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LEGISLATIVE APPROPRIATIONS REQUEST  
FISCAL YEARS 2010 AND 2011



Submitted to the Governor's Office of Budget, Planning  
and Policy and the Legislative Budget Board

THE UNIVERSITY OF TEXAS SYSTEM  
AVAILABLE UNIVERSITY FUND

Revised - October 2008

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**THE UNIVERSITY OF TEXAS SYSTEM AVAILABLE UNIVERSITY FUND  
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## Schedules Not Included

<b>Agency Code:</b> 799	<b>Agency Name:</b> Available University Fund	<b>Prepared By:</b> Randy Wallace	<b>Date:</b> November 2008	<b>Request Level:</b> Baseline
<p><b>For the schedules identified below, the Available University Fund either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the Available University Fund Legislative Appropriations Request for the 2010-11 biennium.</b></p>				
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**ADMINISTRATOR'S STATEMENT**  
81st Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **799** Agency name: **Available University Fund**

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The University of Texas System  
Permanent University Fund / Available University Fund  
Administrator's Statement

The University of Texas System is governed by a board of nine regents appointed by the Governor and confirmed by the Senate. Regents serve six year, staggered terms, with the terms of three members expiring on February 1 of odd-numbered years. In addition, the Governor appoints a Student Regent for a one-year term that expires on May 31. The members of the board, hometowns and ending dates of terms are as follows:

H. Scott Caven, Jr. (Chair), Houston, 2-1-09; James Richard Huffines, Austin, 2-1-09; John W. Barnhill, Jr., Brenham, 2-1-09; Robert B. Rowling, Irving, 2-1-11; Janiece Longoria, Houston, 2-1-11; Colleen McHugh, Corpus Christi, 2-1-11; James D. Dannenbaum, Houston, 2-1-13; Paul Foster, El Paso, 2-1-13; Printice L. Gary, Dallas, 2-1-13; and Benjamin L. Dower, Student Regent, Austin, 5-31-09.

The chancellor ad interim of the UT System is Kenneth I. Shine, MD.

The Permanent University Fund (PUF) is a state endowment fund contributing to the support of 18 institutions and 6 agencies of The University of Texas System and The Texas A&M University System. The Texas Constitution of 1876 established the PUF through the appropriation of land grants previously given to The University of Texas at Austin plus one million acres. The land grants to the PUF were completed in 1883 with the contribution of an additional one million acres of land. The Board of Regents of The University of Texas System (UT Board) manages the PUF.

PUF Lands today consist of approximately 2.1 million acres of land primarily located in West Texas. The UT Board has actively leased the surface and mineral interests of the PUF Lands since 1923. As mandated by the Constitution, all surface lease income is deposited in the Available University Fund (AUF). Annual surface income is approximately \$13.2 million. The Constitution also requires that all income from the sale of PUF Lands and leasing of mineral interests be retained within the PUF and invested in PUF investments.

The UT Board entered into an investment management contract on March 1, 1996, with The University of Texas Investment Management Company (UTIMCO), to invest the PUF assets in accordance with section 66.08 of the Texas Education Code. PUF Investments are invested in a diversified portfolio of equity, fixed income and derivative securities in accordance with the prudent investor standard. In accordance with the Constitution, distributions made from the PUF to the AUF are from the total return on all investments assets of the PUF, including the net income attributable to the surface of PUF land. Total return includes income return as well as realized and unrealized capital gains. Additionally, the expenses of managing PUF land and investments are paid from PUF assets. The amount of any distributions to the AUF is determined by the U. T. Board in a manner intended to provide the AUF with a stable and predictable stream of annual distributions and to maintain over time the purchasing power of PUF investments and annual distributions to the AUF. The distributions to the AUF are subject to the following overriding conditions:

1. A minimum amount equal to the amount needed to pay debt service on PUF bonds;
2. No increase from the preceding year (except as necessary to pay debt service on PUF bonds) unless the purchasing power of PUF Investments for any rolling 10-year period has been preserved;
3. A maximum amount equal to 7 percent of the average net fair market value of PUF Investments in any fiscal year, except as necessary to pay debt service on PUF

**ADMINISTRATOR'S STATEMENT**  
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Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **799**

Agency name: **Available University Fund**

bonds.

Distributions to the AUF from the PUF are allocated two-thirds for the benefit of eligible institutions of the UT System and one-third for the benefit of eligible institutions of The Texas A&M University System. PUF distributions paid to the AUF are expended by each university system to fund two major programs:

- The Constitution authorizes the UT Board and the Texas A&M University System Board (A&M Board) to issue bonds (PUF bonds) payable from their respective interests in PUF distributions to finance capital expenditures. The UT Board and A&M Board are authorized to issue bonds secured by each system's interest in PUF distributions in an amount not to exceed 20% and 10%, respectively, of the book value of PUF assets at the time of issuance. At August 31, 2008, The University of Texas System had outstanding PUF bonds and notes of \$1,319.0 million and the Texas A&M University System had PUF bonds and notes of outstanding of \$382.6 million.
- PUF distributions, after payment of debt service on PUF bonds, are used to fund academic programs at UT Austin, Texas A&M University and Prairie View A&M University.

Additions to the PUF during the 2008 fiscal year were \$480.7 million including \$436.2 million from oil, gas and sulphur royalties, \$39.4 million from mineral lease rentals and bonuses, and \$5.1 million from miscellaneous sources. During 2008, the PUF also had additions of \$344.1 million from realized gains on securities transactions and \$159.2 million from net other investment earnings while incurring net decreases in the fair value of investments of \$895.4 million.

The total book value of the PUF at August 31, 2008 was \$10,800,120,713. This amount included securities and cash of \$10,790,093,329, and land carried at a nominal value of \$10,027,384.

Distributions from the Permanent University Fund Investments were or are projected to be as follows:

Actual 2007 \$400.7 million  
Actual 2008 \$448.9 million  
Budgeted 2009 \$530.9 million  
Projected 2010 \$522.7 million  
Projected 2011 \$508.1 million

The projected PUF distributions are currently based on the following: 1) an assumed annual investment return of 8.47% for the 2009 fiscal year, which is projected to increase to 8.75% by fiscal year ending 2010 as a result of investing in different asset classes with higher expected returns, and 2) an annual distribution formula equal to 4.75% of PUF market value of investments for the preceding 12 quarters ending February 28 of each year, unless the average annual rate of return exceeds the expected return by 25 basis points or more, in which case the distribution shall be 5%.

Overall, the investments of the PUF are broadly diversified and of consistently excellent quality. Risk and return are continuously assessed to assure sound professional results in varied economic circumstances.

**2.A. SUMMARY OF BASE REQUEST BY STRATEGY**  
 81st Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/17/2008  
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Agency code: **799** Agency name: **Available University Fund**

<b>Goal / Objective / STRATEGY</b>	<b>Exp 2007</b>	<b>Est 2008</b>	<b>Bud 2009</b>	<b>Req 2010</b>	<b>Req 2011</b>
<b>1</b> Provide Management and Administrative Support for Endowment Funds					
<b>1</b> Available University Fund					
<b>2</b> TEXAS A&M UNIV SYSTEM ALLOCATION	138,219,817	154,688,545	181,362,541	178,618,146	173,767,434
<b>3</b> THE UNIV OF TEXAS SYSTEM ALLOCATION	287,979,053	320,643,628	367,277,081	362,288,293	355,562,868
<b>TOTAL, GOAL 1</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*</b>				<b>\$0</b>	<b>\$0</b>
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>METHOD OF FINANCING:</b>					
<b>Other Funds:</b>					
11 Available University Fund	426,198,870	475,332,173	548,639,622	540,906,439	529,330,302
<b>SUBTOTAL</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>

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

**2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE**  
 81st Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/17/2008**  
 TIME: **9:39:37AM**

Agency code: **799**

Agency name: **Available University Fund**

METHOD OF FINANCING	Exp 2007	Est 2008	Bud 2009	Req 2010	Req 2011
<b><u>OTHER FUNDS</u></b>					
<b>11</b> Available University Fund No. 011					
<i>REGULAR APPROPRIATIONS</i>					
Art III, Estimated Appropriation	\$392,685,092	\$462,234,092	\$502,526,413	\$540,906,439	\$529,330,302
Revised Receipts	\$33,513,778	\$13,098,081	\$46,113,209	\$0	\$0
<b>TOTAL, Available University Fund No. 011</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, ALL OTHER FUNDS</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>GRAND TOTAL</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>

**FULL-TIME-EQUIVALENT POSITIONS**

**TOTAL, ADJUSTED FTES**

**2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE**

81st Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: **11/17/2008**  
TIME: **9:39:44AM**

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Agency code: **799**

Agency name: **Available University Fund**

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<b>METHOD OF FINANCING</b>	<b>Exp 2007</b>	<b>Est 2008</b>	<b>Bud 2009</b>	<b>Req 2010</b>	<b>Req 2011</b>
<b>NUMBER OF 100% FEDERALLY FUNDED FTEs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>





**2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY**  
 81st Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 11/17/2008  
 TIME : 9:40:41AM

Agency code: 799 Agency name: Available University Fund

<b>Goal/Objective/STRATEGY</b>	<b>Base 2010</b>	<b>Base 2011</b>	<b>Exceptional 2010</b>	<b>Exceptional 2011</b>	<b>Total Request 2010</b>	<b>Total Request 2011</b>
<b>1</b> Provide Management and Administrative Support for Endowment Fun						
<b>1</b> Available University Fund						
<b>2</b> TEXAS A&M UNIV SYSTEM ALLOCATION	\$178,618,146	\$173,767,434	\$0	\$0	\$178,618,146	\$173,767,434
<b>3</b> THE UNIV OF TEXAS SYSTEM ALLOCATION	362,288,293	355,562,868	0	0	362,288,293	355,562,868
<b>TOTAL, GOAL 1</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>	<b>\$0</b>	<b>\$0</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>	<b>\$0</b>	<b>\$0</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST</b>						
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>	<b>\$0</b>	<b>\$0</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>

**2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY**  
 81st Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 11/17/2008  
 TIME : 9:40:52AM

Agency code: 799 Agency name: Available University Fund

<b>Goal/Objective/STRATEGY</b>	<b>Base 2010</b>	<b>Base 2011</b>	<b>Exceptional 2010</b>	<b>Exceptional 2011</b>	<b>Total Request 2010</b>	<b>Total Request 2011</b>
<b>Other Funds:</b>						
11 Available University Fund	\$540,906,439	\$529,330,302	\$0	\$0	\$540,906,439	\$529,330,302
	<b>\$540,906,439</b>	<b>\$529,330,302</b>	<b>\$0</b>	<b>\$0</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>	<b>\$0</b>	<b>\$0</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>

**FULL TIME EQUIVALENT POSITIONS**

**3.A. STRATEGY REQUEST**  
 81st Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/17/2008  
 TIME: 9:41:34AM

Agency code: **799** Agency name: **Available University Fund**

GOAL: 1 Provide Management and Administrative Support for Endowment Funds Statewide Goal/Benchmark: 2 0  
 OBJECTIVE: 1 Available University Fund Service Categories:  
 STRATEGY: 2 Texas A&M Univ. System Available Univ. Fund Allocation. Estimated. Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
<b>Objects of Expense:</b>						
2009	OTHER OPERATING EXPENSE	\$138,219,817	\$154,688,545	\$181,362,541	\$178,618,146	\$173,767,434
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$138,219,817</b>	<b>\$154,688,545</b>	<b>\$181,362,541</b>	<b>\$178,618,146</b>	<b>\$173,767,434</b>
<b>Method of Financing:</b>						
11	Available University Fund	\$138,219,817	\$154,688,545	\$181,362,541	\$178,618,146	\$173,767,434
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$138,219,817</b>	<b>\$154,688,545</b>	<b>\$181,362,541</b>	<b>\$178,618,146</b>	<b>\$173,767,434</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$178,618,146</b>	<b>\$173,767,434</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$138,219,817</b>	<b>\$154,688,545</b>	<b>\$181,362,541</b>	<b>\$178,618,146</b>	<b>\$173,767,434</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Available University Fund allocable to the Board of Regents of Texas A&M University is hereby requested for the purpose of retiring obligations incurred under the authority of Article VII, Section 18 of the Texas Constitution, and may be expended for permanent improvements, new construction, equipment, repairs, and physical plant operation and maintenance, minority student scholarships and student recruitment, and educational and general activities of the Texas A&M University System pursuant to Article VII, Sections 11(a) and 18 of the Texas Constitution.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

**3.A. STRATEGY REQUEST**  
 81st Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/17/2008  
 TIME: 9:41:42AM

Agency code: **799** Agency name: **Available University Fund**

GOAL: 1 Provide Management and Administrative Support for Endowment Funds  
 OBJECTIVE: 1 Available University Fund  
 STRATEGY: 3 The Univ. of Texas System Available Univ. Fund Allocation. Estimated.

Statewide Goal/Benchmark: 2 0  
 Service Categories:  
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2007	Est 2008	Bud 2009	BL 2010	BL 2011
<b>Objects of Expense:</b>						
2009	OTHER OPERATING EXPENSE	\$287,979,053	\$320,643,628	\$367,277,081	\$362,288,293	\$355,562,868
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$287,979,053</b>	<b>\$320,643,628</b>	<b>\$367,277,081</b>	<b>\$362,288,293</b>	<b>\$355,562,868</b>
<b>Method of Financing:</b>						
11	Available University Fund	\$287,979,053	\$320,643,628	\$367,277,081	\$362,288,293	\$355,562,868
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$287,979,053</b>	<b>\$320,643,628</b>	<b>\$367,277,081</b>	<b>\$362,288,293</b>	<b>\$355,562,868</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$362,288,293</b>	<b>\$355,562,868</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$287,979,053</b>	<b>\$320,643,628</b>	<b>\$367,277,081</b>	<b>\$362,288,293</b>	<b>\$355,562,868</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Residue of the Available University Fund allocable to The University of Texas System is hereby requested for the purpose of retiring obligations incurred under the authority of Article VII, Section 18 of the Texas Constitution and, pursuant to the authorization of Article VII, Section 11(a) and 18 of the Constitution, for permanent improvements, new construction, equipment, repairs and rehabilitation, physical plant operation and maintenance, and education and general activities of The University of Texas System Administration, and The University of Texas at Austin.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

**3.A. STRATEGY REQUEST**  
81st Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 11/17/2008  
TIME: 9:41:42AM

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**SUMMARY TOTALS:**

<b>OBJECTS OF EXPENSE:</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>METHODS OF FINANCE (INCLUDING RIDERS):</b>				<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>METHODS OF FINANCE (EXCLUDING RIDERS):</b>	<b>\$426,198,870</b>	<b>\$475,332,173</b>	<b>\$548,639,622</b>	<b>\$540,906,439</b>	<b>\$529,330,302</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>					

**SCHEDULE 1  
SUMMARY BY APPROPRIATION BILL PATTERN  
EXPENSES OF REVENUE BEARING PROPERTY**

Agency	Agency Name: The University of Texas System Administration	Prepared By:		Date:		
799	Available University Fund	Randy Wallace		November 2008		
Item No.		Expended			Requested	
		Actual 2007	Actual 2008	Budgeted 2009	2010	2011
1	The Available University Fund allocable to the Board of Regents of Texas A&M University is hereby appropriated for the purpose of retiring obligations incurred under the authority of Article VII, Section 18 of the Texas Constitution, and may be expended for permanent improvements, new construction, equipment, repairs, and physical plant operation and maintenance, minority student scholarships and student recruitment, and educational and general activities of the Texas A&M University System pursuant to Article VII, Sections 11(a) and 18 of the Texas Constitution, estimated at . . . . .	\$ 138,219,817	\$ 154,688,545	\$ 181,362,541	\$ 178,618,146	\$ 173,767,434
2.	The Residue of the Available Fund allocable to The University of Texas System is hereby appropriated for the purpose of retiring obligations incurred under the authority of Article VII, Section 18 of the Texas constitution and, pursuant to the authorization of Article VII, Section 11(a) and 18 of the constitution, for permanent improvements, new construction, equipment, repairs and rehabilitation, physical plant operation and maintenance, and educational and general activities of The University of Texas System Administration, and The University of Texas at Austin, estimated at . . . . .	<u>287,979,053</u>	<u>320,643,628</u>	<u>367,277,081</u>	<u>362,288,293</u>	<u>355,562,868</u>
3.	<b>TOTAL AVAILABLE UNIVERSITY FUND estimated at . . . . .</b>	<u>\$ 426,198,870</u>	<u>\$ 475,332,173</u>	<u>\$ 548,639,622</u>	<u>\$ 540,906,439</u>	<u>\$ 529,330,302</u>

**SCHEDULE 2  
ESTIMATES OF INCOME**

Agency	Name of Agency: The University of Texas System Administration	Prepared by:			Date:	
Code: 799	Available University Fund	Randy Wallace			November 2008	
		INCOME				
Item		Actual	Actual	Budgeted	Requested	
No.	Description	2007	2008	2009	2010	2011
	Divisible with A&M University					
1.	Permanent University Fund Distributions	\$ 400,685,603	\$ 448,942,761	\$ 530,932,622	\$ 522,699,439	\$ 508,147,302
2.	Interest on AUF Daily Balances	29,809	26,932	-	-	-
3.	Grazing and Hunting Lease Rental	4,831,651	4,447,155	4,800,000	4,800,000	4,800,000
4.	Surface Easements and Leases	8,130,291	9,430,962	7,460,000	7,460,000	7,460,000
5.	Exploration Permits	8,000	5,000	7,000	7,000	7,000
6.	Other Income - West Texas Lands	674,096	912,826	588,000	588,000	588,000
7.	Wine Royalties	300,000	300,000	300,000	300,000	300,000
8.	Gross Divisible Income	414,659,450	464,065,636	544,087,622	535,854,439	521,302,302
9.	Less: 1/3 to A&M University (Schedule 1, Item No. 1)	138,219,817	154,688,545	181,362,541	178,618,146	173,767,434
10.	Net 2/3 Share to The University of Texas System	276,439,633	309,377,091	362,725,081	357,236,293	347,534,868
	Non-Divisible:					
11.	Interest on Daily AUF Balances	11,539,420	11,266,537	4,552,000	5,052,000	8,028,000
12.	Estimated Net Income, The University of Texas System Share (Schedule 2a, Item No. 1 and Schedule 1, Item No. 2)	<u>\$ 287,979,053</u>	<u>\$ 320,643,628</u>	<u>\$ 367,277,081</u>	<u>\$ 362,288,293</u>	<u>\$ 355,562,868</u>



**SCHEDULE 2a**  
**PROPOSED UTILIZATION OF NET AVAILABLE FUND INCOME**

Agency Code: 799	Name of Agency: The University of Texas System Administration Available University Fund	Prepared by: Randy Wallace			Date: November 2008	
Item No.	Description	EXPENSE				
		Actual 2007	Actual 2008	Budgeted 2009	Requested	
		2010	2011			
1.	Estimated Net Income - The University of Texas System Share (Schedule 2, Item No. 12 and Schedule 1, Item No. 2)	\$ 287,979,053	\$ 320,643,628	\$ 367,277,081	\$ 362,288,293	\$ 355,562,868
	Less Debt Service:					
	Permanent University Fund:					
2.	Bonds, Series 1997	6,357,819	6,356,438	-	-	-
3.	Refunding Bonds, Series 2002A	16,141,083	16,137,000	16,129,167	16,145,833	-
4.	Bonds, Series 2002B	1,425,750	-	-	-	-
5.	Refunding Bonds, Series 2004A	2,996,000	2,996,000	9,218,709	9,217,333	9,210,125
6.	Bonds, Series 2004B	12,933,817	10,144,263	10,144,263	10,144,263	10,144,263
7.	Refunding Bonds, Series 2005A	5,039,800	5,039,800	5,039,800	5,039,800	13,980,875
8.	Bonds, Series 2005B	4,287,408	3,422,325	3,422,325	3,422,325	3,422,325
9.	Refunding Bonds, Series 2006A	26,710,483	26,714,708	26,710,733	26,711,375	-
10.	Refunding Bonds, Series 2006B	8,952,192	14,851,563	14,851,563	14,851,563	14,851,563
11.	Bonds, Series 2006C	2,763,909	4,585,286	4,585,286	4,585,286	6,110,053
12.	Bonds, Series 2008A	-	-	10,577,512	14,740,275	19,391,596
13.	Other Bonds/Notes	<u>4,317,931</u>	<u>8,601,327</u>	<u>3,292,446</u>	<u>41,174,657</u>	<u>56,879,875</u>
14.	Subtotal, Debt Service	<u>91,926,192</u>	<u>98,848,710</u>	<u>103,971,804</u>	<u>146,032,710</u>	<u>133,990,675</u>
15.	Net Available University Fund Income	<u>\$ 196,052,861</u>	<u>\$ 221,794,918</u>	<u>\$ 263,305,277</u>	<u>\$ 216,255,583</u>	<u>\$ 221,572,193</u>
	Allocations to:					
	System Administration					
16.	Operating Budget	\$ 29,882,657	\$ 32,361,984	\$ 33,367,392	\$ 33,367,392	\$ 33,367,392
17.	Distance Education	2,118,677	1,878,465	1,470,010	1,020,010	570,010
18.	System-Wide Initiatives	-	24,492,435	-	-	-
19.	Capital Expenditures	-	7,505,000	-	-	-
	The University of Texas at Austin					
20.	For Educational Programs and Projects (over and above General Appropriation)	126,500,000	142,540,000	165,275,000	163,030,000	160,005,000
21.	Capital Expenditures	21,945,000	10,000,000	-	-	-
22.	Regents' Outstanding Teachers Awards	-	-	1,000,000	1,000,000	1,000,000
23.	Center for Technology Communication	-	-	1,000,000	1,000,000	1,000,000
24.	Sandia Research Partnerships	-	1,250,000	-	-	-
25.	System-wide Technology and Telecommunications	<u>1,060,000</u>	<u>1,060,000</u>	<u>1,060,000</u>	<u>1,060,000</u>	<u>1,060,000</u>
26.	Net Allocations of Available University Fund Income	<u>\$ 181,506,334</u>	<u>\$ 221,087,884</u>	<u>\$ 203,172,402</u>	<u>\$ 200,477,402</u>	<u>\$ 197,002,402</u>