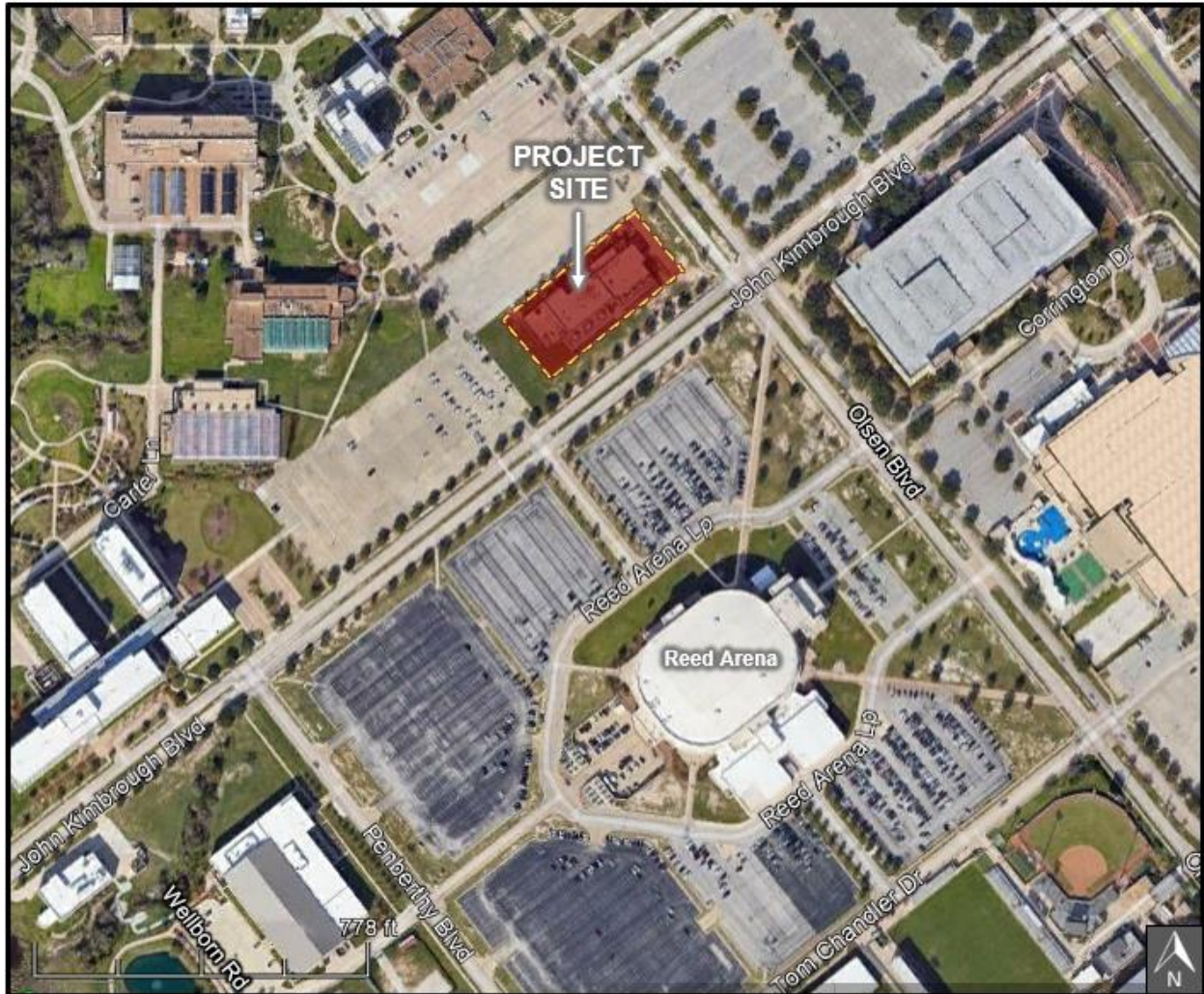
Ray Bonilla  
General Counsel

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Billy Hamilton,  
Deputy Chancellor and  
Chief Financial Officer

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Phillip Ray  
Vice Chancellor for Business Affairs



## Satellite Utility Plant 1 (SUP1) Expansion

Texas A&M University

Project No. 02-3434

**TEXAS A&M UNIVERSITY SYSTEM  
REVENUE FINANCING SYSTEM  
02-3434 SUP1 Expansion  
Utility Revenue**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	30,300,000.00				
YEAR 1	29,685,000.00	615,000.00	1,590,750.00	2,205,750.00	2,536,612.50
YEAR 2	29,040,000.00	645,000.00	1,558,462.50	2,203,462.50	2,533,981.88
YEAR 3	28,360,000.00	680,000.00	1,524,600.00	2,204,600.00	2,535,290.00
YEAR 4	27,645,000.00	715,000.00	1,488,900.00	2,203,900.00	2,534,485.00
YEAR 5	26,890,000.00	755,000.00	1,451,362.50	2,206,362.50	2,537,316.88
YEAR 6	26,100,000.00	790,000.00	1,411,725.00	2,201,725.00	2,531,983.75
YEAR 7	25,265,000.00	835,000.00	1,370,250.00	2,205,250.00	2,536,037.50
YEAR 8	24,390,000.00	875,000.00	1,326,412.50	2,201,412.50	2,531,624.38
YEAR 9	23,465,000.00	925,000.00	1,280,475.00	2,205,475.00	2,536,296.25
YEAR 10	22,495,000.00	970,000.00	1,231,912.50	2,201,912.50	2,532,199.38
YEAR 11	21,470,000.00	1,025,000.00	1,180,987.50	2,205,987.50	2,536,885.63
YEAR 12	20,395,000.00	1,075,000.00	1,127,175.00	2,202,175.00	2,532,501.25
YEAR 13	19,260,000.00	1,135,000.00	1,070,737.50	2,205,737.50	2,536,598.13
YEAR 14	18,065,000.00	1,195,000.00	1,011,150.00	2,206,150.00	2,537,072.50
YEAR 15	16,810,000.00	1,255,000.00	948,412.50	2,203,412.50	2,533,924.38
YEAR 16	15,490,000.00	1,320,000.00	882,525.00	2,202,525.00	2,532,903.75
YEAR 17	14,100,000.00	1,390,000.00	813,225.00	2,203,225.00	2,533,708.75
YEAR 18	12,635,000.00	1,465,000.00	740,250.00	2,205,250.00	2,536,037.50
YEAR 19	11,095,000.00	1,540,000.00	663,337.50	2,203,337.50	2,533,838.13
YEAR 20	9,475,000.00	1,620,000.00	582,487.50	2,202,487.50	2,532,860.63
YEAR 21	7,770,000.00	1,705,000.00	497,437.50	2,202,437.50	2,532,803.13
YEAR 22	5,975,000.00	1,795,000.00	407,925.00	2,202,925.00	2,533,363.75
YEAR 23	4,085,000.00	1,890,000.00	313,687.50	2,203,687.50	2,534,240.63
YEAR 24	2,095,000.00	1,990,000.00	214,462.50	2,204,462.50	2,535,131.88
YEAR 25	-	2,095,000.00	109,987.50	2,204,987.50	2,535,735.63
		<u>\$ 30,300,000.00</u>	<u>\$ 24,798,637.50</u>	<u>\$ 55,098,637.50</u>	<u>\$ 63,363,433.19</u>

Estimated issuance costs and rounding of \$300,000.00 are included in this schedule.  
Long-term rates are assumed to be 5.25%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 08/29/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Dr. Cliff Lamb, Director  
Texas A&M AgriLife Research

**Subject:** Approval to Amend the FY 2025 – FY 2029 A&M System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriation for Pre-Construction Services for the AgriTech Innovation Farm Hub Project for Texas A&M AgriLife Research (Project No. 24-002)

**Background and Prior Actions:**

The project was included as a proposed project on the FY 2025 – FY 2029 A&M System Capital Plan approved by the Board of Regents (Board) at the May 2024 meeting with an FY 2027 start date and a total planning amount of \$5,000,000.

**Proposed Board Action:**

- (1) Amend the approved FY 2025 – FY 2029 Texas A&M University System Capital Plan to change the fiscal year designation for project initiation for the AgriTech Innovation Farm Hub Project from FY 2027 to FY 2025.
- (2) Appropriate \$500,000 for pre-construction services and related project costs.

**Funding/Planning Amount:**

<u>Funding Source</u>	<u>Planning Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund Debt Proceeds	<u>\$5,000,000</u>	\$405,150	Available University Fund
Total Project Cost	<u>\$5,000,000</u>		

**Change Justification:**

Allowing the project to adjust from FY 2027 to FY 2025 would allow AgriLife Research to solicit the project at current market values and lower our risk of budget concerns due to escalation.

**Project Justification:**

This proposal aligns with the ongoing efforts at the Texas A&M McGregor Research Center, which is evolving into a go-to facility for livestock producers and is focused on producer-minded research and outreach. The construction of a new Agricultural Innovation Farm Hub



Headquarters Building is justified by the following points:

- **Technological Integration:** The facility will serve as a testbed for developing and integrating advanced information and communication technologies, such as sensors, drones, and Internet of Things (IoT) devices. These technologies will monitor and detect stress in crop and livestock systems, enhancing sustainability and profitability.
- **Collaborative Opportunities:** It will provide a platform for collaboration between Texas A&M University (Texas A&M)'s faculty and researchers across various colleges and the private sector. This synergy will optimize climate-smart agricultural productivity, environmental health, and natural resource management.
- **Research and Education:** The facility aims to become a state-of-the-art agricultural research center, like the Texas A&M-RELLIS Campus testbed, to develop next-generation technology at farm scale. It will offer demonstration and educational opportunities for students and professionals, promoting agriculture as a viable career and increasing farmers' livelihoods.
- **Data-Driven Agriculture:** By integrating big data with powerful analytics, the facility will empower farmers with predictive capabilities for informed decision-making. The system's versatility will allow adaptation to various livestock systems and crops, enhancing the entire agricultural value chain.
- **Response to Global Challenges:** The initiative addresses the growing demand for food and agricultural products amidst the challenges posed by demographic and climate change, ensuring the profession's viability and contributing to the agricultural value chain's resilience.

#### Scope:

The AgriTech Innovation Farm Hub is a single-story 10,000 square foot facility. The facility will house office space, field labs, multipurpose rooms, restrooms, and a catering area.

#### Other Major Fiscal Impacts:

None.

#### Strategic Plan Imperative(s) this Item Advances:

The AgriTech Innovation Farm Hub Project supports Imperative number 3: **“Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy.”** Through collaboration between Texas A&M faculty and researchers and the private sector, advances from this facility aim to optimize climate-smart agricultural productivity, environmental health, and natural resource management. The impact of the AgriTech Innovation Hub Project is expected to span the entire agricultural food chain, setting students up to become positive forces for the industry throughout their careers.

The AgriTech Innovation Farm Hub Project supports Imperative number 4: **“The A&M System will increase its prominence by building a robust and targeted research portfolio.”** From the integration of data-driven models and machine learning to autonomous robotics, remote sensing,

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drones, and satellite technology, this project would create a ‘state-of-the-art’ agricultural research facility to facilitate the development of next generation technology at farm scale.

The AgriTech Innovation Farm Hub Project supports Imperative number 5: **“The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state’s economy.”** The emerging technologies developed through interdisciplinary research on this campus will advance genetics, management, socio-economic information, and communications technology to enhance sustainability and farm profitability within the state of Texas and beyond. In addition to technological advancements, the facilities aim to provide invaluable demonstration and educational opportunities for a wide range of audiences, encompassing both rural and urban students from K-12 to graduate levels, as well as adult groups such as crop and livestock consultants, farmers, and ranchers.

Agenda Item No.

**TEXAS A&M AGRILIFE RESEARCH**

Office of the Director

September 30, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval to Amend the FY 2025 – FY 2029 A&M System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriation for Pre-Construction Services for the AgriTech Innovation Farm Hub Project for Texas A&M AgriLife Research (Project No. 24-002)

I recommend adoption of the following minute order:

**“The request to amend the FY 2025 – FY 2029 A&M System Capital Plan to change the fiscal year designation for project initiation for the AgriTech Innovation Farm Hub Project for Texas A&M AgriLife Research from FY 2027 to FY 2025 is approved.**

**The amount of \$500,000 is appropriated from Account No. 01-084900, Permanent University Fund Debt Proceeds (AUF), for pre-construction services and related project costs.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).”**

Respectfully submitted,

Dr. Cliff Lamb  
Director

**Approval Recommended:**

\_\_\_\_\_  
John Sharp  
Chancellor

\_\_\_\_\_  
Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

\_\_\_\_\_  
Phillip Ray  
Vice Chancellor for Business Affairs

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel

\_\_\_\_\_  
Jeffrey W. Savell, Ph.D.  
Vice Chancellor and Dean  
Agriculture and Life Science



## AgriTech Innovation Farm Hub

Texas A&M AgriLife Research

Project No. 24-002

**TEXAS AGRILIFE RESEARCH  
PERMANENT UNIVERSITY FUND  
AgriTech Innovation Farm Hub  
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	5,050,000.00			
YEAR 1	4,895,000.00	155,000.00	252,500.00	407,500.00
YEAR 2	4,735,000.00	160,000.00	244,750.00	404,750.00
YEAR 3	4,565,000.00	170,000.00	236,750.00	406,750.00
YEAR 4	4,390,000.00	175,000.00	228,250.00	403,250.00
YEAR 5	4,205,000.00	185,000.00	219,500.00	404,500.00
YEAR 6	4,010,000.00	195,000.00	210,250.00	405,250.00
YEAR 7	3,805,000.00	205,000.00	200,500.00	405,500.00
YEAR 8	3,590,000.00	215,000.00	190,250.00	405,250.00
YEAR 9	3,365,000.00	225,000.00	179,500.00	404,500.00
YEAR 10	3,130,000.00	235,000.00	168,250.00	403,250.00
YEAR 11	2,880,000.00	250,000.00	156,500.00	406,500.00
YEAR 12	2,620,000.00	260,000.00	144,000.00	404,000.00
YEAR 13	2,345,000.00	275,000.00	131,000.00	406,000.00
YEAR 14	2,055,000.00	290,000.00	117,250.00	407,250.00
YEAR 15	1,750,000.00	305,000.00	102,750.00	407,750.00
YEAR 16	1,435,000.00	315,000.00	87,500.00	402,500.00
YEAR 17	1,100,000.00	335,000.00	71,750.00	406,750.00
YEAR 18	750,000.00	350,000.00	55,000.00	405,000.00
YEAR 19	385,000.00	365,000.00	37,500.00	402,500.00
YEAR 20	-	385,000.00	19,250.00	404,250.00
		<u>\$ 5,050,000.00</u>	<u>\$ 3,053,000.00</u>	<u>\$ 8,103,000.00</u>

Estimated issuance costs and rounding of \$50,000 are included in this schedule.  
Long-term rates are assumed to be 5.0%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 09/03/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

**AGENDA ITEM BRIEFING**

**Submitted by:** Mark J. Rudin, President  
Texas A&M University-Commerce

**Subject:** Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Student Dining Facility Project, Texas A&M University-Commerce, Commerce, Texas (Project No. 21-FC-0011)

**Background and Prior Actions:**

The project was included as a proposed project on The Texas A&M University System (A&M System) FY 2024 – FY 2028 Capital Plan approved by the Board of Regents (Board) at the August 2023 meeting with an FY 2025 start date and a total planning amount of \$7,400,000. The fiscal year designation for project initiation was approved by the Board to change from FY 2025 to FY 2024 at the November 2023 meeting.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$6,660,000 for construction services and related project costs. \$740,000 has been previously appropriated for this project.
- (3) Approve construction of the Student Dining Facility Project at Texas A&M University-Commerce (A&M-Commerce).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Cash (Dining Revenue, Auxiliary Revenue & Local Funds)	<u>\$7,400,000</u>	N/A	N/A
Total Project Funds	<u>\$7,400,000</u>		

**Project Justification:**

Students starting their higher education experience have an unprecedented number of options, from in-state, out-of-state, and online universities. A&M-Commerce wants to remain a significant choice and must demonstrate a modern and inviting campus to current and future students. The Student Dining Facility will be a much-needed addition to the Event Center area by

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providing additional dining options for our students, faculty, staff, and campus visitors. With the university's recent move to Division I Athletics, it is extremely important to meet the needs of the many visitors we anticipate. This venue will be in the middle of our future plaza and entertainment district.

**Scope:**

The Student Dining Facility Project will feature a newly constructed building. The restaurant will be a sports grill that will provide a high-energy atmosphere where students and the community can gather for camaraderie and to celebrate competition, as well as allow guests the flexibility to customize their dining experience. The inviting and energetic environment of the restaurant is created using furnishings that can be easily rearranged to accommodate parties of various sizes. The restaurant will feature a distinct dining area. The site is part of a future expansion that will include a retail shop, hotel, event center, and agricultural complex. There is also a prerequisite project that must be performed before construction can begin. The project scope includes the removal of a preexisting sewer line. The sewer line removal project will take six weeks to complete and will be completed prior to the Student Dining Facility Project starting.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for October 2025. The total project budget is \$7,400,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

This item advances the following Strategic Plan Imperative:

*Strategic Plan Imperative No. 5: "The A&M System, will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy."*

The proposed retail development will provide the university community and residents of Commerce with additional dining options and employment opportunities.

Agenda Item No.

**TEXAS A&M UNIVERSITY-COMMERCE**

Office of the President

September 17, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Student Dining Facility Project, Texas A&M University-Commerce, Commerce, Texas (Project No. 21-FC-0011)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$7,400,000 for the Student Dining Facility Project is approved.**

**The amount of \$6,660,000 is appropriated from Account No. 21-832008-20300, Student Dining Facility Construction, for construction services and related project costs.**

**The Student Dining Facility Project, Texas A&M University-Commerce, Commerce, Texas, is approved for construction.”**

Respectfully submitted,

Mark J. Rudin  
President

**Approval Recommended:**

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John Sharp  
Chancellor

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

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Phillip Ray  
Vice Chancellor for Business Affairs

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel



<b>STUDENT DINING FACILITY</b> <b>TEXAS A&amp;M UNIVERSITY-COMMERCE</b> <b>PROJECT NO. 21-FC-0011</b>	<b>PROJECT BUDGET</b>
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1. Construction .....	\$5,149,760
2. Project Contingency .....	258,000
3. Program of Requirements.....	0
4. Pre-Construction Services .....	330,000
5. Commissioning.....	20,000
6. Construction Testing .....	52,940
7. Campus Services & Technology .....	155,000
8. Furnishings .....	0
9. Equipment .....	1,126,000
10. Other Project Costs.....	117,262
11. Project Management & Inspection .....	<u>\$191,038</u>
12. TOTAL ESTIMATED COST OF PROJECT .....	<u>\$7,400,000</u>

**STUDENT DINING FACILITY  
TEXAS A&M UNIVERSITY-COMMERCE  
PROJECT NO. 21-FC-0011**

**PROJECT SCHEDULE**

1. BOR Approval to Include in Capital Plan ..... August 17, 2023
2. BOR Approval for Fiscal Year Change .....November 9, 2023
3. Chancellor Approval for Best Value..... December 7, 2023
4. Execute A/E Agreement (Best Value Procurement)..... December 22, 2023
5. A/E Design Kick-Off ..... January 26, 2024
6. Advertise for CSP .....July 31, 2024
7. Receive CSP Response ..... August 27, 2024
8. CSP Evaluation .....August 28 – September 4, 2024
9. BOR Approval for Construction .....November 7, 2024
10. Begin Construction ..... December 2024
11. Substantial Completion .....October 2025
12. Owner Occupancy .....November 2025



## Student Dining Facility

Texas A&M University-Commerce

Project No. 21-FC-0011

**AGENDA ITEM BRIEFING**

**Submitted by:** Billy Hamilton, Deputy Chancellor and Chief Financial Officer  
The Texas A&M University System

**Subject:** Approval to Amend the FY 2025 – FY 2029 A&M System Capital Plan to Change the Project Name, Increase the Project Budget, and Appropriate Funding for Pre-Construction Services for the Texas A&M Semiconductor Institute/Infrastructure/Equipment Project for The Texas A&M University System (Project No. 01-3418)

**Proposed Board Action:**

The CHIPs Institute/Infrastructure/Equipment project was included as an approved project on the FY 2025 – FY 2029 A&M System Capital Plan approved by the Board at the May 2024 meeting.

**Proposed Board Action:**

- (1) Amend the FY 2025 – FY 2029 A&M System Capital Plan to change the project name from CHIPs Institute/Infrastructure/Equipment to the Texas A&M Semiconductor Institute/Infrastructure/Equipment.
- (2) Amend the approved FY 2025 – FY 2029 A&M System Capital Plan to increase the project budget to \$189,000,000 for the Texas A&M Semiconductor Institute/Infrastructure/Equipment Project for The Texas A&M University System.
- (3) Appropriate \$18,900,000 for pre-construction services and related project costs, contingent upon the completion of a Program of Requirements (POR) scoped to the approved budget.

**Funding/Planning Amount:**

<u>Funding Source</u>	<u>Project Budget</u>	<u>Proposed Adjustment</u>	<u>Proposed Budget</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund Debt Proceeds	\$32,562,000	\$0	\$32,562,000	\$2,638,825	Available University Fund
Cash (General Revenue)	<u>\$125,000,000</u>	<u>\$31,438,000</u>	<u>\$156,438,000</u>	N/A	N/A
Total Project Cost	<u>\$157,562,000</u>	<u>\$31,438,000</u>	<u>\$189,000,000</u>		

**Change Justification:**

During the programming of requirements for the Texas A&M Semiconductor Institute (TSI), a series of critical evaluations were conducted to balance building capacity and equipment needs. After thorough analysis, it became clear that the initiative would benefit most from allocating a greater portion of the appropriated budget toward increasing cleanroom fabrication square footage. This decision is based on the understanding that cleanroom space is fundamental to supporting long-term quantum and artificial intelligence fabrication technologies, which are key focus areas for the TSI's future development.

By focusing on expanding the cleanroom footprint, we are positioning TSI to meet future more varied demands for advanced semiconductor manufacturing and research. The decision to prioritize infrastructure over immediate equipment acquisition aligns with our long-term strategy. In addition, alternative sources for acquiring specialized manufacturing equipment can be explored over time, allowing us to leverage collaborations, donations, external funding opportunities, and equipment-sharing initiatives. This approach ensures that TSI remains flexible and well-equipped in the long term while maximizing the current budget to deliver high-impact capabilities.

**Project Justification:**

As part of the state of Texas' plan in response to the federal CHIPS Act, the 88<sup>th</sup> Texas Legislature, in its regular session, via Senate Bill 30, appropriated \$1.4 billion for microchip research and manufacturing initiatives to attract new investments, secure lucrative federal grants and create thousands of high-paying jobs over the next decade. Included in that funding was \$226,500,000 appropriated to The Texas A&M University System for the following purposes: (1) \$200,000,000 for quantum and artificial intelligence chip fabrication and (2) \$26,400,000 for the Center for Microdevices and Systems. \$156,438,000 of this funding will be used for the TSI project. The TSI project – 'Texas A&M Semiconductor Institute/Infrastructure/Equipment Project' aims to establish a state-of-the-art facility dedicated to semiconductor research, development, and innovation. The TSI building project will feature a cleanroom facility, additional support labs, offices, and general infrastructure to facilitate cutting-edge semiconductor fabrication and research activities. The facility will be designed and constructed to meet the highest industry standards and accommodate advanced equipment for semiconductor fabrication into the next decade. Research and development will focus on semiconductor devices that enable quantum and artificial intelligence and leap ahead processing technologies. As envisioned, the facility will be unique in the nation with respect to the versatility and fidelity of semiconductor manufacturing.

**Scope:**

The increased budget increases the square footage and capabilities of semiconductor manufacturing research special purpose laboratory spaces and cleanroom spaces by about twenty-five percent. Correspondingly, there was a decrease in the new equipment purchases associated with the overall Texas A&M Semiconductor Institute project.

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**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

Strategic Plan Imperative No. 4: The A&M System will increase its prominence by building a robust and targeted research portfolio. We will continue to encourage cross-institution and cross-discipline collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status. TSI will support recruiting and retaining international semi-conductor research talent based upon the project's vision to be a national shared use facility designed to innovate the chip making process and develop the 'next' semi-conductor materials and bespoke tools to support the development of these materials.

Strategic Plan Imperative No. 5: The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy. We will continue to address the needs of Texas and use technology to reach citizens in new ways. The TSI will be a national shared use facility designed to stimulate the local economy and become a significant contributor to the repatriation of low-cost semiconductor fabrication to the United States.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
Office of the Deputy Chancellor and Chief Financial Officer  
October 10, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval to Amend the FY 2025 – FY 2029 A&M System Capital Plan to Change the Project Name, Increase the Project Budget, and Appropriate Funding for Pre-Construction Services for the Texas A&M Semiconductor Institute/Infrastructure/Equipment Project for The Texas A&M University System (Project No. 01-3418)

I recommend adoption of the following minute order:

**“The request to amend the FY 2025 – FY 2029 A&M System Capital Plan to change the project name from CHIPs Institute/Infrastructure/Equipment to the Texas A&M Semiconductor Institute/Infrastructure/Equipment is approved.**

**An increase in the project budget from \$157,562,000 to \$189,000,000 for the Texas A&M Semiconductor Institute/Infrastructure/Equipment Project for The Texas A&M University System is approved.**

**Contingent upon the completion of the Program of Requirements, the amount of \$18,900,000 is appropriated from Account No. 01- 801010-00000, TSI - Building and Equipment, for pre-construction services and related project costs.**

**The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).”**

Respectfully submitted,

Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Phillip Ray  
Vice Chancellor for Business Affairs



## Texas A&M Semiconductor/Infrastructure/Equipment Project

The Texas A&M University System

Project No. 01-3418



**THE TEXAS A&M UNIVERSITY SYSTEM**  
**Permanent University Fund**  
**01-3418 Texas A&M Semiconductor Institute/Infrastructure/Equipment**  
**Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	32,885,000.00			
YEAR 1	31,890,000.00	995,000.00	1,644,250.00	2,639,250.00
YEAR 2	30,845,000.00	1,045,000.00	1,594,500.00	2,639,500.00
YEAR 3	29,750,000.00	1,095,000.00	1,542,250.00	2,637,250.00
YEAR 4	28,600,000.00	1,150,000.00	1,487,500.00	2,637,500.00
YEAR 5	27,390,000.00	1,210,000.00	1,430,000.00	2,640,000.00
YEAR 6	26,120,000.00	1,270,000.00	1,369,500.00	2,639,500.00
YEAR 7	24,790,000.00	1,330,000.00	1,306,000.00	2,636,000.00
YEAR 8	23,390,000.00	1,400,000.00	1,239,500.00	2,639,500.00
YEAR 9	21,920,000.00	1,470,000.00	1,169,500.00	2,639,500.00
YEAR 10	20,375,000.00	1,545,000.00	1,096,000.00	2,641,000.00
YEAR 11	18,755,000.00	1,620,000.00	1,018,750.00	2,638,750.00
YEAR 12	17,055,000.00	1,700,000.00	937,750.00	2,637,750.00
YEAR 13	15,270,000.00	1,785,000.00	852,750.00	2,637,750.00
YEAR 14	13,395,000.00	1,875,000.00	763,500.00	2,638,500.00
YEAR 15	11,425,000.00	1,970,000.00	669,750.00	2,639,750.00
YEAR 16	9,360,000.00	2,065,000.00	571,250.00	2,636,250.00
YEAR 17	7,190,000.00	2,170,000.00	468,000.00	2,638,000.00
YEAR 18	4,910,000.00	2,280,000.00	359,500.00	2,639,500.00
YEAR 19	2,515,000.00	2,395,000.00	245,500.00	2,640,500.00
YEAR 20	-	2,515,000.00	125,750.00	2,640,750.00
		<u>\$ 32,885,000.00</u>	<u>\$ 19,891,500.00</u>	<u>\$ 52,776,500.00</u>

Estimated issuance costs and rounding of \$323,000 are included in this schedule.  
Long-term rates are assumed to be 5.00%. Rates are subject to market change.  
Prepared by the Office of the Treasurer - Treasury Services 10/07/2024

**Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.**

# Facilities Planning & Construction Project Status Report

Effective 10/01/2024

Projects in Planning	17 Projects	\$1,209,162,000
Projects in Design	15 Projects	\$860,317,739
Projects in Construction	35 Projects	\$2,120,554,149
Projects in Private Development	17 Projects	\$998,664,000
<b>Combined Total:</b>	<b>84 Projects</b>	<b>\$5,188,697,888</b>

## Projects in Planning:

### Bryan, TX

01-3418	Chips Institute/Infrastructure/Equipment	\$157,562,000 FY2024
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### College Station, TX

02-3403	Olsen Field at Blue Bell Park Renovations	\$80,000,000 FY2026
02-3414	Visualization, Fine and Performing Arts Building	\$295,000,000 FY2026
02-3420	Aplin Center	\$250,000,000 FY2025
02-3422	Entrepreneurship Building	\$65,000,000 FY2027
02-3432	Heldenfels 4th Floor Instructional Lab Renovation	\$12,000,000 FY2025
02-3434	Satellite Utility Plant 1 (SUP1) Expansion	\$30,000,000 FY2026
23-3442	Medical Sciences Library - Level 1 Renovation	\$11,600,000 FY2026

### Commerce, TX

21-3433	Renovate One-Stop - University Police Dept. Building	\$8,000,000 FY2026
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### Corpus Christi, TX

09-3436	Corpus Christi Workforce Development	\$15,000,000 FY2024
15-3440	Miramar Housing Phase I	TBD Unfunded

### Houston, TX

23-3320	Alkek IBT Building Lab Expansion/Renovation & EnMed Build-out*	\$100,000,000 FY2022
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### McAllen, TX

23-3423	Health Education and Research (McAllen)	\$50,000,000 FY2024
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**San Antonio, TX**

<b>25-3437</b>	<b>Campus Central Utility Plant</b>	TBD
		Unfunded

**Stephenville, TX**

<b>04-3415</b>	<b>Lillian Street Dorm</b>	\$120,000,000
		FY2024

<b>04-3425</b>	<b>Agricultural Sciences Building</b>	TBD
		Unfunded

**Texarkana, TX**

<b>22-3439</b>	<b>Athletics Complex</b>	\$15,000,000
		FY2027

**Total of Projects in Planning****\$1,209,162,000****Projects in Design:****Brownsville, TX**

<b>09-3426</b>	<b>South Texas Workforce Development</b>	\$30,000,000
	PBK Architects	

**Bryan, TX**

<b>06-3339</b>	<b>Meat Sciences &amp; Technology Center</b>	\$114,604,906
	Kirksey Architecture	

<b>09-3394</b>	<b>TEEX RELLIS Training Props</b>	\$25,300,000
	Kimley-Horn and Associates, Inc.	

<b>26-3351</b>	<b>RELLIS Avenue D South Extension and Utility Upgrades</b>	\$13,500,000
	Kimley-Horn and Associates, Inc.	

<b>28-3419</b>	<b>Hypersonic Wind Tunnel</b>	\$10,000,000
	Arkitex Studio	

**College Station, TX**

<b>02-3345</b>	<b>CUP Generator Replacement Project</b>	\$26,500,000
	Stanley Consultants, Inc.	

<b>02-3378</b>	<b>Clinical Veterinary Teaching and Research Complex*</b>	\$181,000,000
	Page Southerland Page, Inc.	

**Commerce, TX**

<b>21-3390</b>	<b>New Event Center/Arena</b>	\$70,400,000
	Gensler & Associates	

<b>21-3401</b>	<b>Morris Recreation Center Expansion</b>	\$17,500,000
	SmithGroupJJR	

**Dallas, TX**

<b>23-3400</b>	<b>School of Dentistry Main Building Renovation</b>	\$22,400,000
	Brown Reynolds Watford	

**Galveston, TX**

<b>10-3354</b>	<b>Infrastructure, Dock Improvements, and Ship FF&amp;E - Phil</b>	\$72,500,000
	AtkinsRealis USA, Inc.	

**Houston, TX**

<b>02-3417</b>	<b>Space Collaboration Facility</b>	\$200,000,000
	Energy Architecture	

**Prairie View, TX**

<b>05-3380</b>	<b>Teaching and Academic Student Support Services Facility*</b>	\$44,922,833
	Harrison Kornberg Architects	

**San Antonio, TX**

<b>25-3402</b>	<b>Educare Building</b>	\$21,690,000
	Pfluger Architects, Inc.	

<b>25-3421</b>	<b>Multipurpose Field, Competition Track &amp; Softball Field Upgrades</b>	\$10,000,000
	Halff Associates, Inc.	

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<b>Total of Projects in Design</b>	<b>\$860,317,739</b>
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**Projects in Construction:****Austin, TX**

<b>30-3317</b>	<b>TDEM Headquarters and State Emergency Operations Center</b>	\$423,241,463
	J. T. Vaughn Construction, LLC	
Status:	On Schedule	
	Substantial Completion Date:	9/28/2026
	Construction Work Completed:	26%

**Bryan, TX**

<b>01-3372</b>	<b>STEM Education Center at RELLIS*</b>	\$43,425,406
	Tellepsen Builders, L.P.	
Status:	On Schedule	
	Substantial Completion Date:	9/19/2025
	Construction Work Completed:	30%

<b>06-3397</b>	<b>Animal Reproductive Biotechnology Center</b>	\$13,386,800
	Joeris General Contractors	
Status:	On Schedule	
	Substantial Completion Date:	1/10/2025
	Construction Work Completed:	80%

<b>28-3321</b>	<b>Ballistic Aero-Optics and Materials Facility</b>	\$60,088,600
	Bartlett Cocke General Contractors	
Status:	Behind Schedule	
	Substantial Completion Date:	10/31/2024
	Construction Work Completed:	99%

**Canyon, TX**

<b>06-3377</b>	<b>Amarillo Research &amp; Extension Center at Canyon</b>	\$30,580,000
	Western Builders	
Status:	On Schedule	
	Substantial Completion Date:	7/18/2025
	Construction Work Completed:	47%

<b>18-3364</b>	<b>Renovation of an Education Building and Health/Safety Upgrades*</b>	\$44,922,833
	Western Builders	
Status:	On Schedule	
	Substantial Completion Date:	8/14/2025
	Construction Work Completed:	45%

<b>18-3369</b>	<b>Public Safety Facility</b>	\$9,975,070
	Western Builders	
Status:	On Schedule	
	Substantial Completion Date:	9/19/2025
	Construction Work Completed:	7%

**College Station, TX**

<b>01-0257</b>	<b>MSC Annex Renovation</b>	\$8,870,000
	J. T. Vaughn Construction, LLC	
Status:	Substantially Complete	
	Substantial Completion Date:	8/15/2024
	Construction Work Completed:	99%

<b>02-3279</b>	<b>Business Education Complex</b>		\$84,197,309
	Skanska USA Building, Inc.	Substantial Completion Date:	12/13/2024
Status:	On Schedule	Construction Work Completed:	86%
<b>02-3343A</b>	<b>The Bright Building Area Development</b>		\$182,735,000
	Manhattan Construction Company	Substantial Completion Date:	1/15/2025
Status:	On Schedule	Construction Work Completed:	98%
<b>06-3344</b>	<b>Borlaug Southern Crop Improvement Center Renovations</b>		\$56,700,000
	Bartlett Cocke General Contractors	Substantial Completion Date:	8/16/2024
Status:	Substantially Complete	Construction Work Completed:	99%
<b>23-3412</b>	<b>Texas A&amp;M Health ESCO 2023</b>		\$14,745,526
	Ameresco	Substantial Completion Date:	
Status:	On Schedule	Construction Work Completed:	95%
<b>Commerce, TX</b>			
<b>21-3337</b>	<b>Student Services Building</b>		\$19,500,000
	Satterfield and Pontikes Construction, Inc.	Substantial Completion Date:	8/22/2024
Status:	Substantially Complete	Construction Work Completed:	100%
<b>21-3384</b>	<b>Agricultural Multipurpose Education and Training Center*</b>		\$47,322,833
	McGough Construction	Substantial Completion Date:	2/25/2026
Status:	On Schedule	Construction Work Completed:	13%
<b>Corpus Christi, TX</b>			
<b>15-3268</b>	<b>Arts &amp; Media Building*</b>		\$80,922,833
	Bartlett Cocke General Contractors	Substantial Completion Date:	4/30/2026
Status:	On Schedule	Construction Work Completed:	15%
<b>Fort Worth (Chisholm Trail), TX</b>			
<b>04-3281</b>	<b>Interprofessional Education Building</b>		\$66,745,000
	Holder Construction Group, LLC	Substantial Completion Date:	8/16/2024
Status:	Substantially Complete	Construction Work Completed:	99%
<b>04-3281A</b>	<b>Interprofessional Education Building (Addition)*</b>		\$9,255,000
	Joeris General Contractors	Substantial Completion Date:	9/20/2024
Status:	Substantially Complete	Construction Work Completed:	95%
<b>Fort Worth (Downtown), TX</b>			
<b>01-3359</b>	<b>Fort Worth Law &amp; Education Building</b>		\$185,000,000
	Turner Carcon Source JV	Substantial Completion Date:	1/30/2026
Status:	On Schedule	Construction Work Completed:	30%
<b>Galveston, TX</b>			
<b>10-3353</b>	<b>Infrastructure, Dock Improvements, and Ship FF&amp;E - Phi</b>		\$37,208,966
	J. T. Vaughn Construction, LLC	Substantial Completion Date:	4/15/2025
Status:	On Schedule	Construction Work Completed:	76%
<b>10-3381</b>	<b>Engineering Classroom and Research Building*</b>		\$50,992,125
	Turner Construction Company	Substantial Completion Date:	11/11/2025
Status:	On Schedule	Construction Work Completed:	15%
<b>Houston, TX</b>			
<b>23-3399</b>	<b>EnMED Discovery Tower Labs &amp; Office Buildout - Phase I</b>		\$15,000,000
	J. T. Vaughn Construction, LLC	Substantial Completion Date:	6/6/2025
Status:	On Schedule	Construction Work Completed:	10%

**Killeen, TX**

<b>24-3376</b>	<b>Central Operational Reliability and Efficiency Facility (CORE)*</b>	\$49,900,000
HOAR Construction	Substantial Completion Date:	2/4/2026
Status: On Schedule	Construction Work Completed:	30%

**Kingsville, TX**

<b>17-3383</b>	<b>Deferred Maintenance*</b>	\$45,172,833
Noble Texas Builders, LLC	Substantial Completion Date:	9/18/2025
Status: On Schedule	Construction Work Completed:	49%

**Laredo, TX**

<b>16-3382</b>	<b>Health Sciences Education and Research Center &amp; Western Hemispheric Trade Center Expansion*</b>	\$71,200,000
Bartlett Cocke General Contractors	Substantial Completion Date:	9/12/2025
Status: On Schedule	Construction Work Completed:	21%

**McAllen, TX**

<b>23-3374</b>	<b>Nursing Education &amp; Research Center - McAllen*</b>	\$49,948,556
J. T. Vaughn Construction, LLC	Substantial Completion Date:	10/1/2025
Status: On Schedule	Construction Work Completed:	25%

**Prairie View, TX**

<b>05-3370</b>	<b>Fire Alarm System Replacements PH2</b>	\$11,302,000
Britt Rice Construction Company, LP	Substantial Completion Date:	12/17/2024
Status: On Schedule	Construction Work Completed:	75%

**San Antonio, TX**

<b>25-3305</b>	<b>Recreation Center</b>	\$19,200,000
Byrne Construction Services	Substantial Completion Date:	7/17/2024
Status: Substantially Complete	Construction Work Completed:	100%

<b>25-3309</b>	<b>TAMU-San Antonio Housing Phase II</b>	\$34,100,000
Bartlett Cocke General Contractors	Substantial Completion Date:	8/2/2024
Status: Substantially Complete	Construction Work Completed:	99%

<b>25-3387</b>	<b>Public Health and Education Building*</b>	\$54,922,833
Joeris General Contractors	Substantial Completion Date:	1/28/2026
Status: On Schedule	Construction Work Completed:	11%

**Stephenville, TX**

<b>04-3326</b>	<b>Tarleton State University Parking Garage</b>	\$40,000,000
Byrne Construction Services	Substantial Completion Date:	10/25/2024
Status: On Schedule	Construction Work Completed:	96%

<b>04-3360</b>	<b>Health Sciences &amp; Human Services Building - Stephenville*</b>	\$80,000,000
J. T. Vaughn Construction, LLC	Substantial Completion Date:	7/9/2025
Status: On Schedule	Construction Work Completed:	30%

<b>04-3361</b>	<b>Dick Smith Library Renovation &amp; Expansion</b>	\$9,500,000
The Christman Company	Substantial Completion Date:	8/4/2025
Status: On Schedule	Construction Work Completed:	19%

<b>04-3396</b>	<b>Convocation Center</b>	\$110,000,000
J. T. Vaughn Construction, LLC	Substantial Completion Date:	5/10/2025
Status: On Schedule	Construction Work Completed:	60%

**Texarkana, TX**

<b>22-3385</b>	<b>Business, Engineering, and Technology Building*</b>	\$44,922,833
Clark Contractors LLC	Substantial Completion Date:	6/3/2026
Status: On Schedule	Construction Work Completed:	9%

**Vernon, TX**

<b>06-3407</b>	<b>AgriLife Vernon Campus Storm Repairs</b>	\$15,570,330
J. T. Vaughn Construction, LLC	Substantial Completion Date:	4/29/2025
Status: On Schedule	Construction Work Completed:	35%

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**Total of Projects in Construction** **\$2,120,554,149**

\*CCAP projects. Those in planning will not move forward until Legislative requirements are met, POR is complete and funding is finalized.

**Projects in Private Development:**

**Bryan, TX**

<b>01-3285</b>	<b>Data Center</b>	\$150,000,000
<b>01-3431</b>	<b>Project Factory One</b>	TBD
<b>26-3350</b>	<b>RELLIS Substation</b>	\$2,164,000
<b>26-3355</b>	<b>BTU Substation at RELLIS</b>	\$13,000,000

**College Station, TX**

<b>01-3428</b>	<b>ARFF Station Construction</b>	TBD
<b>02-3165</b>	<b>Century Square</b>	\$355,000,000
<b>02-3289</b>	<b>Intergenerational Living Center</b>	\$35,000,000
<b>02-3406</b>	<b>Union Pacific Bush 4141 Locomotive &amp; Marine One Helicopter Pavilion</b>	\$29,000,000
<b>02-3424</b>	<b>PopStroke</b>	\$3,800,000

**Commerce, TX**

<b>21-3292</b>	<b>Development Tract (~8 acres at corner of Culver and Hwy 24)</b>	TBD
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**Dallas, TX**

<b>23-3328</b>	<b>Dentistry Development Tract</b>	TBD
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**Ft. Worth, TX**

<b>01-3358</b>	<b>Ft. Worth Research &amp; Innovation Center</b>	TBD
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**Houston, TX**

<b>23-3293</b>	<b>Innovation Plaza</b>	\$401,000,000
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**Kingsville, TX**

<b>17-3430</b>	<b>Ocelot Conservation Facility</b>	TBD
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**Prairie View, TX**

<b>05-3335</b>	<b>50 Acre Development Tract</b>	TBD
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**Stephenville, TX**

<b>04-3327</b>	<b>Hotel &amp; Conference Center</b>	TBD
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**Texarkana, TX**

<b>22-3217</b>	<b>Student Recreation Center at TAMU-T</b>	\$9,700,000
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**Total of Projects in Private Development** **\$998,664,000**

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**

Office of the Board of Regents

October 29, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Adoption of a Resolution to Eliminate Certain Low-Producing Minors and Certificate Programs, Texas A&M University

WHEREAS, over the past year Texas A&M University's academic administration has reviewed minors and certificate programs to ensure adequate student interest and demand and to eliminate inefficient and low-producing programs; and

WHEREAS, the Texas Higher Education Coordinating Board (THECB) has a well-established process for monitoring the productivity of undergraduate and graduate major degree programs, resulting in the review and potential elimination of programs identified by the THECB as "low-producing;" and

WHEREAS, Texas A&M University's process for identifying low-producing minors and certificate programs is consistent with the THECB's criteria for major degree programs, based on student enrollment and completions over a two-year period; and

WHEREAS, Texas A&M University received input from deans, department heads, and other faculty concerning whether the identified low-producing minors and certificate programs should be retained or inactivated; and

WHEREAS, Texas A&M University has determined that **14** minors and **38** certificate programs, for a total of **52** programs, as reflected on the attachment to this resolution, are low-producing programs that should be eliminated; and

WHEREAS, the Faculty Senate at Texas A&M University was not adequately consulted in advance on the process for identifying the low-producing minors and certificate programs; and

WHEREAS, the Texas A&M president recommends that the current review process be halted and restarted to obtain input from the Faculty Senate on the structure of the review process; and

WHEREAS, the Board of Regents of the System believes sufficient faculty review of Texas A&M University's process has been present; and

WHEREAS, the Board of Regents is charged by state law with insisting that System institutions have clarity of focus and mission with respect to each institution's programs; and

WHEREAS, the Board of Regents believes that it has a duty to enhance efficiency, eliminate waste, and ensure that Texas A&M University's resources are used in the most effective, focused, and strategic manner possible; and



Agenda Item No.  
October 29, 2024

WHEREAS, the Board of Regents finds that Texas A&M University's review process demonstrates that the attached list of **52** minors and certificate programs are low-performing and should be eliminated; now, therefore, be it

RESOLVED, that, the Board of Regents directs Texas A&M University's president to take actions necessary to eliminate the attached list of minors and certificate programs; and, be it, further

RESOLVED, that, the Board of Regents directs the chancellor to take actions necessary to develop revisions of System Policy *11.09, Low-Producing Degree Programs*, to include minors and certificate programs, for Board consideration at the February 2025 Regular Meeting; and, be it, further

RESOLVED, that, the Board of Regents directs the presidents of other System institutions to promptly initiate a review of minors and certificate programs to identify any low-producing programs that may require elimination.

ADOPTED, this 7<sup>th</sup> day of November 2024.”

Respectfully submitted,

William Mahomes, Jr.  
Chairman

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel

## LOW-PRODUCING MINORS

College/ School	Minr_Desc	Initial Approval	Awarded (AY_21-22)	Awarded (AY_22-23)	AWARDED LAST 2 YEARS	ENROLL F23	ENROLL S24	Enroll F24	College Request - Keep/Inactivate	Justification/ Action to Date	PROVOST DECISION
ARCH	Global Art Design & Constr	Spr 2005	2	1	3	0	0	0	Inactivate		INACTIVATE
ARCH	Global Culture and Society	Fall 2011	1		1	0	0	0	Inactivate		INACTIVATE
Arts & Sci	LGBTQ Studies	Fall 2022	0	0	0	1	3	2	Keep	Retain because approved in Fall 2022	DENIED
Arts & Sci	Archaeology	Fall 2023	0	0	0	0	2	6	Keep	Retain because approved in Fall 2023	KEEP
Arts & Sci	Jewish Studies	Fall 2023	0	0	0	0	2	1	Keep	Retain because approved in Fall 2023	KEEP
Arts & Sci	Medical Anthropology	Fall 2023	0	0	0	0	4	8	Keep	Retain because approved in Fall 2023	KEEP
Arts & Sci	Nautical Archaeology	Fall 2023	0	0	0	3	4	6	Keep	Retain because approved in Fall 2023	KEEP
Arts & Sci	Asian Studies	Fall 2007	0	0	0	0	0	0	Keep	Retain because new investments in faculty are underway	Ref:8/2/24 memo
Arts & Sci	Geophysics	Spr 1998	1	0	1	0	1	1	Keep	Retain because department is making significant revisions and seeks to broaden the appeal of this minor to students.	Ref:8/2/24 memo
Arts & Sci	Comparative Cultural St - US	Unknown	3	1	4	2	0	1	Inactivate		INACTIVATE
Arts & Sci	Hispanic Studies Comm Engagemt	Fall 1999	5	0	5	3	5	8	Keep	Retain because the department is starting a campaign to increase the visibility of this minor to students.	KEEP
ENG	Info Tech Service Mgmt	Fall 2023	0	0	0	0	0	1	Keep	ITSV (Information Technology Service Management) ; ETID department This is a new minor, so more time is need to promote it and garner enrollment	KEEP
ENG	Chemical Engineering	Spr 2015	0	1	1	0	1	0	Inactivate		INACTIVATE
ENG	Petroleum Engineering	Spr 1999	1	0	1	3	4	4	Inactivate		INACTIVATE
ENG	Design & Simul Mech Systems	Spr 2016	0	2	2	2	12	6	Inactivate		INACTIVATE

Low Producing - Minors

ENG	Aerospace Engineering	Fall 1998	2	1	3	2	4	2	Inactivate		INACTIVATE
ENG	Nuclear Engineering	Spr 1999	1	2	3	5	5	4	Keep	The NUEN Department requests more time to develop and grow the NUEN minor, especially with the growth of the nuclear industry and need for a nuclear-related workforce. The department has made significant efforts to advertise and promote the minor more effectively in recent years, with tangible progress, as enrollment was 0 prior to 2021.	KEEP
ENG	Analy Design Mgmt Energy Conv	Spr 2016	1	2	3	4	3	3	Inactivate		INACTIVATE
ENG	Engineering Concepts	Fall 2020	4	4	8	18	12	5	Inactivate		INACTIVATE
GV	Marine Fisheries	Fall 2023	0	0	0	4	6	9	Keep	New Program in Progress (Fall 2023)	KEEP
GV	Marine Engineering Technology	Fall 2023	0	0	0	0	0	1	Keep	New Program in Progress (Fall 2023)	KEEP
GV	Maritime Environ Law & Policy	Fall 2023	0	0	0	3	4	5	Keep	New Program in Progress (Fall 2023)	KEEP
GV	Marine Electro- Technology	Fall 2023	0	0	0	0	3	4	Keep	New Program in Progress (Fall 2023)	KEEP

Low Producing - Minors

GV	Clinical Laboratory Sciences	Spr 2018	0	0	0	1	2	2	Keep	<p>The CLBS minor is embedded within the B.S. USGA-OOH/M.S. Clinical Laboratory Science, UTMB Program (see attached 2023 Articulation Agreement), which is structured as a 5-year program. The CLBS minor is only available to USGA-OOH students who intend to pursue the Clinical Laboratory Science M.S. at UTMB through the partnership program. This pathway requires application and acceptance into the master's program at UTMB. Due to these restrictions, the CLBS minor is expected to have relatively low enrollment compared to typical minors.</p> <p>We anticipate growth of this program based on the following:</p> <ul style="list-style-type: none"> <li>• UTMB is still committed to this program, as evidenced by their initiation of the renewal of our MOU this past year. The new agreement also included modified requirements and curricular changes, which are intended to increase the pool of students who will qualify for the program.</li> <li>• The planned revision of the OOH degree program and the recruitment of a faculty member to support it will facilitate enrollment growth in that major, and ultimately also in the CLBS minor.</li> <li>• Anecdotally (based on advising data), we have an increase in the number of students who expressed interest in the program. In fact, we just had one student accepted at UTMB to start Fall 2024. We had other OOH students interested in the program but later decided to pursue other opportunities.</li> <li>• We will continue to facilitate activities that would help students understand the CLS program.</li> </ul> <p>*See additional MOU and email for future explanation ☒</p>	KEEP
GV	Maritime Studies	Spr 2016	1	3	4	1	1	3	Inactivate		INACTIVATE

Low Producing - Minors

PHLT	Global Health	Fall 2020	0	0	0	0	0	0	Keep	<p>plans in place to improve enrollment including:</p> <ol style="list-style-type: none"> <li>1) Marketing to specific majors where a global health minor might align. We regularly get inquiries about the minor and now we can begin to offer the courses again.</li> <li>2) Strategically targeting faculty to teach courses on the degree plans that were not previously offered;</li> <li>3) Annually assess the curriculum to ensure it aligns with our CEPH accreditation as well as the school's vision and strategic plan;</li> <li>4) Annually review course availability and offerings to ensure the required courses are available for students.</li> <li>5) Part of the reasons for the low enrollment was due to a required international travel component as part of the global health certificate. With COVID-19 travel restrictions, this was difficult to obtain. We will be reevaluating the travel component to make it optional.</li> </ol>	DENIED
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LOW-PRODUCING CERTIFICATES												
College/ School	LEVL	MAJR_DESC	Initial Approval	AWARDED AY21-22	AWARDED AY22-23	AWARDED LAST 2 YRS	ENROLL F23	ENROLL S24	Enroll F24	College Request - Keep / Inactivate	Justification/Action to Date	PROVOST DECISION
AGLS	GR	Regulatory Sci in Food Sys	Fall 2012	0	1	1	0	0	6	Keep	1) encourage students to register for the Regulatory Science in Food Systems graduate certificate at the time they first enroll in one of the regulatory science courses. Many students have completed two or more regulatory science courses but have not registered for the certification. 2) Expend additional resources on revising two existing courses (SCSC 635 and SCSC 636) to align with the FDA-IFPTI national standards and offer as a stacked course making it available to undergraduate and graduate students. 3) Expend additional resources communicating to other departments/advisors that align with the Regulatory Science curriculum to increase awareness of the certificate program. 4) Benchmarking past participation in the Regulatory Science in Food Systems graduate certificate as a guide to future program enhancements. 5) Meet the certificate performance standard within the prescribed timeline should be achieved. 6) Expand curriculum to include other courses that meet Regulatory Science Graduate Certificate content requirements.	Denied
AGLS	UG	Cultural Competency	Fall 2021	0	0	0	2	1	2	Keep	1) Our first justification involves increasing our efforts to encourage students to register for the Cultural Competency undergraduate certificate program as freshmen and sophomores or to declare the certificate if they are pursuing it, but don't yet have it on their degree plan. 2) Expend additional resources on revising the curriculum to increase the number of lower-level and core curriculum courses that can be applied to the certificate program. 3) Take advantage of resources in the Department of Multicultural Services to increase opportunities for students in the certificate program to complete the capstone activity and extracurricular requirements. 4) Begin to Benchmark participation in the courses students take to complete the curricular requirements of the certificate program. With these data, we will refine the menu of courses for the certificate program. 5) Meet the new certificate performance standard within two years. 6) Revise the curriculum to include popular courses that support the development of cultural competency skills.	Denied

Low Producing - CERTIFICATES

AGLS	UG	Landscape Management	Fall 2021	0	0	0		2	10	Keep	<p>We conducted polls and informal interviews with our horticulture students to determine why more students were not enrolling or completing the certification. We learned that the program had an issue with students completing the HORT 306 and HORT 308 requirements, interest in more flexibility in course selection related to materials on the TNLA-TCLA exam, and the availability of some classes. Our proposed curriculum changes should provide additional flexibility in subject matter and course availability needed.</p> <p>We found that although the Certificate was mentioned in all landscape classes, the students were not cognizant of the importance of the certificate or how close they were to completing it. Marketing in the classroom now includes visits from industry professionals who provide perspective on the value of the certificate. The provision of extra study materials to prepare for the exam has raised interest and enrollment. The opportunity to take the exam for free while still as a student is a huge savings and we are grateful to our industry for this opportunity.</p> <p>Previously we did not market extensively outside horticulture due to the program being new and potential limitations in course availability. Now that we have had time to test the program, we can market the certificate more extensively.</p>	Denied
AGLS	UG	Food Diversity	Fall 2019	0	1	1	3	5	4	Keep	<p>The Undergraduate Certificate Program in Food Diversity holds a crucial position within the Food Diversity Innovation Program (FDIP), which initially secured funding through a \$5 million endowment from the Islamic Food and Nutrition Council of America (IFANCA). This grant aimed to establish a permanent educational model focusing on specialized areas such as ethnic and faith-based foods, alongside offering an undergraduate seminar course or more intensive, lab-based exploration of food complexities. Recently, an additional \$300K endowment was acquired by the program, with the primary goal of enhancing recruitment efforts and providing scholarships. This certificate program serves as an integral component of the FDIP framework, actively contributing to innovation and diversity within the food industry. Moreover, these funds are allocated towards scholarships for students pursuing studies in Food Diversity.</p>	Keep
AGLS	UG	Watershed	Fall 2003	1	2	3	1	2	2	Inactivate		Inactivate

Low Producing - CERTIFICATES

ARCH	GR	Facility Asset Management	Fall 2003	0	0	0	0	0	1	Keep	<ul style="list-style-type: none"> <li>• <b>Reorganize/restructure:</b> The facility asset management certificate will be moved to the department of Construction Science.</li> <li>• <b>Leverage faculty expertise:</b> The department of Construction Science recently hired faculty who have both passion and expertise for Facility Asset Management in addition to the senior faculty who work in this area. We expect that Construction Science faculty will take ownership of the certificate to revise the curriculum and actively lead as the point of contact for students interested in the certificate.</li> <li>• <b>Market more effectively:</b> In years past faculty turnover meant that the certificate did not have a clear champion. With clear leadership, we will be able to market more effectively, using the school's website and social media pages. The department and school also hosts events where the certificate can be advertised, including new graduate student orientations, monthly colloquium presentations. Faculty will also announce the certificate in their courses.</li> </ul>	Denied
ARCH	GR	Transportation Planning	Fall 2009	0	1	1	1	2	1	Keep	<ul style="list-style-type: none"> <li>• <b>Leverage faculty expertise:</b> Dr. Tom Sanchez, a transportation expert, joined the department in 2024, and we expect another T/TT hire with expertise in transportation in the next year. These faculty will increase our capacity for offerings, and we will feature them in lectures to highlight their research and draw attention to the certificate.</li> <li>• <b>Collaborate with Texas Transportation Institute:</b> We recently held a workshop with TTI and will continue to collaborate with them through research projects and internships the certificate students can participate in.</li> <li>• <b>Market more effectively:</b> Use the department's website and social media pages to feature the certificate and its students' work; we have also identified events where we can announce the certificate &amp;/or host a Q&amp;A, such as at the school's open house, graduate orientation, colloquium, and in PLAN 612, the certificate's required core course.</li> </ul>	Denied
ARCH	GR	Community Development	Fall 2005	1	1	2	1	1	0	Inactivate		Inactivate
ARCH	UG	Diversity (AR)	Fall 2015	1	1	2	2	1	1	Keep	<p><u>To be renamed and restructured to become the Cultural Competence Certificate</u></p> <ul style="list-style-type: none"> <li>• Rename the certificate and update curriculum</li> <li>• Market more effectively: The proposed name gives a stronger sense of what students will actually learn in the certificate, which will allow us to market more effectively. We will continue our partnership with the Department of Multicultural Services to improve marketing efforts and manage the service-learning components of the certificate.</li> </ul>	Denied
Arts & Sci	GR	Petroleum Geoscience	Fall 2009	0	0	0	1	1	1	Keep	Retain, PETG is associated with the Berg-Hughes Center, for which a new directly will be hired shortly, with revisions and marketing for PETG to follow in aims of reviving student interest.	Denied



Low Producing - CERTIFICATES

Arts & Sci	GR	Geoscience Data Mgmt	Fall 2022	0	0	0	2	2	5	Keep	Retain, GEOD is integral to the online Master of Geosciences, managed by GEOG. Dept is improving their marketing strategy.	Denied
Arts & Sci	GR	Computational Sciences	Fall 2003	1	0	1	0	0	0	Keep	Retain, Dept. views CMSC as adding value to graduate training because of workforce need for machine learning and AI. Dept. has recruitment plan aiming to make CMSC more visible to student.	Denied
Arts & Sci	UG	Eviron & Engr Geology	Fall 2022	0	0	0	0	0	7	Keep	Retain, Dept. has plan for increasing visibility to students involving curriculum committee and academic advisor.	Denied
Arts & Sci	UG	Business Economics	Fall 2015	1	0	1	0	0	1	Keep	Retain, Dept. leadership will work with academic advisors to ensure this certificate is added through the UAS.	Denied
Arts & Sci	UG	Quantitative Econ Methods	Fall 2015	1	0	1	0	0	0	Keep	Retain, Dept. leadership will work with academic advisors to ensure this certificate is added through the UAS.	Denied
Arts & Sci	UG	Commun & Global Media	Fall 2012	1	2	3	4	3	2	Inactivate	Inactivate. CMJR voted to inactivate this certificate in May 2024. Inactivation of COGM initiated in CARS.	Inactivate
Bush	GR	Cybersecurity Policy	Fall 2020	0	1	1	0	0	0	Inactivate	Decided not to keep. Down the road the Public Service and Admin will consider moving it to their department.	Inactivate
Dentistry	GR	Dental Public Health	Fall 2019	1	0	1	1	1	2	Keep	The certificate programs meet the enrollment levels required by CODA.	Keep
EHD	GR	Latino Mental Health	Fall 2018	0	0	0	0	0	0	Inactivate	Initiated in CARS 4/16/24	Inactivate
EHD	GR	Individual Group Team Coaching	Fall 2022	0	0	0	0	0	0	Keep	New Program in Progress	Denied
EHD	GR	Post-Secondary Sci Teaching	Fall 2021	0	1	1	1	1	2	Keep	New Program in Progress	Denied
ENG	GR	Cybersecurity Engineering	Fall 2019	0	0	0	1	2	2	Inactivate		Inactivate
ENG	GR	Electric Energy Systems	Fall 2020	0	0	0	0	0	0	Inactivate	Initiated in CARS 5/3/24	Inactivate
ENG	GR	Energy Tech Law & Policy	Fall 2021	0	0	0	0	0	0	Inactivate	Initiated in CARS 4/12/24	Inactivate

Low Producing - CERTIFICATES

ENG	GR	Subsea Engineering	Fall 2021	0	0	0	0	0	1	Inactivate		Inactivate
ENG	GR	Analog & Mixed-Signal	Fall 2019	0	0	0	1	1	1	Keep	Four new graduate certificates will be starting in Fall 2024 as part of the new academic initiatives related to the semiconductor institute. These are DICD (Digital Integ Circuit Design),SCMF (Semiconductor Manufacturing), and SSCP (Safety Semicond Processing). These new certificates are expected to gain robust enrollment as demand for graduates grows strongly due to current trends in the semiconductor industry. The AMIC (Analog and Mixed-Signal Integrated Circuit Design) certificate is also part of the academic credentials of interest to the semiconductor industry, and it is expected to grow in interest and enrollment accordingly.	Keep
ENG	GR	Engr Concept Creation & Comm	Fall 2019	0	0	0	1	2	2	Inactivate		Inactivate
ENG	GR	Engr Therapeutics Manuf	Fall 2015	1	0	1	1	0	1	Inactivate		Inactivate
ENG	GR	Intl Petroleum Mgmt	Fall 2009	1	0	1	0	0	0	Keep	<ol style="list-style-type: none"> <li>1. The graduate program enrollment in the department has declined over the last five plus years due to a variety of reasons (primarily economic) and this has directly affected enrollment in the IPM certificate program.</li> <li>2. Under new leadership both at the Department level and in the Graduate Programs Office, all programs are being overhauled and a recruiting campaign has already been initiated and includes the IPM certificate option.</li> <li>3. The Graduate Programs Office will enhance its websites, branding, and social media presence as part of this renovation of our graduate program. The IPM certificate option will be advertised and advocated.</li> </ol>	Denied

Low Producing - CERTIFICATES

ENG	GR	Corrosion Science & Engr	Fall 2019	1	0	1		1	2	Keep	<p>1. The course enrollment for the certificate courses has been quite healthy. We found out that the graduate advisor was not informing the students that they could get a CSIE certificate if they took the 3 courses below and how they needed to register for it. Many students took these 3 courses but did not register for the certificate. The faculty communicated with the students and some of the students will register for the certificate and will get the certificate already since they have already taken the courses.</p> <p>2. The MSEN department hired a new faculty (Dr. Bilal Mansoor) who will help revamp the certificate program</p> <p>3. The MSEN department is converting the certificate to the online form and will offer both in-person and online versions of the courses to increase enrollment to the program. We are starting the online offering this summer.</p> <p>4. The MSEN department signed an agreement with the National Association of Corrosion Engineers (NACE) that if the students get our certificate, then they don't need to take NACE courses to be certified Corrosion Engineers. For industry standards, NACE certification is required. We do not want our students to lose this privilege (and cost savings) by canceling the certificate program.</p>	Denied
ENG	UG	Energy Engineering	Fall 2006	2	2	4	0	1	1	Inactivate		Inactivate
Galveston	GR	Maritime Business Admin	Fall 2021	0	0	0	0	1	0	Keep	<i>Requested an extension for consideration pending the new department head.</i>	Denied
Mays	GR	Analytics	Fall 2019	0	0	0	0	0	0	Inactivate	The department is initiating the paperwork today	Inactivate
Mays	GR	Intl Business	Fall 2004	1	0	1	0	0	0	Keep	<p>"This program is not likely to have a significant number of students, given the additional coursework on top of our rigorous graduate programs, experience abroad requirements, and additional cost involved. However, the certificate does not require us to offer additional courses beyond those we are already offering to students.</p> <p>Further, COVID caused a dip in students' ability to go abroad. We would like to continue to offer the certificate and monitor enrollment for another year"</p>	Denied
Mays	GR	Business Intell & Analytics	Fall 2017	0	3	3	0	2	2	Keep	<p><i>All the courses in this certificate are, and will be, taught independent of the certificate. Further, we are adding new courses to count towards the certificate. We think the new courses will be well-received by students, and we are in discussion regarding adding one or two additional options for elective offerings on the certificate. We would like to continue to offer the certificate and monitor enrollment for another year.</i></p> <p><i>note - currently in CARS workflow to revise curriculum (adding another elective option)</i></p>	Keep Reassess 1 year ref: 8/2/24 memo

Low Producing - CERTIFICATES

Mays	UG	Capital Markets & Investments	Fall 2018	0	0	0	0	0	1	Inactivate	Inactivate certificate in fall 2024, with teach out plan through spring 2025	Inactivate
Mays	UG	Investment Banking	Fall 2014	0	0	0	0	0	0	Inactivate	Inactivate certificate in fall 2024	Inactivate
Mays	UG	Invest Bank & Private Equity	Fall 2018	1	0	1	0	0	0	Inactivate	Inactivate certificate in fall 2024	Inactivate
Mays	UG	Trading Risk & Investments	Fall 2014	1	0	1	2	1	1	Keep	The program has changed the way certificates will be added to student's degree plans. The certificate is awarded to students in the Trading Risk & Investments Program and the Commercial Banking Program, who do not pursue a graduate degree. More students will be included in this going forward.	Keep
Mays	UG	Banking Services	Fall 2022	0	1	1	0	1	0	Keep	This is a relatively new certificate and the program is actively recruiting at this time to build enrollment.	Denied
Mays	UG	Commercial Banking	Fall 2014	6	2	8	4	7	4	Keep	The program has changed the way certificates will be added to student's degree plans. The certificate is awarded to students in the Trading Risk & Investments Program and the Commercial Banking Program, who do not pursue a graduate degree. More students will be included in this going forward.	Keep
PHLT	GR	Health Systems Mgmt	Unknown	0	1	1	0	0	0	Keep	Plans to improve enrollment which include: 1. Marketing the certificate program to students in schools and colleges who often take health policy & management courses such as those enrolled at the Bush School, the Mays Business School, and the College of Engineering (specifically Industrial Engineering), and including our own DrPH students. 2. Annually assessing the curriculum and course evaluations to ensure that all students, regardless of college affiliation, are receiving instruction and demonstrating competencies in ways that align with the goals of the certificate program 3. Annually reviewing course availability to ensure that the required courses are available for students to enroll in.	Denied
PVFA	GR	Popular Culture	Fall 2021	0	0	0	0	0	0	Keep	This graduate certificate has underperformed due to receiving little exposure when only associated with the MA in Performance Studies in the former Department of Performance Studies. Given a wider audience on the near horizon, we expect the numbers to improved. This is particularly with respect to the larger size of the graduate programs in Visualization and the addition of graduate programs in Dance (approved) and upcoming programs in Music Technology and Interarts, we expect to have in PVFA.	Denied

Low Producing - CERTIFICATES

PVFA	UG	Performing Social Activism	Fall 2021	0	0	0	2	1	0	Inactivate	we plan to <b>close</b> this certificate. When we move forward it will be with a new minor. We don't need to keep the certificate open to pursue the new minor.	Inactivate
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Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**

Office of the Chancellor

October 18, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Adoption of a Resolution Honoring the Memory of Dr. Pablo Arenaz, President of Texas A&M International University

I respectfully request the Board of Regents' approval of the following resolution honoring the life and legacy of Dr. Pablo Arenaz, President of Texas A&M International University.

“WHEREAS, Dr. Pablo Arenaz lived a life that exemplified the academic excellence and leadership required of a truly great university president; and

WHEREAS, Dr. Arenaz was critical in securing over \$6 million in funding from the 87<sup>th</sup> Texas Legislature to launch the innovative Path to Academic and Student Success Program, which directly correlated to a campus persistence rate of over 80%; and

WHEREAS, Dr. Arenaz encouraged several new degrees, including petroleum engineering, computer engineering, clinical lab sciences, and physical therapy; and

WHEREAS, Dr. Arenaz tirelessly and wisely managed the university's resources to keep the university accessible, affordable, and exceptional; and

WHEREAS, Dr. Arenaz committed resources to students to help establish enviable 6-year graduation rates at the top among A&M System institutions; and

WHEREAS, Dr. Arenaz doubled the number of Laredoans who have earned a Bachelor's degree from 11% to 22%; and

WHEREAS, Dr. Arenaz led the university's celebration of its 30,000<sup>th</sup> student graduate since opening; and

WHEREAS, Dr. Arenaz successfully advocated for the importance of affordability initiatives from the Legislature, including Comprehensive Regional University funding, for the 82% of Texas A&M International University students considered economically disadvantaged; and

WHEREAS, Dr. Arenaz focused on building and growing enrollment to become the nation's leading institution of higher education with the largest percentage of Hispanic students in the country; and

WHEREAS, Dr. Arenaz launched the Presidential Research Development Awards to encourage and support new and promising research by faculty members; and

WHEREAS, Dr. Arenaz created a successful college dropout re-enrollment program, “Closer Than Ever,” that has seen more than 430 students complete their undergraduate degrees; and

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WHEREAS, Dr. Arenaz instituted automatic, merit-based Presidential Scholarships for students;  
and

WHEREAS, Dr. Arenaz secured \$4 million in funding to start two new health sciences programs — physical therapy and clinical lab sciences to address critical healthcare needs in South Texas;  
and

WHEREAS, Dr. Arenaz managed a continuous program of physical campus growth including the addition of the Academic Innovation Center with its Trailblazer Tower and the \$71.2 million construction and expansion projects now underway with the Health Science Education Research Center and Western Hemispheric Trade Center; and

WHEREAS, Dr. Arenaz completed a visionary Master Plan to guide the university’s development for decades to come; and

WHEREAS, Dr. Arenaz aligned Texas A&M International University with the overarching goals and guidance of The Texas A&M University System and leading its presence in South Texas; and,

WHEREAS, Dr. Pablo Arenaz built enduring community collaborations that squarely place and secure the university as the nexus of the community’s academic, cultural, and economic life; now, therefore, be it

RESOLVED, that The Texas A&M University System honors the life and powerful legacy of Dr. Pablo Arenaz, President of Texas A&M International University; and be it, further

RESOLVED, that this resolution be included in the minutes, and copies thereof signed by the Chairman of the Board of Regents of The Texas A&M University System, and be presented to the Archives of The Texas A&M University System as a permanent mark of the respect of this Board of Regents for the life and work of the late Dr. Pablo Arenaz.

ADOPTED, this 7th day of November 2024.”

Respectfully submitted,

John Sharp  
Chancellor  
The Texas A&M University System

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**

Office of the Chancellor

September 24, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Adoption of a Resolution to Change the Name of Texas A&M University-Commerce to “East Texas A&M University”

The chancellor of The Texas A&M University System respectfully requests the Board of Regents’ adoption of the following resolution to change the name of Texas A&M University-Commerce to East Texas A&M University.

“WHEREAS, a strategic priority and goal of the university is to align its initiatives with its rural-urban identity by continuing to expand academic programming throughout Northeast Texas and beyond; and to leverage the assets of the university to strengthen partnerships and maximize the economic, cultural, health, and social opportunities in the rural and urban communities it serves; and

WHEREAS, the university had the largest percentage enrollment [growth or increase] from fall 2022 to fall 2023 of any four-year public university in the state of Texas; and

WHEREAS, the university continues to strengthen its partnerships with regional, rural and urban community colleges and independent school districts, and partners with top local industries to provide internships and career opportunities that give students an edge in the job market; and

WHEREAS, the name East Texas A&M University embraces the university’s history by including East Texas in the name and bridges the past with the present; and

WHEREAS, the name East Texas A&M University honors its regional roots and preserves its identity within the broader Texas A&M University System, ensuring continuity and respect for its history; and

WHEREAS, the name East Texas A&M University is widely supported by students, faculty, staff, administrators and alumni, who recognize the rich history and tradition that is deeply rooted in the name and heritage as a regional university serving the needs of students in north and east Texas; and

WHEREAS, the current name of the university does not effectively communicate to constituents and stakeholders the mission and vision of The Texas A&M University System; and

WHEREAS, the chancellor has recommended that the university name be changed as follows: Texas A&M University-Commerce is to become East Texas A&M University, with the names of the university’s various campuses and sites being modified accordingly (e.g., the Commerce campus is to be referenced as East Texas A&M University, Main Campus); now, therefore, be it



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RESOLVED, that, effective November 7, 2024, in accordance with the authority granted by Section 86.23 of the Texas Education Code, the Board of Regents of The Texas A&M University System, hereby change the name of Texas A&M University-Commerce to East Texas A&M University, and the name of each university campus and site shall be modified to reflect this change; and, be it, further

RESOLVED, that, effective November 7, 2024, East Texas A&M University is to use its new name in its complete form and associated logo in all official communications, including letterhead, business cards, websites, and similar items; and, be it, further

RESOLVED, that, the president of Texas A&M University-Commerce is responsible for ensuring that these name changes are implemented in the most efficient and effective manner possible to conserve university resources while maximizing the potential constituent impact; and, be it, further

RESOLVED, that this resolution be included in the minutes, and copies thereof signed by the Chairman of the Board of Regents of The Texas A&M University System and presented to the Archives of Texas A&M University-Commerce.

ADOPTED, this 7<sup>th</sup> day of November 2024.”

Respectfully submitted,

John Sharp  
Chancellor

**Approval Recommended:**

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

**Approved for Legal Sufficiency:**

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Ray Bonilla  
General Counsel

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Phillip Ray '87  
Vice Chancellor for Business Affairs

Agenda Item No.

**AGENDA ITEM BRIEFING**

**Submitted by:** John Sharp, Chancellor  
The Texas A&M University System

**Subject:** Appointment of Interim President of Texas A&M International University

**Proposed Board Action:**

Appoint Mr. Juan Castillo as the interim president of Texas A&M International University, effective November 1, 2024.

**Background Information:**

System Policy [\*01.03, Appointing Power and Terms and Conditions of Employment\*](#), states that the Board of Regents may appoint interim CEOs.

A copy of Mr. Castillo's curriculum vitae is attached.

**A&M System Funding or Other Financial Implications:**

Mr. Castillo's initial salary as interim president will be his current salary as Chief Financial Officer, \$259,462.54, plus a \$16,300 monthly administrative stipend during his role as interim president.

**Strategic Plan Initiative(s) this Item Advances:**

As the institution's interim president, Mr. Castillo's responsibilities encompass the system and university's progression in all eight imperatives: access for students, affordable learning, engaged and successful graduates, research, responding to the needs of Texans, maintaining financial responsibility, leading in national and global initiatives, and sustaining long-term growth.

Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**

Office of the Chancellor

October 8, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Appointment of Interim President of Texas A&M International University

I recommend adoption of the following minute order:

**“Effective immediately, Mr. Juan Castillo is hereby appointed interim president of Texas A&M International University at his current CFO salary, \$259,462.54 in addition to a \$16,300 monthly stipend during his role as interim president.”**

Respectfully submitted,

John Sharp  
Chancellor

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

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Ray Bonilla  
General Counsel

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James R. Hallmark, Ph.D.  
Vice Chancellor for Academic Affairs

Item Number  
Not Used

**\*Certified by the general counsel or other appropriate attorney as confidential or information that may be withheld from public disclosure in accordance with Section 551.1281 and Chapter 552 of the Texas Government Code.**