

FOR THE BIENNIUM BEGINNING SEPTEMBER 1, 2007

2008–09

LEGISLATIVE

APPROPRIATIONS

REQUEST

SCHEDULES

DETAILED INSTRUCTIONS FOR INSTITUTIONS

AND AGENCIES OF HIGHER EDUCATION

June 2006

LEGISLATIVE BUDGET BOARD

GOVERNOR'S OFFICE OF BUDGET, PLANNING AND POLICY

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Schedule 1A

Other Educational and General Income

Purpose

This form provides detail on actual and estimated Other Educational and General Income (Other E&G Income)-excluding Indirect Cost Recovery-for fiscal years 2005 through 2009. This information is used to calculate the estimated appropriations for Other E&G Income.

General Information

All general academic and health-related institutions, Lamar State Colleges, and Texas State Technical Colleges shall complete this form.

Institutions will provide updated information for 2006 after the end of the fiscal year.

Completing the Form

The following numbered items correspond to numbers on the schedule and represent key elements in completing the form:

1. Exclude designated tuition under Tex. Educ. Code Ann. Sec. 54.0513 from gross tuition.
2. Reconcile remissions and exemptions to amounts reported in the Supplemental Report submitted to the Higher Education Coordinating Board as specified in Senate Bill 1, Special Provisions Relating Only to State Agencies of Higher Education, Rider 52.
3. Report board authorized tuition income (differential tuition charged to graduate students) charged under Texas Education Code Ann. Sec. 54.008 less any remissions or exemptions.
4. Report statutory tuition increases from \$48 to \$50 per semester credit hour in 2006 and 2007. There should be no statutory increase in 2008 and 2009.
5. Report tuition increases charged to doctoral students with excess hours for all years.
6. Report tuition increases charged to undergraduate students with more than 45 hours above degree requirements for 2005–2007. Report tuition increases charged to undergraduate students with more than 30 hours above degree requirements for 2008–09.
7. Report waived tuition amounts for all years.
8. Reconcile amounts reported for debt service on Skiles Act bonds and transfers for Texas Public Education Grants (TPEG) to amounts reported in the strategy request for Skiles and TPEG.
9. Reconcile amounts reported for OASI to amounts reported on Schedule 4 for Other Education and General Funds, OASI.
10. Report only contributions for proportionality. Exclude optional retirement program differential. Reconcile to amounts reported on Schedule 5.

Important

- Report all estimated Other E&G Income, **except Indirect Cost Recovery**, for Fiscal Years 2008 and 2009. Do not limit the amounts reported on this schedule to amounts for fiscal years 2006 and 2007.
- Reconcile amounts reported on this form with total Other E&G Income reported in the Summary of Requests for fiscal years 2005 through 2007. Schedule 1 will not reconcile to the Summary of Request for fiscal years 2008 and 2009.
- **Indirect Cost Recovery will be reported as an informational item on Schedule 2.**

**Schedule 1A
Other Educational and General Income
(continued)**

11. Report amounts of staff group insurance premiums paid from Other E&G funds. Reconcile amounts to the amounts reported in the strategy request for staff group insurance.
12. Reconcile amounts reported for organized activities to amounts reported in the strategy request for organized activities.

For universities, the amount should reconcile to the amount reported in the Staff Group Insurance strategy. For health-related institutions, the Staff Group Insurance strategy should reconcile to the amount reported in Schedule 1A plus the amount reported in Schedule 1B.

Checklist Items

Yes

- Does gross tuition less refunds and installment payment forfeits plus student teaching fees, special course fees, and laboratory fees equal the amount of total tuition and fees reported in the Supplemental Report submitted to the Higher Education Coordinating Board, as specified in Senate Bill 1, Special Provisions Relating Only to State Agencies of Higher Education, Rider 52?
- Does gross tuition exclude amounts for designated tuition?
- Do remissions and exemptions include remissions and exemptions of board authorized (graduate differential) tuition charged under Sec. 54.008?
- Are statutory tuition increases reported for 2006 and 2007, but not for 2008 and 2009?
- Are tuition increases charged to undergraduate students with excess hours reported for 2005–2009?
- Does OASI equal the amounts reported for Other Educational and General Funds, OASI reported on Schedule 4?
- Does TRS and ORP proportionality for E&G funds equal the Other Educational and General Proportional Contribution reported on Schedule 5 and exclude optional retirement program differential?
- Do amounts reported for organized activities equal amounts reported in the strategy request for organized activities?
- Does the total Other E&G Income for fiscal years 2005 through 2007 reconcile to the total Other E&G Income reported on the Summary of Base Request by Method of Financing, Regular Appropriation?
- Does Skiles and Texas Public Education Grant (TPEG) equal strategy request?
- Does Staff Group Insurance equal strategy request?
- Does interest on General Funds (Local Funds in State Treasury) equal Schedule 7 interest earned in State Treasury?

NOTE: The Schedule 1A example does not reconcile to the example in Appendix 2B.

Schedule 1B

Health-related Institutions Patient Income

Purpose

This form provides detail on patient income collected at institutions that operate a hospital or dental clinic. The information is used to calculate the estimated appropriations for patient income.

General Information

Health-related institutions that receive patient income from hospital or clinic operations shall complete Schedule 1B.

Institutions will provide updated information for 2006 after the end of the fiscal year.

Completing the Form

The following items correspond to the numbered items on Schedule 1B.

1. Report patient income from hospital or clinic operations. Fiscal year 2005 amount should reconcile to the amount reported in the Annual Financial Report (AFR). Fiscal year 2006 should estimate the amount to be reported in the AFR.
2. Reconcile amounts for OASI to amounts reported on Schedule 4, Health-related Institutions Patient Income, Allocation of OASI.
3. Report only contributions for proportionality. Exclude optional retirement program differential. Amounts reported here should reconcile to amounts reported on Schedule 5, HRI Patient Income Proportional Contribution.
4. Report staff group insurance premiums paid from HRI Patient Income. The amount reported for staff group insurance in Schedule 1B plus the amount reported in Schedule 1A should reconcile to the amount in the strategy for Staff Group Insurance.
5. The amount reported should equal the amount reported in item 4.

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Schedule 2 Grand Total, Educational, General and Other Funds

Purpose

This form summarizes educational, general and other funds, and includes funding sources not reflected in Schedule 1A or 1B or the Summary of Request.

General Information

All general academic and health-related institutions, Lamar State Colleges, and Texas State Technical Colleges shall complete this form.

Completing the Form

The following items correspond to the numbered items on Schedule 2.

1. Report balances at the beginning of the fiscal year.
2. General Revenue amounts are divided between direct appropriations (should match Conference Committee Report on Senate Bill 1, Seventy-ninth Legislature, Regular Session) (item 2) and General Revenue transfers (item 8). Report only those General Revenue amounts that are directly appropriated to the institutions. The subtotal of this item should equal the General Revenue subtotal on the Base Summary of Request by strategy and method of financing.

Report General Revenue appropriated to the Health-related Institutions by Special Provisions Relating to State Agencies of Higher Education, Sec. 56.2 (only sections b and c) only in 2005.

Report General Revenue reductions due to Article IX, Sec. 509(c), Expenditures for Commercial Air Travel.

Report General Revenue reductions due to Special Provisions Relating to State Agencies of Higher Education, Sec. 56.1, only in 2005.

3. The Other Educational and General Income shown under Item 3 should equal the amounts reported in Schedule 1 for all years.
4. For general academics, the Other Appropriated Funds Income shown under Item 4 should include the Special Mineral Funds, the Texas A&M University Real Estate Research Center, the Prairie View A&M University Center for Juvenile Crime, the Sam Houston State University Bill Blackwood Law Enforcement Management Institute, the Sam Houston State University Crime Victims Institute, interagency contracts, and tobacco proceeds from individual endowments.

For health-related institutions, Item 4 - Other Appropriated Funds Income should show amounts for Health-related Institutions Patient Income, Interagency Contracts, and tobacco-related funds.

5. Sums the General Revenue direct appropriations (item 2), the Other Educational and General Income (item 3), and the Other Appropriated Funds Income (item 4). The total shown in this line should equal the totals reflected in the Summary of Request for fiscal years 2005 through 2007. The total will not reconcile to the Summary of Request for 2008 and 2009 because formula funding is not included in the requested columns.

Important

Amounts reported in Item 3 should equal amounts shown in Schedule 1A.

Report Indirect Cost Recovery as Item 9.

Schedule 2
Grand Total, Educational, General and Other Funds
(continued)

6. Provides information on the following General Revenue transfers that are no longer reported on Schedule 1A: (1) transfers from the Coordinating Board and (2) transfers for group insurance to The University of Texas and Texas A&M University institutions.
7. Report transfers from the Available University Fund applies only to The University of Texas at Austin, Texas A&M University, and Prairie View A&M University, University of Texas System and the Texas A&M University System.
8. Gross Designated Tuition is for informational purposes only and should not be included in the total for Schedule 2.
9. Indirect Cost Recovery is reported for informational purposes only and should not be included in the total for Schedule 2.

Checklist Items

Yes

- Does Item 2 equal the amount shown for General Revenue in the Summary of Base Request by Method of Financing and by strategy?
- Does Item 5 equal the totals for expended 2006 and budgeted 2007 amounts shown in the Summary of Request?
- Does Item 3, Other Educational and General Income, equal Schedule 1, Total Other Education and General Income?

Schedules 3A and 3B Group Insurance Data Elements

Purpose

These forms identify number of employees enrolled in each group insurance benefit category by method of financing and may be used for allocating group insurance appropriations.

General Information

The group insurance data element schedules consist of two separate forms:

- Schedule 3A should be completed by institutions participating in the Employees Retirement System's (ERS) group insurance program.
- Schedule 3B should be completed by components of The University of Texas and Texas A&M Systems.

All institutions should report the employee data elements by method of financing. For all institutions, general revenue group insurance premiums are appropriated to Higher Education Employees Group Insurance Contributions, while other educational and general group insurance premiums are appropriated to the higher education institution. ERS administers the allocation of group insurance appropriations for institutions participating in ERS, and The University of Texas and Texas A&M System offices administer the group insurance allocations for their component institutions and system offices.

Key Elements and Issues

Enrollment numbers should represent the institution's best estimate of actual enrollment as of December 1, 2006. Proportionality requires the staff benefits to be paid from the same source as salaries. The method of financing for group insurance premiums should be proportional by fund to employees' salaries and wages. Enrollment method of finance should be based on proportionality reported in the institution's fiscal year 2005 Accounting Policy Statement 11 submission. For purposes of Legislative Appropriations Request (LAR) completion only, the Accounting Policy Statement 11 submission should be revised to exclude Indirect Cost Recovery funds from the calculation of proportionality.

As in the past, estimated enrollment numbers submitted in the LAR will be updated with actual numbers after the census date. For the updated enrollment count, the method of financing for group insurance premiums should be based on proportionality reported in the institution's fiscal year 2006 Accounting Policy Statement 11 submission. For purposes of Legislative Appropriations Request (LAR) completion only, the Accounting Policy Statement 11 submission should be revised to exclude Indirect Cost Recovery funds from the calculation of proportionality.

Columns in Schedules 3A and 3B represent the various funds from which higher education employees can be paid. Employees should be counted in the appropriate column as follows:

- General Revenue Fund - Full-time employees whose salaries and wages are paid from general revenue funds appropriated to the institution.
- General Revenue Fund - Part-time employees (eligible employees working less than 40 hours per week) whose salaries and wages are paid from general revenue funds appropriated to the institution.
- Other Educational and General Funds - Full-time employees whose salaries and wages are paid from other educational and general funds appropriated to the institution.
- Other Educational and General Funds - Part-time employees (eligible employees working less than 40 hours per week) whose salaries and wages are paid from other educational and general funds appropriated to the institution.

**Schedules 3A and 3B
Group Insurance Data Elements
(continued)**

- Non-educational and General Funds - Full-time employees whose salaries and wages are paid from non-educational and general funds appropriated to the institution as well as all other funds not appropriated by the state. This category includes employees whose salaries and wages are paid from the Available University Fund as well as Indirect Cost Recovery funds.
- Non-educational and General Funds - Part-time employees (eligible employees working less than 40 hours per week) whose salaries and wages are paid from non-educational and general funds appropriated to the institution as well as all other funds not appropriated by the state. This category includes employees whose salaries and wages are paid from the Available University Fund as well as Indirect Cost Recovery funds.

Specific institutions must complete a separate form for each of the following groups of employees:

- University of Texas Medical Branch at Galveston - Texas Department of Criminal Justice Correctional Managed Health Care employees
- University of Texas at Brownsville - Texas Southmost College employees covered by University of Texas group insurance
- University of Texas Health Science Center at Houston - Harris County Psychiatric Center employees

The University of Texas and Texas A&M components should include retired employees in Schedule 3B. ERS will provide the two budget offices with the number of retirees in each benefit category for all ERS participating institutions.

Completing the Form

Steps:

Section I.

- Enter the number of “active employees” enrolled in each benefit plan on lines A through E, in the appropriate fund source column.

For Employees Retirement System-participating institutions completing Schedule 3A:

Section II - to be completed in the same manner for “student employees”

Section III - verify that totals calculated include all eligible employees.

For University of Texas and Texas A&M University systems completing Schedule 3B:

Section II - to be completed in the same manner for “retired employees”

Section III - to be completed in the same manner for “student employees”

Section IV - verify that totals calculated include all eligible employees and retirees.

Checklist Items

Yes

- Do the numbers of employees represent an estimate of employees expected to be on the payroll as of December 1, 2006?
- Do all employees reported in the appropriate fund source column reflect proportionality reported in the institution’s fiscal year 2005 Accounting Policy Statement 11 submission? For purposes of Legislative Appropriations Request (LAR) completion only, the Accounting Policy Statement 11 submission should be revised to exclude Indirect Cost Recovery funds from the calculation of proportionality. Proportionality requires employee benefits to be paid from the same source as salaries.
- Do the numbers in Section III (for ERS institutions) or Section IV (for UT and A&M) equal the total number of eligible employees/retirees?

Schedule 4 Computation of OASI

Purpose

This form provides detail for actual and estimated OASI for fiscal years 2005 through 2009. This information is used to calculate the amount to be deducted from the Other Educational and General Income Estimates.

General Information

All general academic and health-related institutions, Lamar State Colleges, Texas State Technical Colleges, and Texas A&M Service agencies shall complete this form.

Completing the Form

This form requires three sets of calculations:

1. Divide the gross payroll subject to OASI by the number of FTE positions subject to OASI to calculate the average salary.
- 2.A. Multiply the average salary by the employer OASI rate of 7.65 percent (6.2 percent for Social Security and 1.45 percent for Medicare) and then multiply this amount by the number of FTE positions to calculate the total OASI.
- 2.B. Include percentages under proportionality for both General Revenue and Other E&G. The methodology used to calculate the percentages must be consistent with Comptroller Accounting Policy Statement 11, Exhibit 2. For purposes of Legislative Appropriations Request (LAR) completion only, the Accounting Policy Statement 11 submission should be revised to exclude Indirect Cost Recovery funds and Available University funds from the calculation of proportionality. The sum of the two percentages must be equal to 100 percent.
3. Multiply total OASI by the proportionality percentage to calculate the allocation of total OASI.

Important

The methodology used to calculate the Other E&G percentage must be consistent with Comptroller Accounting Policy Statement 11, Exhibit 2. For purposes of Legislative Appropriations Request (LAR) completion only, the Accounting Policy Statement 11 submission should be revised to exclude Indirect Cost Recovery funds and Available University funds from the calculation of proportionality.

Checklist Items

Yes

- Does the amount for "Allocation of Total OASI" for Other Educational and General Funds equal the Schedule 1A reduction of income for OASI for fiscal years 2005 through 2009?
- Does the amount "Allocation of OASI" for General Revenue Funds equal the amounts reported for OASI matching in the annual financial report for 2005 and 2006?
- Does the number of FTE positions equal Schedule 8, Subtotal, all Appropriated?
- Does General Revenue proportionality equal Schedule 5, General Revenue proportionality percentage?

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Schedule 5 Calculation of Retirement Proportionality and ORP Differential

Purpose

This form provides detail for actual and estimated proportionality and Optional Retirement Program differential for fiscal years 2005 through 2009.

General Information

All general academic and health-related institutions, Lamar State Colleges, Texas State Technical Colleges, and Texas A&M Service agencies shall complete this form.

Proportionality is the employer's share of retirement benefits (up to 6 percent of salary amount) paid from Other Educational and General Income (Other E&G). Proportionality includes amounts paid to both the Teacher Retirement System (TRS) and the Optional Retirement Program (ORP). The Seventy-fourth Legislature mandated that higher education institutions fund retirement benefits in the same relationship as total Educational and General (E&G) appropriated funds. For example, if Other E&G appropriations for fiscal year 2006 equaled 20 percent of its total appropriations, then the institution must fund 20 percent of its E&G retirement benefits from Other E&G Funds.

ORP Differential is the institution's share of retirement benefits between 6 percent and 7.31 percent (1.31 percent) of salary amounts paid to the ORP for eligible employees hired prior to September 1, 1995. The Seventy-fourth Legislature limited the employer's share of retirement benefits paid to ORP to the same rate paid to members of the TRS, or 6 percent for all employees hired after September 1, 1995.

Important

- The methodology used to calculate the Other E&G percentage must be consistent with Comptroller Accounting Policy Statement 11, Exhibit 2. For purposes of Legislative Appropriations Request (LAR) completion only, the Accounting Policy Statement 11 submission should be revised to exclude Indirect Cost Recovery funds and the Available University Fund from the calculation of proportionality.
- The rate used to calculate the employer's contribution for retirement benefits is 6 percent. All amounts for retirement benefits paid above 6 percent are included in the differential calculation regardless of the source of funds.

Completing the Form

The following numbered items correspond to numbers on the schedule and represent key elements in completing the form:

1. Multiply the Gross E&G Payroll Amount subject to retirement by 6 percent to calculate the employer contribution to retirement programs.
2. Include percentages under proportionality percentages for both General Revenue and Other E&G. The percentage should be calculated in accordance with the Comptroller Accounting Policy Statement 11, Exhibit 2. The sum of the two percentages must equal 100 percent.
3. Include gross E&G Payroll for employees participating in the ORP prior to September 1, 1995.
4. Multiply the gross payroll subject to ORP differential by 1.31 percent to calculate the total differential.
5. Gross E&G payment should not include/exclude indirect cost recovery and AUF salaries.

**Schedule 5
Calculation of Retirement
Proportionality and ORP Differential
(continued)**

Checklist Items

Yes

- Does the Other Educational and General Proportional Contribution equal the TRS and ORP proportionality for Other E&G Funds reported on Schedule 1A and exclude optional retirement program differential?
- Does General Revenue proportionality percentage equal Schedule 4, General Revenue proportionality percentage?

Schedule 6 Capital Funding

Purpose

The form provides information on Permanent University Fund (PUF) and Higher Education Fund (HEF) Bond proceeds and debt service, as well as information on Tuition Revenue Bonds (TRB).

General Information

All general academic and health-related institutions, Lamar State Colleges, Texas State Technical Colleges, and Texas A&M service agencies must complete this form.

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Schedule 7 Current and Local Fund (General) Balances

Purpose

The form provides information on current fund balances in the State Treasury, Educational and General Fund balances held in local depositories, and interest earned on those accounts.

General Information

All general academic and health-related institutions, Lamar State Colleges, Texas State Technical Colleges, and Texas A&M service agencies shall complete this form.

Completing the Form

Fund balances are as of August 31 for each year reported.

The balance of Current Funds held in the State Treasury should correspond to the Comptroller's USAS records.

Reported interest earned should reconcile to reported amounts in Schedule 1A.

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Schedule 8 Personnel

Purpose

This form provides detail on full-time equivalent (FTE) and headcount positions paid from appropriated funds and other funds. This information is used to calculate recommendations for FTE positions.

General Information

This form provides information on FTE positions and personnel headcount at institutions of higher education in addition to the information included in the Strategy Request.

All general academic and health-related institutions, Lamar State Colleges, Texas State Technical Colleges, and Texas A&M Service agencies shall complete this form.

Completing the Form

Part A includes the number of FTE positions, Part B includes the personnel headcount, and Part C includes salary information.

Faculty and Non-Faculty. The number of FTEs identified as faculty should correspond to the Coordinating Board categories 1 through 5 in the CBM-008 Faculty Report. FTEs reported under Category 6, Teaching Assistant, should be included as non-faculty.

Reporting for faculty positions will agree with the current requirements of the State Auditor's Office *Quarterly Report of Full-time Equivalent State Employees*. Calculations of faculty FTEs shall be based on the following:

If a faculty member works for nine months and is paid over nine months (receives no salary, but does receive benefits during summer semester), the employee's FTE hours count for the first three quarters of the fiscal year.

If a faculty member works for nine months and is paid over nine months (receives no salary or benefits during summer semester), the employee's FTE hours count for first the three quarters of the fiscal year.

If a faculty member works for nine months and is paid over twelve months (receives salary and benefits during summer semester), the employee's FTE hours count for the first three quarters of the fiscal year.

If a faculty member works for twelve months (receives salary and benefits during summer semester), the employee's FTE hours count for all four quarters of the fiscal year.

Subtotal, E&G Employees. The FTEs in this row should equal the FTEs for appropriated funds shown in the Summary of Request for fiscal years 2005 through 2007. This should include only FTEs paid from funds directly appropriated to the institution. For fiscal years 2008 and 2009, the FTEs shown in this row should reflect the estimated projections of Other E&G Income and should equal the FTEs in the Summary of Request.

Other Appropriated FTEs. The FTEs in this row should reflect any other FTEs paid from funds appropriated elsewhere in the GAA. Example: FTEs paid from the Coordinating Board Advanced Research Program grants. The sum of the Subtotal, E&G Employees and Other FTEs should equal the FTEs reported in the State Auditor's quarterly FTE report for appropriated funds.

Important

This form includes:

- a definition of faculty and non-faculty; and
- the method for reporting nine-month faculty appointments paid over twelve months.

**Schedule 8
Personnel
(continued)**

Appropriated FTEs, Subtotal. The FTEs in this row should equal all FTEs appropriated in the GAA (E&G Faculty, Non-Faculty, and Other Appropriated Funds).

Contract Employees. The FTEs in this row include only those employees paid by the University of Texas Medical Branch at Galveston and Texas Tech University Health Science Center for services provided under the correctional managed health care contract and by the University of Texas Health Sciences Center at Houston for services provided under the contract associated with operating the Harris County Psychiatric Center.

All Other Funds. The FTEs in this row include all other FTEs of the institution.

Grand Total. The total FTEs in this row should equal the total FTEs reported in the State Auditor's quarterly report, adjusted for the change in nine month and twelve month faculty reporting.

Checklist Items

Yes

- Does the Subtotal, E&G Employees equal the FTEs shown in the Summary of Request for fiscal years 2005 through 2007?
- Does the Grand Total equal the total FTEs reported in the State Auditor's quarterly FTE report?

Schedule 9 Expenditures Associated with Utility Operations Fiscal Year 2006

Purpose

This form provides detail for utilities expenditures paid from Educational & General (E&G) Funds for fiscal year 2006. This information is used to calculate formula recommendations for E&G Space Support.

General Information

Only general academic institutions, the Lamar State Colleges, and the Texas State Technical Colleges must complete this form.

The institutions will provide updated information for 2006 after the end of the fiscal year.

The information included in this form is used in the calculation of the formula-funded strategy amounts for general academic institutions.

Utilities costs include all expenditures associated with the purchase and delivery of natural gas, electricity or other energy sources; production, distribution and supply of electricity, steam or hot water and chilled water; direct cost of utility plant operations; energy management systems; purchase of water and waste water services; campus site lighting; and any debt service related directly to utility operations.

Important

- Total reported expenditures should tie to current E&G operating expenditures and transfers for utilities as reported in the institution's Annual Financial Report, after excluding HEF and TRB funds.
- **Total should not include costs of utilities for auxiliary enterprises.**

Completing the Form

1. Report consumption of purchased electricity in KWH and total expenditures for the fiscal year.
2. Report consumption of purchased natural gas in MCF and total expenditures for the fiscal year.
3. Report consumption of purchased thermal energy in BTU and total expenditures for the fiscal year.
4. Report consumption of purchased water in units of 1,000 gallons and total expenditures for the fiscal year.
5. Report total waste water production in units of 1,000 gallons and total expenditures for the fiscal year.
6. Report total expenditures for salaries and other directly appropriated personnel costs associated with the operation and maintenance of the campus utility system. Do not report expenditures for other portions of the physical plant.
7. Report total of all other expenditures for maintenance and operation of the campus utility system. Do not include any personnel costs reported in line (7). Do not report expenditures for other portions of the physical plant.
8. Report total current fund E&G expenditures for renovation of existing utilities facilities. Do not report expenditures for other portions of the physical plant.
9. Report total principal and interest payments and other expenditures or transfers made to service utility-related revenue bonds. Do not report debt service for Tuition Revenue Bonds (TRB's) or other instruments for which the Legislature provides debt service.
10. Report total principal and interest payments and other expenditures or transfers made to service utility-related Loan Star loans.

Schedule 9
Expenditures Associated with Utility Operations
Fiscal Year 2006
(continued)

11. Report total principal and interest payments and other expenditures or transfers made to service energy performance contracts. Deduct amounts provided by contractors as a result of failure to achieve guaranteed savings.
12. Total lines 1 through 11.

Checklist Items

Yes

- Do total reported expenditures equal current E&G operating expenditures and transfers for utilities as reported in the institution's Annual Financial Report (after AFR adjustment to exclude HEF and TRB expenditures)?
- Do amounts exclude expenditures paid from Auxiliary Funds?

Schedule 10A Proposed Tuition Revenue Bond Projects

Purpose

This series of schedules and forms related to tuition revenue bond projects will provide the Legislature and Governor information to evaluate proposed tuition revenue bond projects.

General Information

The Legislature periodically provides authority to institutions of higher education to issue tuition revenue bonds for major construction and renovation projects on their campuses. The last authorization was provided by the Seventy-eighth Legislature. In order to assist the Legislature in reviewing any requests for tuition revenue bond projects, the Legislative Appropriations Request (LAR) will provide a formal request process for tuition revenue bond projects.

Each institution seeking tuition revenue bond authority shall provide information on each proposed project for which tuition revenue bond funding is being requested. Each issuing entity (system offices for those components within systems, and independent institutions for those that issue their own bonds or go through the Texas Public Finance Authority) shall approve and prioritize the requests. The total of all requests for each issuing entity cannot exceed 100 percent of the total debt capacity for tuition revenue bonds as calculated on Schedule 10C, Revenue Capacity for Tuition Revenue Bond Projects. In addition, each issuing entity shall complete information on tuition revenue bond capacity and tuition revenue bond issuance history.

Projects related to auxiliary functions of institutions will not be considered and should not be included.

Each system office that has one or more components proposing tuition revenue bond projects and each independent institution proposing tuition revenue bond projects shall complete the following forms:

- Schedule 10B, Tuition Revenue Bond Issuance History. This form provides a history of each institution's tuition revenue bond issuance.
- Schedule 10C, Revenue Bond Capacity. This form provides information on revenue pledged for tuition revenue bonds and to determine the amount of additional capacity that exists.

Important

- Each issuing entity (system offices for those components within systems, and independent institutions for those that issue their own bonds or go through the Texas Public Finance Authority) must complete a Schedule 10B, Tuition Revenue Bond Issuance History.
- Each issuing entity must complete a Schedule 10C, Revenue Capacity for Tuition Revenue Bond Projects.
- The total of all tuition revenue bond project requests for each issuing entity entered into the Coordinating Board's database cannot exceed 100 percent of the debt capacity for tuition revenue bonds as calculated on Schedule 10C, Revenue Capacity for Tuition Revenue Bond Projects.
- Each issuing entity must report all information on Tuition Revenue Bonds Proceeds on Schedule 6, Capital Funding.

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Schedule 10B Tuition Revenue Bond Issuance History

Purpose

This form provides a history of each system's institution's tuition revenue bond issuance.

General Information

Each issuing entity (each system office for those components within systems, and each independent institution for those that issue their own bonds or go through the Texas Public Finance Authority) that is responsible for the issuance of tuition revenue bond projects will complete this form. System offices that issue bonds system-wide for all components should complete the form for each component institution that has been authorized tuition revenue bond projects in the past.

Completing the Form

Report information on all tuition revenue bonds authorized since fiscal year 1971.

Provide sub-totals for each set of tuition revenue bonds by authorization date.

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Schedule 10C Revenue Capacity for Tuition Revenue Bond Projects

Purpose

This form provides information on revenue pledged for tuition revenue bonds and the amount of additional capacity.

General Information

Each issuing entity (each system office for those components within systems, and each independent institution for those that issue their own bonds or go through the Texas Public Finance Authority) that is responsible for the issuance of tuition revenue bond projects will complete this form. System offices that issue bonds system wide for all components should complete the form based on system-wide revenue.

Completing the Form

1. On line 1, detail the components of appropriated tuition used by your institution/system to calculate available tuition. For example, list gross tuition less remissions and exemptions and Texas Public Education Grant set asides. Amounts should reconcile to tuition amounts reported on Schedule 1A.
2. On line 4, add lines 2 and 3.
3. On line 5, subtract line 4 from line 1.
4. On line 7, base calculations on tuition available for new authorizations (line 5) and assume bonds will be issued at 7 percent for 20 years. If different assumptions are used, detail the assumption. For each issuing entity, the total of all projects requested cannot exceed 100 percent of this amount.

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Schedule 11 Special Item Information

Purpose

This form is to provide additional information on all special items.

General Information

General academic and health-related institutions, Public Community/Junior Colleges, Lamar State Colleges, and Texas State Technical Colleges requesting funds for existing or new special items should complete this form.

Completing the Form

1. List the fiscal year the program/project was first funded with special item appropriations.
2. Briefly describe the mission of the program/project.
3. Describe the major accomplishments of the special item to date and those expected during the next two years.
4. If the special item existed prior to receiving special item appropriations, list the year it was established and describe how it was funded.
5. If the special item is eligible to be funded under the formulas, indicate the formula amount which may be applied and the effective date(s). Complete this for all applicable items, including all program development, enhancement, or start-up items.
6. List all non-general revenue sources of funding and amounts for each year of the current 2006–07 biennium for this special item and projections for the 2008–09 biennium.
7. Describe the consequences of reducing or not funding this item. List other sources of funds that would be available to continue the program/project.

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