

# The Permanent University Fund (PUF)

TX.AG/PUFTX



In 1876, the authors of the Texas Constitution set aside land for the PUF to support 27 institutions and agencies in The Texas A&M and University of Texas Systems, support that doesn't come from students, parents, taxpayers, or donors.

The land was to be sold, with proceeds invested to create an endowment, but striking oil changed everything. Now the land produces two types of income streams that support the PUF: Mineral and Surface



Revenue produced from leasing tracts of land for wind farms, grazing, or other purposes. This revenue goes directly into the Available University Fund (AUF).

Institutions and agencies within The A&M and UT Systems are each eligible for PUF bond proceeds to fund construction and other large expenses.



Revenue produced from oil or gas. This revenue goes directly into the PUF. Funds are managed by a 501 (c)(3) corporation, The University of Texas/Texas A&M Investment Management Company.

On average, 5% of the market value of PUF investments is distributed annually into the AUF.

AUF

1/3

2/3



The Constitution requires that AUF first be used to pay principal & interest on PUF bonds. The remainder can be used for maintenance & support of A&M, Prairie View A&M, UT and The A&M and UT System Administration for services (legal, construction, etc.).



13 A&M System institutions are eligible for PUF bonds. TAMU and PVAMU are eligible for maintenance and support.

Over 390,000 students educated between these two Systems, and 22 million Texans served by A&M Agencies each year, benefit from the PUF.

14 UT System institutions are eligible for PUF bonds. UT is eligible for maintenance and support.