

## **Operating and HEF Funds**

**Operating Funds:** The Operating initiatives usually involve a continuing commitment and, if approved, become part of a unit's base budget. All requests for new positions should be listed on the Operating worksheet. If an Operating initiative is for a one-time only expense, this should be clearly noted in its description.

**HEF Funds:** According to Article VII, Section 17(a) of the Texas Constitution, Higher Education Assistance Funds are appropriated for the following purposes:

- a. Acquisition of land, either with or without permanent improvements;
- b. Construction and equipping of buildings or other permanent improvements (including furniture, electronic equipment, lab equipment, etc.);
- c. Major repair or rehabilitation of buildings or other permanent improvements;
- d. Acquisition of capital equipment, library books, and library materials; and
- e. Payment of principal and interest on bonds issued under this authority.

Funding approved for HEF initiatives does not become part of a unit's base budget, although the institution has made a commitment to provide ongoing HEF support in several areas of university operations (ex., Library, Facilities Management, Information Technology).