



October 27, 2016

Mr. Steven Albright
 Budget Director, Division of Budget and Policy
 Office of the Governor
 1100 San Jacinto
 Austin, Texas 78701
 INTERAGENCY MAIL

Ms. Ursula Parks
 Director
 Legislative Budget Board
 Robert E. Johnson Building, Fifth Floor
 1501 North Congress
 Austin, Texas 78701
 INTERAGENCY MAIL

Dear Mr. Albright and Ms. Parks:

Within the General Appropriation Act, Article IX, Section 6.10 (a) and (e), - Limitations on State Employment Levels require state agencies and institutions of higher education to report when the number of full time equivalent (FTE) employees paid from appropriated funds exceed the limit established by the Act.

For The University of Texas System, the table below presents the institutions meeting the conditions requiring this reporting. Summarized below is the original request to exceed the FTE limit submitted at the beginning of the fiscal year as well as the actual four quarter average of FTEs paid from appropriated funds in excess of the adjusted limit for FY 2016 (110% or plus 50, whichever is less) as allowed by Article IX, Section 6.10 (a) (2):

Name of Institution	Requested	Actual
U. T. System Administration	209.80	115.40
U. T. Arlington	24.00	4.90
U. T. Dallas	35.00	85.10
U. T. Medical Branch – Galveston	168.88	152.10
U. T. Health Science Center – Houston	177.18	143.30
U. T. M. D. Anderson Cancer Center	78.48	55.10

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The original request to exceed the FTE cap submitted on August 26 2015, sets forth for each institution the justification for the increased number of FTEs and the source of funds for their compensation for all institutions. The additional FTEs beyond the original request to exceed the FTE cap for U. T. Dallas reflects the planned spending of Fund 770 reserves during FY 2016. It is important to note, per the General Appropriations Act, beginning in FY 2016 employees paid with Patient Income were not counted for purposes of calculating the limitations within Article IX, Section 6.10.

Please contact Tomas Guajardo (512.322.3769), Alan Werchan (512.499.4275), or me if you need additional information or further clarification.

Sincerely,

A handwritten signature in black ink that reads "Randy Wallace". The signature is written in a cursive style with a large, looped initial "R".

Randy Wallace
Associate Vice Chancellor – Controller and Chief Budget Officer

Cc: Mr. Barry McBee

RW:TG/st