TEXAS RESEARCH INCENTIVE PROGRAM (TRIP)
An Opportunity to Accelerate UT Dallas’ Advance to Tier One

On June 17, 2009, UT Dallas served as the venue for the signing of the “Tier One bill” into law. This landmark legislation creates state matching funds for gifts directed to purposes that support the development of more national research universities in Texas.

Seven institutions, designated as “Emerging Research Universities,” are eligible for these funds:

- UT Arlington
- UT Dallas
- UT El Paso
- UT San Antonio
- Texas Tech
- University of Houston
- University of North Texas

The TRIP fund will receive $50 million for the biennium, with $25 million available for matching funds over each of the next two years. It is expected that beginning September 1, 2009, cash gifts received will be eligible for state matching funds according to the gift ranges below.

<table>
<thead>
<tr>
<th>Match</th>
<th>Gift Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>Cash gift of $100,000 to $999,999</td>
</tr>
<tr>
<td>75%</td>
<td>Cash gift of $1 million to $1,999,999</td>
</tr>
<tr>
<td>100%</td>
<td>Cash gift of $2 million to $10 million</td>
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</tbody>
</table>

Gift Criteria
Only gifts made to support research will be eligible for TRIP matching funds. According to the new Tier One law, the following categories of gifts will be eligible:

“...a gift or endowment for endowed chairs, professorships, facilities, equipment, program costs, or graduate stipends or fellowships...”
Further Rules and Management of TRIP Funds

More details will be forthcoming this summer from the Texas Higher Education Coordinating Board (THECB) regarding the process of awarding matching funds and other policies which the participating institutions must follow.

Additional Legislation

A second component of this effort to build more Tier One universities in Texas is a proposed constitutional amendment to “repurpose” an existing state endowment which holds assets of more than $400 million. The repurposing of this Higher Education Fund, which would have to be approved by voters in the upcoming November elections, would result in these funds being designated to a new National Research University Fund.

Income from this endowment would be made available to the seven Emerging Research Universities, but only after they meet or exceed several key benchmarks of research productivity. Foremost among these benchmarks is a requirement to achieve a minimum of $45 million in restricted research expenditures for two consecutive years. UT Dallas is currently among the leaders in this category with approximately $40 million in restricted research expenditures.

The Opportunity to Advance UT Dallas

The matching funds available through TRIP provide UT Dallas with a timely and time-sensitive opportunity to advance toward its goal of becoming the next national research university in Texas. By establishing more endowed faculty positions and graduate fellowships, and enhancing research facilities and programs, UT Dallas can bolster its research capacity and advance more quickly toward the $45 million in restricted research expenditures required to access the National Research University Fund.

More about Tier One

To learn more about the Tier One initiative, visit this UT Dallas website:

www.utdallas.edu/president/tier-one
**H. B. No. 51 – The “Tier One” Legislation**

*Signed into Law – June 17, 2009*

**SUBCHAPTER F. TEXAS RESEARCH INCENTIVE PROGRAM (TRIP)**

**Sec. 62.121. DEFINITIONS.**

In this subchapter:

(1) "Eligible institution" means an institution of higher education designated as an emerging research university under the coordinating board's accountability system.

(2) "Gift" includes cash, cash equivalents, marketable securities, closely held securities, money market holdings, partnership interests, personal property, real property, minerals, and life insurance proceeds.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

(4) "Program" means the Texas Research Incentive Program (TRIP) established under this subchapter.

**Sec. 62.122. PROGRAM ADMINISTRATION.**

The coordinating board shall develop and administer the Texas Research Incentive Program (TRIP) in accordance with this subchapter to provide matching funds to assist eligible institutions in leveraging private gifts for the enhancement of research productivity and faculty recruitment.

**Sec. 62.123. MATCHING GRANTS.**

(a) An eligible institution that receives gifts or endowments from private sources in a state fiscal year for the purpose of enhancing research activities at the institution, including a gift or endowment for endowed chairs, professorships, facilities, equipment, program costs, or graduate stipends or fellowships, is entitled to receive, out of funds appropriated for the purposes of the program for that fiscal year, a matching grant in an amount determined according to the following rates:

   (1) 50 percent of the amount of the gifts and endowments, if the total amount of gifts and endowments is $100,000 or more but not more than $999,999;

   (2) 75 percent of the amount of the gifts and endowments, if the total amount of gifts and endowments is $1 million or more but not more than $1,999,999; or

   (3) 100 percent of the amount of the gifts and endowments, if the total amount of gifts and endowments is $2 million or more.
(b) An eligible institution is not entitled to matching funds under the program for:
   (1) a gift that has been pledged but has not been received by the institution;
   (2) a gift for undergraduate scholarships or grants; or
   (3) any portion of gifts or endowments received by the institution from a single source in a state fiscal year in excess of $10 million.

(c) The coordinating board shall establish procedures for the certification by the coordinating board of an eligible institution's receipt of a qualifying gift or endowment. A cash gift or endowment must be certified as of the date the gift or endowment was deposited by the institution in a depository bank or invested by the institution as authorized by law. A non-cash gift must be certified as of the date the gift is converted to cash, and is considered to have been received on that date for purposes of this subchapter.

(d) If the funds appropriated for the program for a state fiscal year are insufficient to provide matching grants in the amounts specified by this section for all qualifying private gifts and endowments received by eligible institutions during that fiscal year, the coordinating board shall provide matching grants for those gifts and endowments in order of their certification date, and shall provide matching grants for any remaining unmatched gifts and endowments in the following fiscal year using funds appropriated to the program for that following year, to the extent funds are available.

(e) Matching grants received by an eligible institution under this section may not be considered as a basis to reduce, directly or indirectly, the amount of money otherwise appropriated to the institution.

Sec. 62.124. RULES.
The coordinating board shall adopt rules for the administration of this subchapter.

Source: Texas Legislature Online (www.legis.state.tx.us)