

# FISCAL MANUAL

**University of North Texas  
Health Science Center at Fort Worth**  
3500 Camp Bowie Boulevard  
Fort Worth, Texas 76107



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## **I. HISTORY OF CREATING STATUTE**

Texas College of Osteopathic Medicine officially became a state agency on May 22, 1975. Effective August 30, 1993, Texas College of Osteopathic Medicine's name changed to the University of North Texas Health Science Center at Fort Worth. The following is the creating statute for the College as noted in Chapter 105, Subchapter E, Sections 105.71 - 105.81 of the Education Code, Volume 3, Vernon's Texas Codes Annotated. Also included is the portion of SB 346, 73rd Legislature, Regular Session which changed the name of Texas College of Osteopathic Medicine to the University of North Texas Health Science Center at Fort Worth.

### **SUBCHAPTER E. TEXAS COLLEGE OF OSTEOPATHIC MEDICINE**

Cross References Family practice residency training programs see 61.501 et. seq.

#### **§ 105.71 - Establishment of College of Osteopathic Medicine**

(a) There is hereby created a college of osteopathic medicine in the city of Fort Worth to be known as the Texas College of Osteopathic Medicine, a separate institution and not a department, school, or branch of the University of North Texas but under the direction, management, and control of the Board of Regents of the University of North Texas.

(b) The board shall have the same powers of direction, management, and control over the college of osteopathic medicine that it exercises over the University of North Texas, but the board shall act separately and independently on all matters affecting the college of osteopathic medicine as a separate institution.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975. Amended by Acts 1987, 70th Leg., ch. 1070, § 11, eff. May 15, 1988.

1987 Legislation

The 1987 amendment made substitutions to reflect the name change of North Texas State University to the University of North Texas.

For application of references to and appropriations for, North Texas State University, see note following §105.01.

Library References

Colleges and Universities-1 et. seq.

C.J.S. Colleges and Universities §§ 1 to 5

#### **§ 105.72 - Location: The board shall select a site for the college in Tarrant County.**

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975. Amended by Acts 1977, 65th Leg., p. 2071, ch. 822, § 2, eff. Aug. 29, 1977.

1977 Amendment. Deleted former second sentence, which read: "The site shall consist of land that shall be provided for such purpose without cost to the State of Texas." See, now, § 105.81.

#### **§ 105.73 - Rules and Regulations; Courses**

(a) The board may make rules and regulations for the direction, control, and management of the medical school which are necessary for it to be a medical school of the highest quality.

(b) The board, with the approval of the Coordinating Board, Texas College and University System, may prescribe courses leading to the customary degrees and certificates granted by osteopathic medical schools.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975.

#### § 105.74 - Chief Executive Officers

The board of regents of the University of North Texas may appoint a chancellor who shall serve as chief executive officer of the University of North Texas and the Texas College of Osteopathic Medicine. The board of regents shall appoint a president of the University of North Texas and a president of the Texas College of Osteopathic Medicine who shall serve as chief operating officers of each institution, respectively. The president of the Texas College of Osteopathic Medicine shall be a licensed physician who possesses a doctor of osteopathy degree from an accredited osteopathic school and licensed to practice medicine in some state of the United States for a minimum of five years.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975. Amended by Acts 1983, 68th Leg., p. 809, ch. 193, § 1, eff. Aug. 29, 1983; Acts 1987, 70th Leg., ch. 1070, § 12, eff. May 15, 1988.

1983 Amendment. Substituted "Officers" for "Officer" in the section heading and rewrote the section. 1987 Legislation

The 1987 amendment made substitutions to reflect the name change of North Texas State University to the University of North Texas.

For application of references to and appropriations for, North Texas State University, see note following §105.01.

#### § 105.75 - Teaching Hospital; Facilities

(a) A complete teaching hospital for the medical school shall be furnished at no cost or expense to the state.

(b) The board shall make provision for adequate physical facilities for use by the medical school in its teaching and research programs.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975.

#### § 105.76 - Joint Appointments

The board of regents is specifically authorized to make joint appointments in the university and the Texas College of Osteopathic Medicine under its governance; the salary of any such person who receives such joint appointment to be apportioned to the appointing institution on the basis of services rendered.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975.

#### § 105.77 - Agreements with Other Entities

The board of regents may execute and carry out affiliation or coordinating agreements with any other entity, school, or institution in Texas to provide clinical, postgraduate, including internship and residency, or other levels of medical educational work for the medical school.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975. Amended by Acts 1983, 68th Leg., p. 2811, ch. 480, § 2, eff. Sept. 1, 1983.

1983 Amendment. Substituted "The" for "After approval of the Coordinating Board, Texas College and University System, the".

§ 105.78 - Gifts and Grants

The board may accept and administer grants and gifts from the federal government and from any foundation, trust fund, corporation, or any individual or organization for the use and benefit of the medical school.

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975.

§ 105.79 - Supervision by Coordinating Board

The medical school is subject to the continuing supervision of and to the rules and regulations of the Coordinating Board, Texas College and University System, in accordance with the provisions of Chapter 61 of this code. (Section 61.001 et. seq.)

Added by Acts 1975, 64th Leg., p. 685, ch. 285, § 1, eff. May 22, 1975.

§ 105.80 - Medical School Admission Policies

The Board of Regents shall promulgate appropriate rules and regulations pertaining to the admission of students to the medical school which will provide for admission of those students to its entering class each year who are equally or as well qualified as all other students and who have entered a contract with or received a commitment for a stipend, grant, loan or scholarship from the State Rural Medical Education Board. The State Rural Medical Education Board may contract with medical students providing for such students to engage in a general or family practice of medicine for not less than four years after licensing and a period of medical residency, as determined by the rules and regulations established by the State Rural Medical Education Board, in cities of Texas which have a population of less than 5,000 or in rural areas, as that term may be defined by the State Rural Medical Education Board and said Board is hereby given the authority to define and from time to time redefine the term rural area, at the time the medical practice is commenced. This contract shall provide for a monthly stipend of at least \$100 to be granted by the State Rural Medical Education Board to each person under contract with the state while enrolled as a medical school student.

Added by Acts 1975, 64th Leg., p. 2408, ch. 740, § 2, eff. Sept. 1, 1975.

Cross References

Similar provisions, Baylor College of Medicine, contracts with Coordinating Board, see § 61.096

Texas Tech University School of Medicine at Lubbock, see § 110.11.

University of Texas System, see § 65.51.

State Rural Medical Education Board, see Vernon's Ann. Civ. St., art. 4498c

§ 105.81 - Acquisition and Disposition of Land

The board may acquire by purchase, donation, or otherwise for the use of the school any land or other real property necessary or convenient for carrying out its purposes as a state-supported institution of higher education and may sell, exchange, lease, or otherwise dispose of any land or other real property owned by or acquired for the school. The power of acquisition and disposition is restricted to area within Tarrant County. The proceeds from any sale of land or other real property shall be added to the capital funds of the school.

Added by Acts 1977, 65th Leg., p. 2071, ch. 822, § 1, eff. Aug. 29, 1977.

Library References

Colleges and Universities 6(3), (5).

C.J.S. Colleges and Universities 11, 14.

NAME CHANGE OF TEXAS COLLEGE OF OSTEOPATHIC MEDICINE

SB 346 - 73rd Leg., Reg. Session

An ACT relating to changing the name of the Texas College of Osteopathic Medicine to the University of North Texas Health Science Center at Fort Worth and to the powers of the Board of Regents of the University of North Texas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 105.71 Education Code, is amended to read as follows:

§ 105.71 - ESTABLISHMENT OF UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH

(a) There is hereby created a health science center in the city of Fort Worth to be known as the University of North Texas Health Science Center at Fort Worth, which consists of a college of osteopathic medicine and which is a separate institution and not a department, school, or branch of the University of North Texas, but under the direction, management and control of the Board of Regents of the University of North Texas.

(b) The board shall have the same powers of direction, management, and control over the health science center that it exercises over the University of North Texas, but the board shall act separately and independently on all matters affecting the health science center as a separate institution.

(c) The board, with the approval of the Texas Higher Education Coordinating Board, may prescribe courses at the health science center leading to customary degrees, diplomas, or certificates, but may not include an M.D. degree.

SECTION 2. The heading to Subchapter E, Chapter 105, Education Code, is amended to read as follows:

SUBCHAPTER E. UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH

SECTION 3. Section 105.74 Education Code is amended to read as follows:

§ 105.74 - CHIEF EXECUTIVE OFFICERS

The board of regents of the University of North Texas may appoint a chancellor who shall serve as chief executive officer of the University of North Texas and the University of North Texas Health Science Center at Fort Worth. The board of regents shall appoint a president of the University of North Texas and a president of the University of North Texas Health Science Center at Fort Worth who shall serve as chief operating officers of each institution, respectively. The President of the University of North Texas Health Science Center at Fort Worth shall be a licensed physician who possesses a doctor of



osteopathy degree from an accredited college of osteopathic medicine and licensed to practice medicine in some state of the United States for a minimum of five years.

#### § 105.76 - JOINT APPOINTMENTS

The board of regents is specifically authorized to make joint appointments in the university and the health science center under its governance; the salary of any such person who receives such joint appointment to be apportioned to the appointing institution on the basis of services rendered.

## II. FISCAL YEAR

PERIOD COVERED: The fiscal year begins with the first day of September of each year and ends on the thirty-first day of the following August as provided by law. (Appropriations Act)

## III. INSTITUTIONAL BUDGETS

- A. PREPARATION: The head of each budgetary unit will prepare a budget request for each DeptID administered by him or her on forms approved by the Fiscal Office. Each budgetary head will submit the budget to the Budget Office. With the assistance of the Vice President for Health Affairs and Executive Dean, the Executive Vice President for Finance and Administration, and the Executive Vice President, the President will recommend the budget to the Chancellor and the Board of Regents for approval. Since obligations may be incurred and disbursements made only as authorized by the approved budget, careful consideration should be given to all details in preparation of the budget.
- B. ADDITION AND TRANSFER OF FUNDS: All budgetary units are expected to operate within their approved budgets. In cases of unforeseen emergencies where it is necessary to supplement the funds authorized by the approved budget, the budgetary head concerned will submit, in advance of commitments, a fiscal request showing the budget categories for which the funds are needed with a complete explanation. If the source of the additional funds requested is definitely known, it should be indicated in the request.
- C. RECEIPTS, ENCUMBRANCES, AND DISBURSEMENTS: Each budgetary head shall keep an accurate account of all budgetary receipts, encumbrances, and disbursements.
- D. SIGNATURE AUTHORITY DELEGATIONS, RE-DELEGATION, AND DEPARTMENT ID (DEPTID) HOLDER DESIGNATIONS

Approvals for academic, financial and administrative transactions of the Health Science Center (HSC) are authorized using a system of delegated signature authority. The President of the HSC has signature authority over all transactions, including the ability to grant authorization to re-delegate.

Signature authority is granted based upon managerial units known as Department IDs (DeptIDs). Delegations are granted for specific DeptIDs or ranges of DeptID numbers. Multiple individuals may have signature authority on a DeptID. One individual is designated as the DeptID holder who has delegated signature authority and budgetary authority over institutional resources. DeptIDs and DeptID Holder designations are established using appropriate forms and procedures through the budget and accounting offices. The budget office is responsible for communicating appropriate budget information to the UNT Health Science Center Community.

There are two types of delegation:

(1) "Permanent" delegation, defined as being effective through the end of the current fiscal year; individuals granted permanent authority to sign documents using their own name and title.

(2) "Temporary" delegation, defined as a specific time period, not to exceed the end of the current fiscal year. Individuals granted temporary authority to sign documents clearly indicating that they are signing under the authority of the individual they are representing. Example: "Stephen Oeffner for Steve R. Russell, Executive Vice President for Finance and Administration". Individuals having temporary delegations will be unable to sign documents using digital signatures.

Authority to re-delegate must be explicitly communicated by indicating that signature authority "including the authority to re-delegate" is being granted. The individual re-delegating authority must communicate with the budget office as stated for delegations.

Each budgetary head is responsible for forwarding correspondence stating the person to whom signature authority is given, the effective dates and any restrictions applicable to the authorization to the Executive Vice President for Finance and Administration with copies to Accounting Office, Institutional Budgets, Payroll Department, Human Resources, and Purchasing Department.

#### E. RECOMMENDED GUIDELINES FOR ALLOCATION OF HEAF FUNDS

The following guidelines will be used by the UNT Health Science Center in allocating the annual HEAF Funds appropriation. They are ranked in order of priority:

1. The annual debt service requirements of any HEAF bonds issued.
2. Deferred maintenance projects.
3. Any approved land purchases or new construction projects.
4. A contingency fund must also be established to fund unplanned (emergency) major repair projects as they occur.
5. Purchase of library books and library holdings.
6. After sufficient funds are allocated to cover the costs of the construction, repair and renovation projects in addition to the items above, the remaining HEAF funds may be allocated to the departments, divisions, and units to purchase equipment.

#### F. FEES RELATED TO INSTRUCTION

Instruction related fees may be collected from students under the authority of the Incidental Fee Statute (Sec 54.504 VACS). The rate of the fee charged must reasonably reflect the actual cost to the University of the materials and services for which the fee is collected. These costs must be directly associated with classroom activity and cannot include faculty salaries.

Request to change or charge a fee related to instruction must be submitted to the Provost's office for approval. The request will then be forwarded to the President and Executive Vice President for Finance and Administration for review and for final approval. Approval from the Board of Regents may be required depending on the nature of the fee.

#### 1. COURSE FEE

The amount of the course fee may not vary among courses (unless there is no charge for a specific course) within an academic department. Furthermore, the amount of the fee may not exceed the approximate cost of services a student is eligible to receive from a department while enrolled in a course. Any deviation to the amount charged for the course fee within a department must be approved in writing by the Controller's Office.

- a. Consumable Supplies: Allowable cost would include all materials taken by the student from the classroom. Materials include copying charges for syllabi and test, handouts, diskettes, wood, clay, etc.
- b. Salaries and Wages: The employment of classified personnel or student workers will be allowed for such duties as the preparation and distribution of classroom materials, maintenance of student material (consumable supplies as described above) and/or equipment stockrooms. A job description of each regular salaried position being paid from a course fee DeptID must be submitted to the budget office for approval before the position will be set up on the payroll.

The course fee may not be used to cover the cost of any other type of employment such as tutors, graders, models, Proctors, or lab assistants (such cost may be co-covered by a special service fee).

In addition of the course fee may not be used to pay the salary or wages of an individual who performs general office functions such as receptionist duties, answering the phone, general filing, or processing vouchers.

- c. Equipment: Equipment charges to a course fee DeptID must include a statement on the purchase document (Purchase Order or Interdepartmental Order) by the DeptID Holder which certifies that the equipment will be used exclusively by students in a laboratory or classroom setting. A written request for review by the controller's office will need to be made in all other cases. This request must describe and document how the equipment will benefit the students in the classroom or lab. An example of an equipment purchase that would probably be allowable is a copier (with an auditor) that is used to produce classroom materials for students. Documentation of estimated types of usage would need to be provided as a part of the request for review.

## 2. SPECIAL SERVICE FEES

The amount of the fee must not exceed the approximate cost of materials and services a student is eligible to receive while enrolled in a course. These cost must be directly associated with classroom, lab, or practicum activity and cannot include faculty salaries.

- a. Examples would be a "Writing Lab" fee, a "Tutor" fee, a "Grader" fee, or an "instrument" fee.
- b. Consumable Supplies: Fees for all materials used in directly providing the service to the student are allowable.
- c. Salaries and Wages: The fee may be used to cover the direct operating cost of the activity described by the fee name and therefore may include wages and salaries of individuals whose sole functions are to work in the activity for which the fee is collected. The function must be in direct support of instruction.

Virtually any job classification, with the exception of faculty, may be paid from this source of funds. A description of each position and the related job duties must be submitted to the Budget office for approval before the position can be set up on the payroll. Once approved, these job duties may not change without the written approval of the Budget office.

- d. Equipment and Materials: The fee may also be used to purchase equipment and material necessary to provide the services for which the fee is collected. All equipment purchase requests must include a statement on the purchase document (Purchase Order or IDO) by the DeptID Holder, which certifies that the equipment is necessary to provide the services for which the fee is collected. For potential purchase of equipment for which this statement is not true, a written document how the equipment will be used to benefit the students who are charged the Special Services Fee.

Equipment cost may include related maintenance and software. In determining the amount to be charged for equipment, it would be appropriate in most cases to determine the replacement cost of the equipment and, in effect, charge the fee at a level sufficient to build the fee DeptID balance to the level needed to replace the equipment when needed.

Disposition of obsolete equipment purchased by the fee income must be in accordance with University Policy. The Property and Inventory Control office should be contacted to provide guidance in this matter.

## 3. LABORATORY FEES

Sec.54.502 of the Higher Education Code requires that all institutions of higher education set and collect a Laboratory charge in an amount sufficient to cover in general the cost of Laboratory materials and supplies used by a student. The Laboratory charge may not be less than \$2 or more than \$30 for anyone semester or summer term for any student in any one Laboratory course, but shall not exceed the cost of actual materials and supplies used by the student.

The following guidelines should be followed:

- The Lab fee is applicable to Laboratory courses only. Therefore, the fee should be charged only for courses which require the student to register for a Lab section.
- The fee may be used for materials and supplies only.
- The cost of equipment and wages needed to run the Lab are allowable, but fall under the guidelines for Special Service Fees and would be set up under a separate DeptID.

## IV. ACCOUNTING AND FINANCIAL REPORTING

### A. UNIFORM STATEWIDE ACCOUNTING SYSTEM

Effective September 1, 1993, the State Comptroller's Office implemented the Uniform Statewide Accounting System (USAS) statewide. One of the effects of USAS is that State purchase vouchers and other supporting documentation are no longer submitted in paper form to the State Comptroller's office for payment. Instead, the Health Science Center submits the vouchers by tape and/or enters the vouchers on line to USAS. The support documentation is retained on file at the Health Science Center and is available for internal and/or external audit.

- Vouchers are included on the tape to be submitted to USAS only after they have been approved by an employee(s) authorized to make such approval.
- Original travel vouchers are still required to be forwarded to the State Comptroller's Office when payment is made from funds in the State Treasury.
- Certain purchase documentation (purchase orders, bids, Section 3.09 justification letters) are still required to be forwarded to the Comptroller's Texas Procurement and Support Services (TPASS) for purchases requiring pre-audit (Type 3 Purchases) by TPASS.

#### 1. ACCOUNTING RECORDS

The financial DeptIDs of the Health Science Center shall be kept in accordance with the recommendations of the National Committee on the Preparation of a Manual on College and University Business Administration as set forth in College and University Business Administration published by the American Council on Education, 1982, as required by law. The accounting procedure and forms used for accounting records shall be subject to the approval of the Executive Vice President for Finance and Administration.

#### 2. FINANCIAL REPORTS

Financial reports shall be made in accordance with the provisions of the State and Federal Laws and orders of the Board of Regents in form approved by the Executive Vice President for Finance and Administration.

### 3. ELECTRONIC SIGNATURES/ APPROVALS

An electronic signature/approval may be accepted in all situations related to purchasing or accounting transactions, as outlined in HSC policies, if requirement of a signature/approval is stated or implied. This does not supersede situations where laws specifically require a written signature. Example of documents, while not all inclusive, where electronic signatures/approvals are appropriate include: purchasing and accounting transactions such as purchase orders, inventory, receiving, interdepartmental orders/transfers, accounting entries, payment records, non-E&G travel vouchers, and supporting documentation.

An "electronic signature/approval" is defined as an electronic identifier that is created by a computer and is intended by the party using it to have the same intent, effect and authority as the use of a manual (either written or facsimile) signature. The electronic signatures/approvals are protected by reasonable security measures as applicable to established computer functions of the HSC. The use of digital signatures is subject to criminal laws pertaining to fraud and computer crimes, including Chapters 32 and 33 of the Penal Code.

## B. CASH RECEIPTS AND DEPOSITS

### 4. RECEIPTS

An official receipt must be issued to each student or other payer for each and every payment of fees or other charges and each purchaser for each and every cash sale. These receipts must be issued by the employee collecting the fees or other charges or making the cash sale. All cash registers used for recording sales must be equipped to issue numbered sales tickets showing the amount of the sale, unless otherwise authorized in advance in writing by the Executive Vice President for Finance and Administration. Budgetary units not using cash registers to record cash sales will use pre-numbered cash sales tickets or cash sales receipts approved by the Executive Vice President for Finance and Administration as to form. Following are procedures for acquiring cash receipt books and issuing receipts for cash sales:

- a. Each department should submit a requisition for a cash receipt book to HSC Cashier containing DeptID to be charged.
- b. The departments will be notified when they may pick up the book at the cashier's office that they will be responsible for retaining receipt books in accordance with the Records Retention Policy.
- c. A cash receipt must be written for each item received over the counter. For items received through the mail, a receipt must be written or a daily log must be maintained of all monies received. A receipt may be written for each individual item or one per day to match the log total receipts for that day.
- d. Any department that receives checks or money through the mail should have two individuals open the mail and restrictively endorse the checks to University of North Texas Health Science Center.
- e. Receipt and monies are to be submitted to the HSC Cashier's Office in numerical sequence and should include any void receipts.
- f. The cashier will verify the number sequence with the last deposit number and write a cash receipt(s) for the deposit.

- g. Any check forwarded to another department must be logged as transferred to that area. If there are multiple checks for one item, they may be listed as one on the log with a detailed list attached.
- h. Each area should have one person other than those opening the mail to verify weekly that the HSC cashier receipts balance with the departmental log receipts.
- i. These procedures do not apply to UNT Health DeptIDs as they have their own cash receipt system and do not deposit money directly with the HSC Cashier.

#### 5. DEPARTMENTAL DEPOSITS

- a. All fees and other charges collected, proceeds of cash sales, and all cash received from other sources, must be deposited promptly in the HSC Cashier's Office. There is no authority for any department to use the fees or other charges collected or the proceeds of cash sales for any purpose whatsoever other than to deposit them in the Cashier's Office. Credit cannot be allowed for cash paid out.
- b. All student fees and tuition shall be collected and submitted to the HSC Cashier's Office. State law requires that all local income from Educational Facilities must be deposited in a designated depository bank on a daily basis. This includes all income from student fees for resident instruction and other sales and services of Educational and General Departments and of Organized Activities Relating to Instructional Departments.
- c. Educational and General Departments include all departments of general administration and expenses, departments of instruction, the library and departments of physical plant operation and maintenance as listed in the Annual Financial Report (AFR).
- d. All other funds received from proceeds of sales (other than those named above), admissions, rentals, fees for other than resident instruction and from all other sources must be deposited in a depository bank within seven (7) days from date of collection.
- e. State law requires all Educational and General Departments and all Organized Activities Relating to Instructional Departments to deposit their cash receipts in the HSC Cashier's Office within four (4) days from date of collection.
- f. All source of monies collected in excess of \$25 within a four-day period or less must be deposited in the Cashier's Office not later than the next business day.
- g. The Cashier must furnish departmental representatives with an official receipt for all funds deposited (Appropriations Act).

#### 6. CASH OVERAGE/SHORTAGE.

Cash-overages and/or shortages must be deposited promptly and listed as such on the Cashier's receipt. Any cash over or short must be shown on the department's receipt of the Cashier's daily report.

#### 7. BANK DEPOSITS

The Cashier's Office will deposit all receipts daily. These deposits will be made in the depository banks of the HSC to DeptIDs established with the approval of the Board of Regents. All "cash vouchers" and "noncash" items will be cleared each month. (See Chapter 51, Sec. 51-002, Vernon's Texas Codes Annotated, for funds subject to control of Governing Board.)

8. WORKING FUNDS

Working funds for making change and other purposes will be established only with the approval of the Executive Vice President for Finance and Administration. They must be used only for the official business for which they were established. Under no circumstances will they be used to cash personal checks or for any other personal business or purposes with the exception of the check cashing imprest fund, which may be used to cash personal checks. (Appropriations Act)

9. GIFTS AND LOANS OF EQUIPMENT MADE TO THE HEALTH SCIENCE CENTER FOUNDATION

"Private funds given to the Health Science Center shall be expended in accordance with rules and regulations adopted by the Board of Regents. Private funds given to the Health Science Center shall be used for purposes stipulated by the donor provided such funds have been accepted as gifts by the Board of Regents."

The University of North Texas Health Science Center/Texas College of Osteopathic Medicine Foundation has been duly chartered by the State of Texas. Funds contributed to this foundation are tax deductible. On occasion, it will be appropriate to make certain gifts to the Foundation for exclusive use of Texas College of Osteopathic Medicine instead of making certain gifts directly to the Health Science Center. Gifts to the Foundation will be used exclusively for the HSC.

This is a reminder that the authority to accept gifts of any kind to the HSC is vested in the Board of Regents. The Board of Regents has established that no solicitation of private gifts shall occur without the approval of the Development Office.

In order to track contributions to the university and development foundation more effectively and to adhere to IRS requirements, it is necessary that all contributions be deposited in a centralized manner and coded according to constituent source. Thus, all contributions, except sponsored grants that are processed through the Office for Basic Science and Research, must be delivered to the Office for Development, not to the cashier. The cashier will accept contributions from Development staff after they have been coded and recorded.

Realizing that timeliness is important, checks will be coded, recorded and forwarded to the cashier within 24 hours of receipt. This process will allow the HSC to track all contributions from private sources and report them on an annual basis to the Council for Aid to Education (CFAE). Reporting is expected of all higher education institutions. CFAE, in turn, provides an annual report of voluntary support to all reporting institutions. In addition, this process will allow the HSC to comply with IRS regulations, which require the institution to prepare specific types of gift receipts with specific language. The HSC can be fined \$1,000 for each incorrect receipt.

The Office for Development has designed a "Development Office Gift Record Form" which should be completed by the department receiving a gift. This form will help



gather information, which is needed by the Development Office to process the contributions.

University of North Texas Health Science Center - Fort Worth cannot assume a liability for loaned equipment and all lenders must be informed.

#### 10. OPENING OF BANK ACCOUNTS

Written approval of the Health Science Center Fiscal Office at a level of Director of Accounting or above is required before using University of North Texas Health Science Center-Fort Worth or the Health Science Center in a bank account name. This applies to anyone associated with University of North Texas Health Science Center-Fort Worth including students, faculty, staff, organizations, or anyone acting on their behalf.

#### 11. RETURNED CHECKS

Checks returned unpaid are automatically deposited a second time by the UNT Health Science Center's bank in an effort to clear payment before check is returned to the HSC.

- a. Notification: Notice is mailed from the Associate Vice President for Finance Office to the issuing party of the individual in whose behalf the check was issued. The address on check and/or address in the official records of the HSC will be used. The check is payable on or before ten working days from the date of notification. Only cash, cashier's check, or money order will be accepted for payment of the returned check plus the service fee.
- b. Returned Check Consequences:
  - i. A \$25 service charge per item is imposed on all returned checks, regardless of reason for return.
  - ii. Students and employees having two (2) or more returned checks during a fiscal year will lose check cashing privileges for the remainder of the fiscal year, and they will not be allowed to register for classes or graduate from the UNT Health Science Center until all debt is clear.
  - iii. Returned checks written to pay registration may cause the student to be assessed the maximum in late registration fees.
  - iv. An immediate hold is placed on student's account and late charges are assessed if check is not settled within 30 days.
  - v. Employees having outstanding returned checks must clear these returned checks within two (2) weeks from the date of original notification that they have a returned check or by the close of the next payroll date, whichever is later, or they will be subject to disciplinary action up to and including termination.
  - vi. The employee's supervisor will be notified of the employee's failure to make restitution of a returned check within the two (2) weeks time period of notification for disciplinary action in accordance with the Health Science Center's Performance Counseling and Discipline Policy.
  - vii. If all attempts to collect a returned check fail, the Finance Vice President is authorized to submit evidence to Collection Agency or

12. CASHING OF CHECKS

Check cashing privileges are available to students and employees at the UNT Health Science Center. Checks may be cashed at the Cashier's Office from 8:00 a.m. to 4:00 p.m., Monday through Friday.

- a. Checks cashed may range from a minimum of \$5 to a maximum of \$100. Anyone requesting to cash a personal check in excess of \$100 must obtain prior written approval from the Office of Finance and Administration.
- b. Personal checks cashed at the Cashier's Office will be assessed a service charge of \$0.10 per every \$10 or fraction thereof, cashed. See chart below:

<u>Amount of Check</u>	<u>Service Charge</u>
\$ 5.00 - \$10.00	\$0.10
\$10.01 - \$20.00	\$0.20
\$90.01 - \$100.00	\$1.00

- c. Checks must be made payable to the UNT Health Science Center for the amount requested, plus the service charge.
- d. No payroll checks, travel checks, or other checks which students or employees have received from the Health Science Center may be cashed except for the following:
  - i. Checks issued by the HSC to replenish a petty cash fund may be cashed by the custodian.
  - ii. Checks issued by the HSC from the Spot Purchase Petty Cash Fund made payable to an individual may be cashed by the individual. Employees cashing petty cash checks will not be charged a service charge nor will they need to obtain prior written approval to cash checks in excess of \$100.00.
  - iii. Travel checks, other reimbursement of expenditure checks, and/or checks made payable to students issued by the HSC, which range from \$5.00 to \$100.00 in amount may be cashed. All students and employees cashing these types of checks will be assessed the service charge as noted in "b" above. The service charge will be taken out of the check amount.
- e. No outside two-party checks may be cashed.
- f. There will be a \$25 service charge on all returned checks.
- g. All students and employees having outstanding returned checks may not cash another check until all outstanding returned checks have been cleared.
- h. All students and employees having two (2) or more returned checks during a fiscal year will lose their check cashing privileges for the remainder of the fiscal year, and they will not be allowed to register for classes or graduate from the UNT Health Science Center until all debt is clear.
- i. All employees having outstanding returned checks must clear these returned checks within two (2) weeks from the date the Accounting Office originally notifies the employees by letter that they have a returned check or by the close of the next payroll date, whichever is later, or they will be subject to suspension without pay or termination. Employees having returned checks

that are not cleared within this time period will also permanently lose their check cashing privileges at the HSC.

### 13. TELEPHONE CHARGES

Personal long distance calls must not under any circumstances be charged to HSC telephones or paid from HSC funds and billed against the person making or receiving the call. Budgetary heads will be supplied with interdepartmental bills showing monthly charges. All orders to the telephone company must be approved in the office of Telecommunications. Charges will be made to departments in accordance with the definition of "The Elements of Institutional Cost" prepared by the Texas Higher Education Coordinating Board.

### C. VOUCHERS

1. CENTRALIZED INVOICING AND PAYMENT: Invoices received by departments direct from vendors must be promptly approved and forwarded to the Accounting Department.
2. PAYMENT OF OVERAGE ON PURCHASE ORDERS: On a local DeptID, invoices that are up to 10% over the total amount stated on the spot purchase order will be processed for payment, provided the purchasing bid limits are not exceeded. Overage rule does not apply to QUANTITIES, only dollar amounts. Should the overage take the payment into the next bid limit, then the department will be notified to contact the Purchasing Department for assistance in properly handling the situation. Payment will be held until action is taken. Any interest that is charged by the vendor due to delays in correcting the purchase order could be charged back to the department who issued the purchase order.
3. POSTAGE: All vouchers for postage stamps must be made payable to the United States Postmaster, Fort Worth, Texas, and must show the quantities, denominations, and value of the stamps to be purchased. The original will be transmitted to the State Comptroller by the Accounting Office for the issuance of a warrant. Upon receipt of the warrant, the Accounting Office will forward it to the department concerned. The original of all such vouchers to be paid from other than State Appropriations must be transmitted to the Accounting Office for the issuance of a check to be sent to the issuing department in favor of the United States Postmaster. Vouchers for stamped envelopes will be handled in the same manner. All vouchers for postal cards, postage stamps, and stamped envelopes must show the quantities, sizes, denominations, and values thereof, and the original must be sworn to by the person making the purchase.
4. ADVERTISEMENTS: All vouchers for advertisements must be supported by a copy of the advertisement in addition to the regular invoice and by an affidavit of the publisher. Rates charged must be in conformity with State Laws. (State Comptroller requirement)

5. MONTHLY CONSTRUCTION ESTIMATES: Vouchers for estimates on building construction will be used for payment of all contractors' estimates. These vouchers will be issued in quintuplet (5 copies). The original must be sworn to by the contractor and authorized by the architect. The original, duplicate, and triplicate will be transmitted to the Accounting Office, the fourth copy to the contractor, and the fifth copy retained by the issuing department. All final construction estimates for contracts must be approved by the Executive Vice President for Finance and Administration or designee.
6. TRAVELING EXPENSES: Vouchers for traveling expenses will be handled in accordance with Section V: Travel.

#### D. STUDENT FINANCIAL ACCOUNTING

##### 1. TUITION AND FEE REFUNDS

This establishes the written guidelines for the Health Science Center to follow when refunding tuition and fees to students withdrawing from the Health Science Center to ensure that a proper amount is refunded to the Federal programs. The authority for these guidelines are 34 CFR 668.21, 668.22, 682.605, 682.606, 682.607, 682.608, 682.609, 682.610, 682 Appendix A, 683.87,683.88, 683.89 and 683 Appendix A and Section 215 of the Public Health Services Act.

- a. Federal Programs: The Health Science Center participates in the following Federal programs: Title IV-Federal Pell Grant Program, Federal Supplemental Educational Opportunity Grant Program (FSEOG), Federal Work Study Program (FWS), Federal Perkins Loan Program, Federal Family Educational Loan Program (FFEL) to include Stafford Subsidized and Unsubsidized Loans, and Title VII - Scholarships For Disadvantaged Students (SDS) and Primary Care Loans (PCL).
- b. Calculating Refund of Tuition and Fees (No Title IV funding): The total amount of the refund is determined according to the State's (Section 54.006 of the Education Code) and the Health Science Center's established refund policy as follows: The Health Science Center shall refund a percentage of Health Science Center tuition and mandatory fees to students withdrawing from the Health Science Center during a semester who have not received Title IV funding according to the posted withdrawal schedule.  
The portion of the total refund which is due each program is determined by using the formula as follows: 
$$\frac{\text{Total amount of program aid (minus work earnings) awarded for the payment period}}{\text{total aid (the denominator of the fraction)}}$$
 includes any Health Science Center scholarships, Health Science Center loans, State aid, etc.
- c. Calculating Return of Title IV Funds: The HSC shall refund a percentage of HSC tuition and mandatory fees and calculate a return of unearned Title IV funds for students withdrawing from the HSC during a semester who have received Title IV funding as follows: The percentage of the period the student remained enrolled, as determined using the HSC policy on withdrawal date, is multiplied by the total Title IV funds to determine the amount of Title IV aid earned. The amount of Title IV aid earned is subtracted from the Title IV aid disbursed to determine the

amount of total Title IV aid unearned and to be returned. A student who remained enrolled beyond the 60% point earns all aid for the enrollment period. Unearned Title IV funds, other than FWS, must be returned to the lender. The responsibility to repay unearned aid is shared by the institution and the student in proportion to the aid each is assumed to possess. The institution's share is the lesser of: the total amount of unearned aid; or institutional charges multiplied by the percentage of aid that was unearned. The student's share is the difference between the total unearned amount and the institution's share.

- d. Return of Funds to Title IV Programs: All returns attributable to Title IV programs will be paid directly to the lender. The institution's share is allocated among the Title IV programs, in an order assigned by the Department of Ed, before the student's share. The institution must return its share of unearned Title IV funds no later than thirty (30) days after it determines that the student withdrew. Students must return their share of unearned aid attributable to a loan under the terms and conditions of the promissory note. After the student's share is fully allocated among the Title IV programs, any amount owed to a grant program is reduced by half. The institution may allow the student to repay unearned aid attributable to a grant (after 50% reduction) under a payment arrangement satisfactory to the institution. Written notice will be sent to the student or parent when a refund is paid directly to the lender of the Title IV programs.

## 2. WAIVER OF STUDENT FEES FOR EMPLOYEES, SPOUSES, AND DEPENDENTS OF FACULTY AND STAFF

The Board of Regents for University of North Texas Health Science Center-Fort Worth has approved waiving all fees, except for tuition and lab fees, for full-time HSC employees, spouses and dependents of full-time faculty and staff of the Health Science Center and UNT while attending University of North Texas Health Science Center -Fort Worth. The waiver will be granted under the following guidelines:

- a. Employment Date: The employee of the Health Science Center or UNT must have begun full-time employment prior to the student's registration date or during the tuition refund period (as defined in the Health Science Center catalog) following registration.
- b. Application of Waiver: The waiver of fees will be applied on a semester basis. Qualifications for the waiver will also be reviewed by Student Financials prior to the beginning of each semester.
- c. Verification: It is the student's responsibility to present written verification from the payroll offices of UNT or the HSC prior to any waiver being granted. All fees must be paid if written verification is not received by Student Financials prior to the registration date.

## 3. ACCEPTING CREDIT CARDS

Departments interested in accepting credit card payments should contact the Cashier area of Student Accounting and University Cashiering Services in the Education and Administration Building to receive information regarding procedures to initiate a credit card merchant application and agreement.

An application and agreement must be completed and approved before credit card payments may be accepted by a department. Campus departments are not authorized to negotiate directly with the University's depository bank or a credit card company to set up a credit card merchant agreement/contract. This process is centralized on campus in the area of Student Accounting and University Cashiering Services. Centralization of credit card agreements allows the University security team to monitor all merchants for PCI DSS (Payment Card Industry Data Security Standards) compliance. It also allows the University to obtain the lowest possible discount rate with each credit card company for all departments. An informational handbook listing all the guidelines will be provided by Student Accounting and University Cashiering Services.

All credit card transactions must be processed through the appropriate credit card terminal or software package as instructed by Student Accounting and University Cashiering Services and approved by the security team. Any department wanting to accept credit cards through the internet (web application) must contact Student Accounting and University Cashiering Services. Student Accounting and University Cashiering Services along with the security team will assist with the initial implementation phase of the eCommerce product. All credit card transactions and processes/procedures are subject to review by Internal Audit.

In an effort to maintain consistency and to provide better customer service campus-wide, departments approved to accept credit card payments must honor all of the four major credit cards (MasterCard, Visa, Discover and American Express).

If you have any questions regarding credit card payments, please contact Student Accounting and University Cashiering Services at 817-735-2000.

## E. INVESTMENTS

### 1. ETHICAL GUIDELINES FOR INVESTMENTS

#### a. Statutory Guidelines

- i. Per Article 2529c, V.C.S., a state agency may not deposit funds in any bank in which an employee or officer of the state agency, who is charged with the duty of selecting a depository, is also an officer, director, or stockholder of the bank.
- ii. Per Article 2529c, V.C.S., a state agency may deposit funds in any bank in which board members, who have been charged by law with the duty of selecting a depository for the state agency, are also officers, directors or stockholder of said bank who individually or collectively own or have a beneficial interest in not more than ten percent (10%) of the bank's outstanding capital stock and the bank is selected as the depository by a majority vote of the other members of the board without the vote or participation of the board members who are officers, directors or stockholders of the bank. Any bank in which a board member owns more than ten percent (10%) of the

banks outstanding stock may not be a depository bank of the institution.

b. Other Ethical Guidelines

- i. Any gifts received from banks and/or brokerage firms by University of North Texas Health Science Center-Fort Worth employees for depositing institutional funds in said banks and/or purchasing government securities through brokerage firms shall become the property of the HSC and shall immediately be turned over to the HSC.
- ii. Employees of the HSC who are involved in the selection of depository banks and/or brokerage firms shall not attempt to gain any personal benefit from the banks and/or brokerage firms in turn for depositing the HSC funds in said bank or purchasing investment securities through said brokerage firms.
- iii. Each employee of the HSC who is involved in the selection of depository banks and/or brokerage firms shall complete an independence questionnaire at the start of each fiscal year and upon each occurrence which may affect independence during the fiscal year. These independence questionnaires shall be retained on file at the Health Science Center and available for public inspection.

2. EMPLOYEES INDEPENDENCE QUESTIONNAIRE FOR INVESTMENTS

- a. Do you or any members of your family own or have a beneficial interest in more than 10 percent of the outstanding capital stock of any bank, savings and loan association, or brokerage firm with which University of North Texas Health Science Center at Fort Worth does business?

(Yes/No)\_\_\_\_\_

If yes, please list name of individual, relationship and applicable bank, savings and loan association, or brokerage firm.

- b. Are you or any member of your family an officer, director or member of the board of any bank, savings and loan association, or brokerage firm with which University of North Texas Health Science Center - Fort Worth does business?

(Yes/No)\_\_\_\_\_

If yes, please list name of individual, relationship and applicable bank, savings and loan association, or brokerage firm.

- c. Have you received any gifts or personal gains from banks or brokerage firms that University of North Texas Health Science Center - Fort Worth does business with in turn for the Health Science Center depositing funds in said banks or purchasing investment securities through said brokerage firms?

(Yes/No)\_\_\_\_\_

If yes, please list gifts or personal gain received and applicable bank, savings and loan association, or brokerage firm.

- d. Have you been furnished a copy and made aware of University of North Texas Health Science Center-Fort Worth's Ethical Guidelines for Investments?

(Yes/No)\_\_\_\_\_

\_\_\_\_\_  
Signature of Employee Date

\_\_\_\_\_  
Date

#### F. OTHER

##### 1. SUPPLIES INVENTORY

An inventory of all consumable supplies on hand and paid for at August 31, the close of each fiscal year, will be furnished by all budgetary heads. This should be prepared in triplicate with the original and duplicate transmitted to the Accounting Office not later than the end of the week following the August 31st inventory of each year. If for any reason it is impossible for any budgetary unit to complete its supplies inventory by August 31, it should communicate with the Accounting Office for the purpose of arriving at an understanding that will prevent a delay in closing the books. (State Auditor requires for annual report.) In addition to the annual inventory of supplies to be taken as of August 31, the Executive Vice President for Finance and Administration may find it necessary to require monthly or less frequent inventories of certain auxiliary enterprises and service departments in order to have current operating information for proper management.

##### 2. EMPLOYEE BOND PREMIUM

Employees are not required to be bonded by a "blanket" type bond.

##### 3. EMPLOYEE GIFTS AND AWARDS

Payments to employees for gifts and awards must be processed through the Payroll Office unless exempted as listed below or by another institutional policy. Depending on the nature of the gift or award, appropriate deductions may be made in accordance with Internal Revenue Service regulations and the value of the payments may be included on the employee's form W-2. No payments of gifts will be made from state funds. All expenditures under this section must meet state and institutional purchasing and expenditure requirements to be considered for payment. Specific examples (but not inclusive) for the processing of gifts and awards are listed below.

- All cash or cash equivalent gifts and awards (including gift certificates) must be processed through Payroll and will be subject to IRS taxing regulations.



- Food items or other items (non-cash) given at holidays of nominal value (\$25 or less) are allowed and will not be subject to taxation under IRS de minimis benefit regulations.
- Entertainment tickets, flowers, books, gift baskets, plaques, pins, or similar non-cash items given for special purposes of nominal value (\$25 or less) are allowed and will not be subject to taxation under IRS de minimis benefit regulations.
- Lengths of service or safety achievement awards are subject to institutional policies and IRS rules and regulations. Such awards must be reviewed on an individual basis prior to approval for purchase.
- All such gifts or awards must include the President's or appropriate Vice President's signature on the request document.

#### 4. MOVING EXPENSES

None of the monies appropriated may be expended for paying expenses of moving the household goods or other property or personal effects of officers or employees except as otherwise provided by law. (H.B. 656 Art. V, Sec. 30)

#### 5. ALLOWABLE REIMBURSEMENT OF EMPLOYEE'S SPOUSE'S EXPENSES

The Health Science Center recognizes that there will be certain institutional business related functions, affairs and meetings where employees' spouses will be expected to attend as part of the employee's employment responsibilities. Spouse's presence is normally expected and may be reimbursed at the level of Associate Vice President and above. Other requests for reimbursement will be handled on a case by case basis. All requests will be dependent on the availability of funds.

- a. The Health Science Center will reimburse employees for the expenses incurred by their spouses if the purpose for the spouse's attendance at any such functions are within the guidelines provided below:
  - (1) A business schedule shows that the trip is not a vacation.
  - (2) The spouse's time is spent on business activities.
  - (3) The spouse's presence helps business prospects.
  - (4) Documentation shows the business purpose of the spouse's presence.
  - (5) The attendance of a spouse at a ceremony where the employee receives a prestigious award in his or her field.
  - (6) The incurrence of an employee's spouse's expenses in association with a business meeting where the employee meets with business associates or prospective employees and their spouses are in attendance at the meeting.
- b. No reimbursement for the spouse's expenses for travel, meals and lodging will be allowable when a spouse accompanies the employee to an institutional related business function unless the employee can prove a real business purpose for the spouse's presence. Incidental services such as typing notes or assisting in entertaining are not enough to justify a reimbursement.
- c. Reimbursement for allowable spouse's expenses may be made from local unrestricted (discretionary) funds. State appropriated funds cannot be used for this purpose.
- d. To claim reimbursement for a spouse's expenses, an employee must submit a requisition to the Accounting Office which includes the following:

- (1) A justification for the request reimbursement.
- (2) Receipts for all expenses for which reimbursement is requested.
- (3) Funding source.
- (4) Approval signature from the President.
- (5) In the case of the President, such reimbursement must be approved in writing by the Chancellor.

Please note that spouse's travel expenses are not considered "travel expenses" by the State of Texas and therefore shall not be included on a travel voucher when claiming reimbursement.

## V. TRAVEL

The State of Texas travel rules and regulations are promulgated under the authority of the General Appropriations Act and TEX. REV. CIV. STAT. ANN., Art. 6823a. (VERNON 1960).

The State Comptroller publishes the Travel Allowance Guide to assist state employees in understanding the law, rules and regulations concerning travel and to aid in the preparation of travel vouchers.

- A. **STATE TRAVEL MANAGEMENT PROGRAM:** State agencies in the executive branch of state government, which includes the Health Science Center, are required to participate in the State Travel Management Program and use the charge card, rental car, airline, hotel, and other travel service contracts that are effective for at least a twelve (12) month term. Institutions of higher education, which includes the Health Science Center, are not required to use the travel agency contracts, but are required to use all other contracts when such purchases are made using general revenue funds or educational and general funds as defined by section 51.009, Education Code. The guidelines in the State Travel Management Program are promulgated pursuant to the authority of section 14.01, Art. 601b, V.T.C.S., section 125.1-125.5.

The effect on the Health Science Center employees who travel is as follows:

1. Applicable Funds. The travel rules noted below apply to all services purchased by general revenue or educational and general funds. Even though employees traveling on local institutional funds (UNT HEALTH funds, federal and private grant funds, gifts funds, student DeptIDs and other locally generated funds) are not required to use the State's travel contracts, the State still encourages the use of these contracts whenever possible.
2. State Contracted Airfares.
  - (a) All employees traveling on official Health Science Center business using general revenue funds or educational and general funds (DeptIDs 10001-49999) are required by law to use the contracted airfares. The possible exemptions to this regulation are indicated below. When the State has an airline contract between two city pairs, the airline having the contract must be given preference when making reservations to travel between those cities.

- (b) The contract airline's State of Texas contract fare must be used unless the following conditions exist:
- (1) The contract airline cannot provide service in the time period required to accomplish the purpose of travel.
  - (2) A lower fare that meets the traveler's needs is offered by the contract airline.
  - (3) A non-contract airline offers a lower published fare to the general public which results in a lower total cost trip, including travel time, to the Health Science Center.
    - 1) Lower or identical airfares offered by non-contract airlines to state travelers only (i.e., matched fares) may not be used.
    - 2) Additional travel times should be measured at the employee's equivalent hourly pay rate.
    - 3) To use Southwest Airlines in the Dallas/Fort Worth areas, the State is allowing ½ hour travel time from DFW to Love Field (one hour round trip) to be measured at the employee's equivalent hourly pay rate in comparing total travel costs.
- (c) The State has contracted with Southwest Airlines for State of Texas government fares. The State has also contracted with American Airlines, America West Airlines, Delta Air Lines, Northwest Airlines and US Airways, Air Trans, Continental, and United for State of Texas government fares. These contract fares are for one-way airfares, are unrestricted, and are not subject to any restrictions or penalties. A listing of the city pairs and fares are available in the Health Science Center Travel Office.
- (1) Eligibility. These contract airfares are available to employees of the Health Science Center and other persons traveling on behalf of the Health Science Center when their travel expenses are paid by the Health Science Center in accordance with the guidelines of the Comptroller of Public Accounts. These airfares may be used by travelers only when they are traveling on official state business. Contract airfares may not be used for personal travel.
  - (2) Reservations may be made directly with the airlines or through the local travel agency, Travel Services Everywhere.
  - (3) Form of Payment. The contract airfares may only be purchased with the States contract Bank of America charge card, either the Health Science Center central bill DeptID, or an individual DeptID billed to the employee. Employees eligible to receive a State of Texas charge card may not charge airfare directly to the Health Science Center. They must charge the airfare to their individual charge card. Employees not eligible to receive a State of Texas charge card, prospective employees and other persons traveling on behalf of the Health Science Center may have their airfare charged directly to the Health Science Center's central billed DeptID, provided approval is received through the Health Science Center Travel Office.
- (d) Friends Fly Free Program. The Health Science Center's policy regarding the "Friends Fly Free" program is as follows:
- (1) An employee's first option is to make a reasonable effort to determine if the free ticket can be utilized by another Health Science Center employee for official state business. In this case the full price would be reimbursed

because the total of the two tickets would be a lower cost than the state contract rate.

- (2) If the free ticket cannot be utilized for official state business by another Health Science Center employee, the free ticket may be used by someone else. However, in this case reimbursement could not exceed the state contract price for a single ticket. To become eligible for reimbursement, an employee must state in writing on the corresponding travel voucher that a reasonable effort was made to determine if another Health Science Center employee could use the ticket.
  - (3) If an employee chooses not to make an attempt to locate a Health Science Center employee who can use this special rate for official state business and uses the "free" ticket for someone else, reimbursement is limited to one-half of the cost of the fare.
3. Lodging. The State has negotiated "State of Texas" rates with various hotels in Texas and other states. These rates, along with basic services and amenities offered are published in the Texas State Travel Directory. Some of the hotels listed will also extend these rates to personal travel. The establishments listed in the Directory must be used when traveling on general revenue funds or educational and general funds (DeptIDs 10001-49999) unless:
- (a) A lower rate can be obtained from a non-contract hotel/motel.
  - (b) The contract hotel/motel is not available due to being sold out.
  - (c) There is a non-contract hotel/motel substantially closer in proximity to where the traveler will be conducting business. (This will allow an employee to stay at the place the seminar-conference is held in the event it is held at a non-contract hotel/motel.)
4. Rental Car Services. The State has negotiated "State of Texas" rates with Advantage Rent-A-Car, Avis Rent A Car System, Inc., and Enterprise Rent-A-Car. These rates are at a discounted level and include loss damage waiver (LDW) at no extra cost. These "State of Texas" rates may also be used for personal travel for either vendor.
- (a) The rental car company(s) under a contract with the state must be used when traveling on general revenue funds or educational and general funds (DeptIDs 10001-49999) unless:
    - (1) The contract does not have a location in the required city.
    - (2) The contractor has no rental cars available.
    - (3) A lower total cost than the contract rate can be obtained. Total costs include the base rate, loss/damage waiver protection, mileage charge, applicable taxes, surcharges and cost for comparable liability insurance protection.
  - (b) Advantage Rent a Car. To use the negotiated state rates simply book your reservation with Advantage and ask for the State of Texas rate identified by Rate Code 763-TXC. This code is assigned to the Health Science Center and will ensure that you receive the state discount. When renting a car with Advantage, you should initial the appropriate space on the rental agreement to decline Loss Damage Waiver (LDW). Since LDW is part of the state contract, you will receive it at no extra cost. All rates include unlimited free mileage within the state of rental.

- (c) Avis Rent a Car. To use the negotiated state rates, simply book your reservation with Avis and ask for the State of Texas rate identified by Rate Code F999763. This code is assigned to the Health Science Center and will ensure that you receive the state discount.
  - (d) Enterprise Rent a Car. To use the negotiated state rate, simply book your reservation with Enterprise and ask for the State of Texas rate identified by Rate Code TX763. When renting a car with Enterprise, you should initial the appropriate space on the rental agreement to decline Loss Damage Waiver (LDW) if the rate includes loss/damage waiver
- 5. Charge Card. Bank One is currently the charge card vendor under contract with the State. The Health Science Center is required to use the state contract with Bank One. All eligible employees of the Health Science Center are encouraged to apply for the individual Bank One Corporate Card.
  - (a) The charge card should be used for business-related charges only while traveling on official state business. No personal charges should be made on any individual charge card. The State Auditor's Office has ruled that personal phone calls, movie rentals, etc. that state employees have charged to their hotel bills while on official state travel may be charged to their individual Bank One Corporate Card even though they are not reimbursable.
  - (b) An employee is not required to accept a State charge card. However, at a minimum, airfares paid with general revenue funds or educational and general funds (DeptIDs 10001-49999) must be charged on the State's charge card.
  - (c) The Health Science Center shall approve issuing a charge card to any employee who is expected to take at least three (3) trips or spend at least \$500 per fiscal year for state business. By accepting a charge card, the employee accepts the sole responsibility for paying all charges timely. Neither the Health Science Center nor the State shall be liable for non-payment by the employee.
- 6. Prospective Employees. The travel rules noted above, except for the charge card, also apply to prospective employees of the Health Science Center.
- 7. Use of State Travel Contracts by Consultants. Consultants or other non-state employees who are paid a fee or honorarium for services performed are not eligible to use the States travel contracts for airfare, charge cards, lodging, and rental car.
- 8. Travel Paid from UNT Health Funds. Travel vouchers paid from UNT Health funds will continue to be processed through the UNT Health Business Office. The travel vouchers must be forwarded to the Health Science Center Travel Office to determine whether an advance was given to the employee for that trip prior to being submitted to the Accounting Office for payment.
- 9. Travel Management Compliance Certification. In order to comply with the regulations, each traveling Health Science Center employee will be responsible for scheduling trips in compliance with the law. The Health Science Center Travel Office will not be able to provide trip booking or scheduling services. The trip decisions must be made by the traveling employee in compliance with State laws. When a voucher requesting reimbursement for a trip from general revenue funds or educational and general funds (DeptIDs 10001-49999) that includes any of the expense items covered by state contracts (airfare, lodging, or rental car) is submitted, a TRAVEL MANAGEMENT COMPLIANCE CERTIFICATION form will be required for inclusion with the travel voucher before the reimbursement check will be

processed. A copy of this certification form is available in the Health Science Center Travel Office.

- B. REQUEST FOR APPROVAL OF TRAVEL: Any employee who wishes to travel must complete a Request for Approval of Travel. This applies to travel from all funds except for travel from UNT Health funds when no travel advance is requested. This request form includes the employee's name, destination of his/her trip, the dates of travel, purpose of the trip, department DeptID number and an estimate of the cost of the trip. This form is to indicate approval of the budgetary head and the person designated by the President as having signatory authority. All travel must be approved in advance of the travel departure date. (Appropriations Act)
- C. TRAVEL OUTSIDE OF THE CONTINENTAL UNITED STATES: The Health Science Center may reimburse an employee for actual meals and lodging expenses when traveling to Alaska, Hawaii, Canada, Mexico and all U.S. possessions. When state funds are used, the agency's chief administrator, or employee designated by the chief administrator, must give written approval before an employee may be reimbursed for any expenses incurred while traveling to a foreign country other than Canada and Mexico. The Health Science Center may reimburse an employee for actual meals and lodging expenses when traveling to a foreign country.
- D. FOREIGN TRAVEL FROM LOCAL FUNDS: All foreign travel by state employees on state business paid from local funds (DeptIDs 50001-99999) must be approved by the President or person designated by the President as having signatory authority. Approval should be requested on the "Request for Approval for UNTHSC Employees Traveling to Foreign Countries". This policy and the necessity of approval by the (Provost's Office) President or person designated by the President as having signatory authority includes Canada or Mexico or any state or possession of the United States.
- E. MEALS AND LODGING - FOREIGN TRAVEL: The actual meals and lodging receipts are required. If a receipt is lost, a copy of the receipt or a credit card slip will be accepted as proof of payment. If the receipts for meals are not available, reimbursement for meals will be limited to \$36.00 a day.
- F. TRAVEL TO WASHINGTON, D.C.: The State Legislature has included a provision in the General Appropriation Act requiring all state agency personnel to notify the Office of State-Federal Relations (OSF) of any travel to Washington, D.C. All state agency personnel must inform the OSF of the timing of the trip, its purpose and the name of a contact person for additional information. The notification must be received by the OSF 48 hours in advance of departure. You can send a copy of the travel approval form via fax to 512/463-1984 or mail a copy to the following address:  
The Texas Office of State-Federal Relations  
At: Travel Recorder  
P. O. Box 13005  
Austin, TX 78711

Or you may report employee travel to Washington, DC online at <http://www.osfr.state.tx.us>.

G. PAYMENT OF TRAVEL FROM STATE APPROPRIATED FUNDS.

1. Responsibility of Agency and Employee.
  - (a) Agency Responsibility. The President of the Health Science Center is responsible for ensuring that the expenses of transportation, meals, lodging and incidental items are the lowest possible considering all relevant circumstances. The President of the Health Science Center may specify reimbursement rates for transportation, meal, lodging, or incidental expenses to be less than the maximum rates allowed by the Appropriations Act. However, a lower reimbursement rate applies only after the President has notified the employees in writing about the lower rate.
  - (b) Employee Responsibility. Each employee who seeks reimbursement for travel is responsible for determining that the claim follows the laws set by the Texas Legislature, the Travel Allowance Guide published by the State Comptroller, and any internal regulations prescribed by the Health Science Center. Failure to comply with these laws and regulations will delay payment and may lead to rejection of the claim. To claim reimbursement for travel, an employee must file a State of Texas Travel Voucher. **Expenses of another employee may not be claimed.**
2. Overpayment.

If an employee receives an overpayment for travel expenses, the employee must reimburse the state for the overpayment immediately.
3. Payment from Health Science Center Sources.

An employee may be reimbursed for travel expenses from non-Health Science Center sources so long as the total reimbursement from all sources is not greater than actual expenses.
4. Employee Travel for Another State Agency.

An employee who provides services to another state agency, such as the University of North Texas, may be reimbursed for his/her travel expenses from funds of the state agency being served.
5. Purpose of Travel.

Travel expenses may be reimbursed only when the purpose of travel is clearly for the conduct of official state business and in accordance with the legal responsibilities of the Health Science Center. The travel voucher must contain a brief statement which clearly shows the purpose of the trip and the benefit to the state.
6. Reimbursements Contingent on Actual Incurrence of Expenses.

The Health Science Center may reimburse an employee for travel expenses only when the employee has actually incurred the expenses. If an employee uses a discount coupon or any other means to obtain a discount on travel expenses and the employee did not pay money directly to obtain the discount, then the Health Science Center may not reimburse the employee for the discount. If an employee has paid money directly to obtain a discount, then the Health Science Center may reimburse the employee for the cost of directly obtaining the discount or the amount of the discount, whichever is less.
7. Meals and Lodging Reimbursement.
  - (a) Designated Headquarters.

An employee's designated headquarters is the area within the city limits of the town in which his/her place of employment is located. (For the Health Science Center employees, the designated headquarters is the area within the city limits of Fort Worth and any unincorporated area which may be completely surrounded by the Fort Worth city limits.) Meal and lodging expenses are not payable for travel within the confines of an employee's designated headquarters. The actual time of departure from designated headquarters (Fort Worth city limits) and arrival to designated headquarters must be shown for each trip in the appropriate space on the backside of the travel voucher.

An employee who passes through his/her designated headquarters "non-stop" from one duty point to another during travel is on continuous duty for meal and lodging reimbursement purposes.

- (b) In-State Meal and Lodging Expenses not to Exceed \$110.00. Employees who travel within the State of Texas may be reimbursed for the actual cost of lodging not to exceed \$85.00 per day and the actual cost of meals not to exceed \$36.00 per day.

The actual lodging receipt is required. If the receipt is lost, a copy of the receipt or a credit card slip will be accepted as proof of payment. An employee is limited to meals on the day of return to headquarters. Administrators may authorize less than the maximum rate when conditions warrant.

- (c) Hotel Occupancy Taxes - In-State. Employees who travel within the State of Texas are exempt from paying the state hotel occupancy tax but not exempt from paying the county or local hotel occupancy taxes.

The exemption for the state hotel occupancy tax must be claimed by providing a properly completed exemption certificate to the hotel. The Health Science Center employees should check the second exemption claimed box (religious, charitable or educational organization or employee) when completing this exemption certificate. Copies of the exemption certificate are available in the Health Science Center travel office. If a Health Science Center employee fails to present a properly completed exemption certificate to a hotel, he/she may not be reimbursed for any hotel occupancy taxes charged by the hotel. If a hotel refuses to honor a properly completed exemption certificate, the Health Science Center may reimburse the employee for the hotel occupancy taxes charged by the hotel. The Health Science Center must then provide the State Comptroller's Office with the name of each hotel that refuses to honor a properly completed and presented exemption certificate. The county or local hotel occupancy taxes are no longer classified as a lodging expense; rather, they are now classified as incidental expenses. Therefore, when completing a travel voucher, the county or local hotel occupancy taxes should not be included with the lodging expenses. They should be shown as a separate line in the incidental fee section on the front of the travel voucher. Since the hotel occupancy taxes are no longer classified as lodging expenses, an employee may now claim up to \$80.00 per day for lodging and still get reimbursed for the county or local hotel occupancy taxes. The amount of reimbursement for hotel occupancy taxes will be the lesser of the actual taxes charged or the taxes applicable to the \$80.00 maximum lodging reimbursement rate.



- (d) Partial Per Diem - In-State. In July, 1991, the Health Science Center discontinued the reimbursement of partial per diem (meals for trips that do not require an overnight stay) until a determination could be made on the status of these payments. The IRS has ruled that partial per diem payments should be treated as wages with income and social security taxes withheld at time of payment. In order to meet this new law, all payments for partial per diem would require going through the Payroll office. The effort and cost involved to capture this data and pass it through Payroll outweigh the after tax benefit to employees. Therefore, the Health Science Center will no longer reimburse partial per diem.
- (e) Meals and Lodging - out-of-state.
- (1) General Provisions. Employees who travel outside the State of Texas, but within the continental United States, may be reimbursed for their actual expenses for meals and lodging. The actual lodging receipt is required. However, these reimbursements may not exceed the rates specified in the federal travel regulations for the location to which the employee travels. The federal rates apply on a per-day basis for meal expenses and on a per-day, per-location basis for lodging expenses.  
The federal travel regulations contain rates for selected municipalities and counties in each state. When the regulations do not specifically list a municipality, the rates for the county in which the municipality is located apply. When the regulations list neither a municipality nor the county in which the municipality is located. When the regulations list neither a municipality nor the county in which the municipality is located, use the median rate for the state.
  - (2) Increasing the Lodging Rate. An employee may reduce the meal expense reimbursement rate and use the amount of the reduction to increase the lodging expense reimbursement rate.
  - (3) Applicable Federal Rate. The applicable federal rate is normally the rate for the location in which the employee's duty point is located. When an employee is unable to obtain reasonable lodging in that location, the employee may obtain lodging in another location and be reimbursed in accordance with the federal rate for that location.
  - (4) Exceptions to the Federal Rates. The State Comptroller may specify a lodging rate for a location that is higher than the corresponding federal rate if the State Comptroller finds that local conditions necessitate the higher rate. The Health Science Center may reimburse an employee in accordance with the State Comptroller's higher lodging rate if the employee begins travel to the location after the State Comptroller specifies the higher rate.  
The State Comptroller will approve a state agency's request for a higher lodging rate only if the State Comptroller receives a written request for the higher rate by no later than the 10th working day before travel begins. The written request must provide a reasonable justification for the higher rate. A higher lodging rate specified by the State Comptroller applies only to the trip for which the rate is requested.
- (f) Hotel Occupancy Taxes - out-of-state. Employees traveling outside the State of Texas may get reimbursed for his/her required payment of hotel occupancy or

similar taxes. The reimbursement is classified as an incidental expense. The taxes are not classified as a lodging expense for the purpose of the maximum reimbursement rate for those expenses. The amount of reimbursement for the taxes will be the lesser of the actual taxes charged or the taxes applicable to the lodging rates specified in the federal travel regulations.

- (g) Partial Per Diem - out-of-state. In July, 1991, the Health Science Center discontinued the reimbursement of partial per diem (meals for trips that do not require an overnight stay) until a determination could be made on the status of these payments. The IRS has ruled that partial per diem payments should be treated as wages with income and social security taxes withheld at time of payment. In order to meet this new law, all payments for partial per diem would require going through the Payroll office. The effort and cost involved to capture this data and pass it through Payroll outweigh the after tax benefit to employees. Therefore, the Health Science Center will no longer reimburse partial per diem.
- (h) Actual Expenses - Overnight Travel.
  - (1) Prior Administrative Approval Required. Except where noted, actual expenses for meals and lodging, as authorized by subsections (2) through (6) may not be claimed unless the employee receives prior written approval by the President of the Health Science Center. The President of the Health Science Center may designate a representative to approve actual expenses for employees traveling under the provisions of this section.
  - (2) Travel by the Health Science Center President. The President of the Health Science Center receives actual expenses for meals and lodging when traveling in or out-of-state. Expenses for meals and lodging must be itemized daily. Prior written approval is not required.
  - (3) Travel to Represent Governor. An employee may be reimbursed for actual expenses when designated by the Governor to represent him at governmental meetings or conferences held out of state. These reimbursements may be paid out of the appropriations for the state agency at which the employee is employed. Prior approval is required.
  - (4) Travel to Represent the Health Science Center President. The President of the Health Science Center may designate an employee to receive actual expenses for meals and lodging when representing him at a meeting. The designations must occur on a trip-by-trip basis. Prior written approval is required by the President of the Health Science Center.  
An employee accompanying the Health Science Center President may be reimbursed for actual meals and lodging. Prior written approval is required by the President of the Health Science Center.
  - (5) Travel Outside the Conterminous United States. Employees may be reimbursed for their actual expenses for meals and lodging when traveling outside the continental United States (including Alaska, Hawaii, U.S. possessions, Mexico and Canada). Prior written approval is required. Employees must convert to U.S. dollars the travel expenses incurred in a foreign currency.
- (i) Direct Billing for Lodging. When an employee stays at a commercial lodging establishment, the Health Science Center may request the lodging establishment

to directly bill the Health Science Center for the cost of lodging. The State Comptroller may issue a warrant payable to the commercial lodging establishment only upon the submission of a voucher showing the name and designated headquarters of the employee, the room rate for a single occupancy and the lodging charges on a daily basis.

An official receipt from the commercial lodging establishment must be attached to the voucher.

Reimbursement for lodging is limited to the maximum amounts allowed for lodging in-state and out-of-state.

(j) Prohibited Reimbursements. An employee may not receive reimbursement for meals and lodging when the employee is:

(1) At his/her official designated headquarters.

(2) Absent from duty point for personal reasons such as illness, family emergency or car trouble.

(3) Absent from duty point for any reason not connected with duties of the Health Science Center.

(4) Away from designated headquarters for a period of less than six (6) hours.

(k) Discontinuance of Travel Due to Mechanical Failure. An employee may not receive reimbursement for meals, lodging or mileage when state business is interrupted due to mechanical failure of a personal automobile. Once the automobile is repaired and the employee returns to state business, reimbursement for meals, lodging and mileage may be claimed.

8. Lease of Apartment.

(a) General Provisions. An employee may be reimbursed for the actual expenses of leasing an apartment as long as the:

(1) Apartment was leased from a commercial lodging establishment;

(2) Purpose of leasing the apartment instead of renting a room at another type of commercial lodging establishment was the conservation of state funds;

(3) Health Science Center reasonably anticipated that the employee would be conducting official state business throughout the duration of the lease at the locale in which the apartment is located; and

(4) Health Science Center reasonably anticipated that the purpose of travel to the locale in which the apartment is located would require a minimum stay of one month.

(b) Definition of "Actual Expense of Leasing an Apartment". The total expenses that is reasonably necessary to make the apartment livable. Those expenses include the rental of furniture and mandatory utility charges but do not include refundable curlew security deposits. "Mandatory utility charges" includes gas, water, electricity, garbage collection and basic monthly telephone charges for a single phone (including installation costs). A cable television fee is not a mandatory utility charge.

(c) Amount of Reimbursement. When an employee leases an apartment, the amount of reimbursement is equal to the actual expense of leasing the apartment. However, the reimbursement may not exceed the "daily lodging rate" multiplied by the number of calendar days in the month covered by the voucher.

The term "daily lodging rate" is equal to the maximum lodging reimbursement rate for the location in which the apartment is located.

- (d) Meal Expenses. The Health Science Center shall reimburse an employee for his/her meal expenses on the same basis as would be reimbursed if he/she had rented a room at another type of commercial lodging establishment.
  - (e) Business Telephone Calls. The Health Science Center may reimburse an employee for his/her business telephone calls as an incidental expense.
  - (f) Travel to a Second Duty Point. When an employee who is leasing an apartment travels on official state business to a second duty point that is not in his/her designated headquarters and obtains lodging, this subsection applies. The Health Science Center may reimburse the employee for:
    - (1) the actual cost of transportation between the duty points;
    - (2) his/her actual meal expenses at the second duty point not to exceed the maximum meal reimbursement rate for that duty point;
    - (3) his/her actual lodging expenses at the second duty point not to exceed the maximum lodging reimbursement for that duty point; and
    - (4) the actual expense of leasing the apartment on the same basis as if the employee had not traveled to the second duty point.
  - (g) Voucher Requirements.
    - (1) A copy of the lease agreement and proof that a lease payment was made must be attached to the employee's voucher.
    - (2) When applicable, an invoice from a furniture rental company and a billing statement from a utility company must be attached to the employee's voucher along with proof that the invoice and statement have been paid.
    - (3) A statement that the requirements of Subsection (a) of this section (Lease of Apartment) have been satisfied must be included on the voucher.
9. Mileage - Personally Owned or Leased Automobiles.
- (a) Mileage. An employee may be reimbursed for mileage at the rate of 35 cents per mile. The State Comptroller shall announce the mileage reimbursement rate for a fiscal year as soon as possible after August 1 of the preceding year. The rate will equal the maximum fixed mileage allowance specified in the revenue rulings issued by the Internal Revenue Service as of August 1 preceding the start of the fiscal year. Mileage is based on the shortest highway distance, including the use of all farm-to-market roads and must be itemized on a point-to-point basis. Mileage is determined by "The Official State Mileage Guide" published by the Statistical Research Service.
    - (1) Travel Between Residence and Place of Employment. Reimbursement for mileage between an employee's residence and place of employment is not allowed unless the travel is necessitated by extraordinary circumstances and occurs during non-working hours.
    - (2) Travel Between Residence and Airport. During non-working hours, employees may be reimbursed for mileage from their residence to the nearest airport. During working hours, the reimbursement may not exceed the reimbursement that would be due had the employee traveled from his/her place of employment to the airport.  
An employee may be reimbursed for the mileage incurred by another person while transporting the employee between his/her residence and the

nearest airport so long as the employee can show that the additional mileage claim is less than the cost of parking the employee's personal automobile at the airport.

- (3) Travel Between Residence and Duty Point. An employee may be reimbursed for mileage between his/her residence and duty point. However, the reimbursement may not exceed the mileage that would have been paid had the employee traveled from his/her place of employment to the duty point if the travel occurs during working hours or before working hours on a working day.
  - (b) Reimbursement for Parking Expenses. An employee may be reimbursed for parking expenses incurred when traveling by personal automobile, state car, or rental car. Receipts are not required.
  - (c) Four per Car Rule. Employees traveling by personal automobile to the same duty point must coordinate their travel. Full mileage will be allowed for one car for every four employees or for any fraction greater than four employees. Employees who cannot coordinate travel in one vehicle due to work related reasons may be reimbursed for their mileage expense. Prior written approval is required.
  - (d) Out-of-State Travel by Personally Owned or Leased Automobile.
    - (1) Points Served by Airlines. An employee may be reimbursed for mileage at the standard mileage rate limited to the average coach airfare plus the reasonable expenses of transportation to the airport and the parking expenses the employee would have incurred at the airport except when the cost of mileage is less.

An employee who transports additional employees out-of-state may include the average coach airfare of each employee when comparing mileage to the average coach airfare. The claim is limited to the cost of mileage.

Per diem is determined by travel time to and from the out-of-state duty point, as if traveled by airline except when additional employees are transported. When this occurs, per diem is based on reasonable motor vehicle time.
    - (2) Points not Served by Airlines. An employee traveling to out-of-state duty points not served by airlines may be reimbursed for mileage at the standard mileage rate. However, the reimbursement may not exceed the total of the average coach airfare to the nearest city served by air, mileage from the nearest city served by air to the destination, the reasonable expenses of transportation to the airport and the parking expenses the employee would have incurred at the airport.
    - (3) Average Coach Fare. The average coach fare is determined by the fare quoted in the ATPCO PASSENGER TARIFF on the day prior to the beginning of state business and the day after state business ends.
10. Public Transportation.
- (a) Commercial Air Transportation. Employees are reimbursed for the average coach airfare from designated headquarters to duty point. First class airfare is not payable unless it is the only flight available to conduct state business. A statement that airfare below first class was not available is required. Receipts for

airfare are required. If the airline receipt is not available, proof of airline transportation will be accepted as outlined below.

- (1) A copy of the airline ticket along with a statement explaining why the original ticket was not available.
  - (2) If neither the actual ticket nor a copy is available, then the travel agency invoice, along with a statement explaining why the ticket or a copy was not available, must be submitted.
  - (3) If the employee is unable to provide proof pursuant to section 1 or 2 above, then a credit card receipt, along with a statement explaining why the ticket or copy was not available, must be submitted.
  - (4) If the employee is unable to provide proof pursuant to sections 1, 2 or 3, then a signed statement by the employee explaining why he is unable to provide proof pursuant to the provisions of sections 1 through 3 above is required.
  - (5) With the introduction of ticketless travel by most airlines, ticketless travel is now an option for travelers. Employees choosing to use the ticketless system should receive a "Passenger Itinerary and Receipt" and a confirmation number from the airlines or the travel agency. This "receipt" is acceptable if a statement is included on the voucher that the original receipt is not available. State employees may also request a printed ticket from the airlines upon checking in at the departure gate.
- (b) Discount Airfare. An employee may claim extra travel time for the purpose of calculating reimbursement for meals, lodging, rental cars, parking and other reimbursable expenses in order to take advantage of discount airfare if:
- (1) The amount of the additional travel expenses plus the discount airfare is less than or equal to the average coach fare between headquarters and duty point and
  - (2) The rental car was rented during the period of time when the employee conducted official state business; and
  - (3) It is in the Health Science Center's interest to allow the employee to be absent from headquarters for additional days.
- An employee may not fly to cities other than his duty point city on personal business to qualify for the supersaver rate. Cancellation charges will be payable only if canceled due to a business related reason. The Health Science Center may make payments directly to transportation companies prior to the travel of an employee if discount airfares may be obtained. The purpose of travel and proof of payment is required. Use of this provision is limited to those situations where special airfare rates can only be obtained by payment prior to the travel. Cancellation charges will be payable only if cancellation is due to a business related reason.
- (c) Deviation from Normal Line of Travel by Air. An employee who travels to a duty point from a location other than designated headquarters is limited to the cost of the average coach fare between designated headquarters and duty point except where the cost of airfare from the location is less. An employee who is traveling in the normal line of travel between designated and duty point may stop at intermediate points for personal reasons. The

employee may not receive reimbursement for meals and lodging expenses during the time spent on personal business. If the employee deviates from the normal route of travel between designated headquarters and duty point for personal reasons, the cost for meals, lodging, and transportation will not be allowed for that portion of the trip.

- (d) Car Rental. An employee may be reimbursed for cost of a rental vehicle. Liability insurance supplement, personal accident insurance, safe trip insurance and personal effects coverage are not reimbursable. Sales tax and collision damage waiver charges on a rental car are reimbursable when paid by the employee. Receipts are required. If the rental car receipt is not available, proof of transportation will be accepted as outlined in the section for unavailable airline tickets. If an employee rents a car and combines personal travel with state business, the cost of the rental car must be prorated on a daily basis and reimbursement is limited to the state business days.
- (e) Travel by Railroad. Employees may be reimbursed for transportation by railroad. Receipts are required. If the railroad receipt is not available, proof of transportation will be accepted as outlined in the section for unavailable airline tickets. When a fare includes sleeping accommodations and/or meals, an employee must reduce his/her reimbursement claims for meals and/or lodging expenses, accordingly.
- (f) Travel by Taxi, Limousine and City Bus. Receipts are not required for travel by taxi, limousine and city bus, however, an itemized list of each claim showing destination and cost of travel is required. The cost of transportation by limousine may be paid only if it is the lowest cost transportation considering all relevant circumstances. Transportation must originate and conclude at the employee's place of employment within designated headquarters except where the cost of transportation from the employee's residence to the duty point or airport is less than or equal to travel from headquarters.
- (g) Direct Billing for Public Transportation. The Health Science Center may request a public transportation company to furnish transportation to designated employees. The cost of the transportation services shall be billed monthly to the Health Science Center. The State Comptroller may issue a warrant payable to a public transportation company only upon the submission of a voucher showing the purpose of travel and the necessary approval by the Health Science Center. An official receipt from the public transportation company showing the details of the transportation must be attached to the voucher. To facilitate audit of billings from public transportation companies, such companies shall list on their billings the point of origin, point of destination and taxes charged. Also, the official state business conducted on each trip shall be specified on the purchase voucher submitted to the State Comptroller.

#### 11. Private Air Transportation.

- (a) Personally Owned or Leased Aircraft - Executive Heads. Executive heads may be reimbursed for travel in their personally owned or leased aircraft at the rate of 40 cents (\$.40) per highway mile when traveling in single engine aircraft, .40 cents (\$.55) per highway mile when traveling in twin-engine aircraft and one dollar (\$1.00) per highway mile when traveling in turbine-powered aircraft. In addition to claiming aircraft mileage, executive heads may claim the average coach airfare

for each additional executive head, key official, member of the legislature, and board or commission members traveling as passengers in their personally owned or leased aircraft. The claim for reimbursement may not exceed the actual cost of the trip. The methods for determining the cost of the aircraft must be shown on the voucher along with the names and titles of all passengers.

- (b) Personally Owned or Leased Aircraft - Health Science Center Employees. The Health Science Center employees may be reimbursed for travel in their personally owned or leased aircraft at the rate of .40 cents (\$.40) per highway mile when traveling in single engine aircraft and .55 cents (\$.55) per highway mile when traveling in twin-engine aircraft.
- 12. Return to Headquarters while on Personal Leave  
When the Health Science Center requires an employee on personal leave to return to his/her designated headquarters from another location, the Health Science Center may reimburse the employee for the transportation, meal, lodging and incidental expenses he/she incurs while traveling to headquarters. In addition, the Health Science Center may reimburse the employee for the transportation, meal, lodging and incidental expenses he/she incurs while traveling back to the location at which the employee was staying while on personal leave.
- 13. Direct Payment to Credit Card Issuers or Travel Agencies  
The Health Science Center may make direct payments to credit card issuers or travel agencies for lodging and transportation. The same documentation that would be required for a direct payment to a commercial lodging establishment or commercial transportation company is required for a direct payment to a credit card issuer or travel agency.
- 14. Recruitment of Students  
Reimbursement of travel expenses for out-of-state travel to recruit students may not be made unless the students being recruited are qualified minority applicants whose attendance at the Health Science Center would help the Health Science Center meet its enrollment goals established by the Texas Education Plan for Higher Education or unless the students being recruited graduated at the top ten percent of their graduating class.
- 15. Alumni Activities  
Reimbursement of travel expenses for the support or maintenance of alumni organizations or activities is prohibited.
- 16. Student Travel Not Allowed  
Students at the Health Science Center may not be reimbursed for their travel expenses, unless a fee has been collected to cover such travel.



17. **Moving Expenses**  
Health Science Center employees are not reimbursed for moving expenses from state funds.
18. **Prospective Employees**  
An individual who is requested to interview with the Health Science Center for the purpose of being interviewed and evaluated for employment may be reimbursed for travel expenses.  
Prospective employees are reimbursed in the same manner as state employees except that they may not receive a travel advance. A prospective employee who has been accepted for employment may not be reimbursed for reporting to work. In addition, a prospective state employee is not exempt from hotel occupancy taxes. Those taxes may be reimbursed as an incidental expense. Prior approval from the Governor's Office is required for a prospective employee's travel from a country other than Mexico, Canada or United States' possessions.
19. **Incidental Expenses**  
Incidental expenses are costs which are necessary for the employee to conduct state business while in travel status. Receipts are not required.  
The following list is only a portion of allowable and non-allowable expenses:
- (a) Allowable.
- (1) Phone calls for official business, local and long distance.
  - (2) Money orders used for official business.
  - (3) Gasoline for rental or state-owned vehicles.
  - (4) Parking fees for personal vehicles, rental or state-owned vehicles.
  - (5) Toll charges.
  - (6) Repair parts and labor plus towing charges to repair state vehicles.
  - (7) Copies made by the employee that are required by the agency for informational or investigative purposes.
  - (8) Freight charges to ship state equipment or materials.
  - (9) Admittance fees to functions while accompanying clients of the state.
  - (10) Foreign travel: passport or visa charges, airport boarding passes, departure taxes and inoculations.
  - (11) Employees may be reimbursed in amounts not to exceed \$25 for emergency purchases of postage. All other purchases for postage must be made payable to the U.S. Postmaster.
  - (12) Notary fees for official documents.
  - (13) Charges to exchange U.S. currency for foreign currency and vice versa. The exchange rate of conversion of monies must be stated.
  - (14) Mandatory charges by a commercial lodging establishment other than the room rate and additional person charges.
  - (15) Books and documents purchased for and while attending a seminar or conference.
  - (16) Hotel occupancy and similar taxes for which a state employee is eligible to be reimbursed.
  - (17) Service charges validly imposed by a travel agency.
- (b) Not Allowable.
- (1) Gasoline or repair costs for personally owned or leased vehicles.
  - (2) Tips or gratuities of any kind.

- (3) Excess baggage charges for personal belongings.
- (4) Any other personal expense items such as cleaning or laundry.
- (5) Kennel expenses for pets.

#### H. PAYMENT OF TRAVEL FROM LOCAL FUNDS.

##### 1. UNT Health Funds.

a. During the course and scope of employment at UNT Health, it may be necessary to travel for company business or education purposes. Reimbursable expenses for business travel can include transportation, meals, hotel and other fees. Personal expenditures for such activities may be reimbursable at their full cost.

##### b. Approval

i. Prior to any business travel, a Request for Approval of Travel form should be completed and turned into the UNT Health Central Business Services Office.

ii. Following all business travel, a State of Texas Travel Voucher, along with all required documentation, should be turned in to the UNT Health Central Business Services Office within 7 working days of the conclusion of the business or educational event.

c. Actual receipts which detail the services purchased by the employee will be submitted along with the State of Texas Travel Voucher. Copies of receipts, faxes or credit card statements are not actual receipts. Receipts should show details of all services purchased. Hotel bills that do not show a detailed listing of services provided is not acceptable. Packaged deals combining services at a lower cost are acceptable but a detailed receipt listing the services provided and their allocation of the total cost must be provided. Expenses included on a receipt that relate to a non employee and that are not reimbursable should be clearly separated and documented on the receipt. If a receipt is not provided to the employee, the employee should contact the UNT Health Central Business Office for approval prior to submitting the expense for reimbursement.

d. Expenses incurred relating to family and friends are not reimbursable except as noted in the corporate bylaws. Travel for a current employee's spouse must be approved in advance of scheduled travel by the UNT Health President. Travel for a prospective employee's spouse should be approved by the department chairperson. Such expenses should be clearly documented on all receipts and excluded from the reimbursable total.

e. The employee will exercise good judgment regarding other travel and entertainment expenses. Expenses that are reimbursable will be reasonable in amount and timing of travel should be reasonable relative to timing of the business or educational event. If the amount is excessive, it may not qualify as a reimbursable expense. The UNT Health President has final authority on what is an appropriate reimbursable expense. If an expense is questionable, pre-approval from the President is recommended.

f. Reimbursable Expenses include:

i. Transportation, including airfare, ground transportation and mileage, will be reimbursed for approved business or educational related travel at their actual cost. Approved ground transportation expenses include rental car services, taxis, shuttles, parking fees and tolls. Mileage will be reimbursed to employees for the use of their private vehicle for business or educational related purposes. The standard Internal Revenue Service (IRS) rates will apply.

ii. Hotel Accommodations will be reimbursed at their actual cost. Employees who travel within the State of Texas are exempt from paying the state hotel occupancy tax but not exempt from paying the county or local hotel occupancy taxes. A properly completed Texas Hotel Occupancy Tax Exemption Certificate should be provided to the Hotel and is available from the UNTHSC travel website. Business related long distance phone charges and internet access charges will also be reimbursed. Items such as movies, salons, spas, dry cleaning and other personal purchases are not reimbursable items.

iii. Meals for business or educational related purposes may be reimbursed at their actual cost. Employee should provide original receipts with details of the location, meeting purpose, and a list of those attending.

I. TRAVEL ADVANCES. To ensure that the Health Science Center employees charge their official state business expenses to the State of Texas charge card, travel advances will only be given in the following circumstances:

1. To employees who are not eligible to receive a State of Texas charge card.
2. To employees who obtain discount airfare and payment is required prior to the travel. Proof of payment is required.
3. An employee who is eligible to receive a travel advance may receive the advance under the following guidelines.
  - (a) Request for Approval of Travel. A properly completed Request for Approval of Travel must be filed with the Health Science Center Travel Office before a travel advance will be processed. This includes advances from UNT Health funds.
  - (b) Amount of Advance. An employee may receive an advance limited to 90% of the estimated costs for meals, lodging, rental car, mileage and parking. Advances may only be given in cases where overnight stay is required. An employee may receive a travel advance no earlier than five (5) working days prior to the date of the trip.

- (c) Power of Attorney. A Power of Attorney form must be signed by any employee who receives a travel advance or when a discount (super saver) airfare is paid for him/her. No advance will be given without the Power of Attorney form.
- (d) Outstanding Travel Advances. An employee receiving a travel advance or having a discount airfare paid on his/her behalf must file a travel voucher within seven (7) working days after the date of return from the trip to clear the outstanding advance. An employee who does not clear the outstanding advance within this time period will not be given another advance until the outstanding advance is cleared. Payroll or travel checks owed to the employee will be held until the outstanding advance is cleared.

J. **STUDENT TRAVEL POLICY.** The following is the Health Science Center's policy on student travel.

1. **Eligible Funds.**  
Student travel on official business of the Health Science Center may be paid from local institutional funds only. Payment for student travel from state appropriated funds (DeptIDs 10001-49999) is not allowed per State of Texas travel guidelines. Student travel from grant funds is permitted if it is an allowable expense of the applicable grant.
2. **Prior Approval.**  
Prior to traveling on official business of the Health Science Center, a student must submit a Request for Approval of Travel. The approval process is the same as it is for employees. If a travel advance is requested, the student must submit a Power of Attorney.
3. **Travel Voucher.**  
After a trip is completed, a travel voucher must be filed within seven working days. The guidelines for reimbursement of travel expenses are the same as for employees, except that receipts are required for all expenses excluding mileage.
4. **Use of State Travel Contracts.**  
Student traveling on official business of the Health Science Center are eligible to use the State's contracts for hotels, airfare and rental cars. To be able to use the State's contracts for airfare, the student must contact the Travel Office so the airfare can be charged to the Health Science Center's Corporate Card.
5. **Hotel Occupancy Taxes.**  
A student is not exempt from paying occupancy taxes since they are not considered State employees. Those taxes may be reimbursed as an incidental expense.
6. **Type of Expense.**  
Student travel from local institutional funds should be paid from the applicable department's M&O budget (budget item 8100). Student travel is not considered "travel" by the State of Texas since the students are not employees.

## VI. PAYROLL

## A. COMPENSATION OF EMPLOYEES

Compensation of all employees shall be a fixed amount of money and processed through the Health Science Center Payroll Office.

### 1. DISTRIBUTION OF CHECKS

- a. Salary checks and/or earning statements for employees on direct deposit are released to designated individuals for each HR Department on campus. These are distributed as soon as possible on the first working day of the month through the Cashier's Office.
- b. All salary checks and/or earning statements for employees on direct deposit not delivered to the payee on the first working day of the month is returned to the Cashier's Office before three (3) working days with reason noted for non-delivery.
- c. Cashier's Office will mail all unclaimed checks after three (3) working days to the payee's last known address on record.
- d. Payroll checks held in Cashier's Office at the request of employee, and not claimed within one year, will be marked VOID and returned to the State Comptroller's Office as "Unclaimed Property."

### 2. RELEASE OF PAYROLL CHECKS TO SOMEONE OTHER THAN THE EMPLOYEE

- a. Prior written authorization from employee is required by Payroll before a payroll check can be released to someone other than the employee.
- b. Employee may give authorization by completing a "one-time only" or "continuous" Payroll Release Authorization, or by signed memorandum.
- c. Payroll Release Authorization Forms are obtained from the UNT Health Science Center Payroll Office.

### 3. WITHHOLDING CHECKS

The UNT Health Science Center is required to honor notices served on the agency to withhold payroll checks from employees who are indebted to the Federal Government or Internal Revenue Service for past due income taxes.

### 4. SALARY PAYMENTS, WITHHOLDINGS, AND DEDUCTIONS

- a. Prorated Salaries Authorized: Any employee who distributes his/her time and duties between general administration and instruction, organized activities related to instruction and the management of auxiliary enterprises, may receive their total salary payments in proportionate parts from such activities and from the appropriated or available funds thereof. (Appropriations Act, Art. III, Section 5. No. 1).
- b. Jury Duty: No deduction shall be made from the salary or wages of any state employee who is called for jury service; nor shall such employee be required to account to the State for any fee or compensation received for jury service. (Sec. 659, Government Code, HR Policy 8.06.1)

## B. FACULTY SALARIES FROM GRANTS

Compensation of all employees shall be a fixed amount of money and processed through the Health Science Center Payroll Office.

1. PAID FROM EXTRAMURAL GRANTS

All grant applications to funding agencies which permit payment of professional salaries shall include a request for payment of a portion of the applicant faculty member's base salary in accordance with the percent effort the faculty member intends to devote to the project. In those cases in which grant applications are submitted to funding agencies which permit payment of professional salaries, the respective departmental chair will assure that the appropriate portion of the applicant faculty member's base salary is included in the requested budget and the Office of Grants and Contract Management will not approve any such applications which do not include the appropriate portion of the applicant faculty member's salary. If the grant application is awarded, the portion of the applicant faculty member's base salary which was budgeted in the application shall be used by the institution to pay that portion of the faculty member's salary. This policy shall apply to all new competitive grant applications awarded to the UNT Health Science Center faculty members. It may also apply to noncompetitive renewals to currently awarded grant applications.

2. ADJUSTMENTS IN BASE SALARY

Adjustments in Base Salary: Adjustments in base salary may be awarded to faculty members who have contributed substantially to teaching, research, and service programs of the Health Science Center. As an indication of a substantial contribution in these areas and in order to qualify for such adjustments in salary, a faculty member must hold a current grant which will pay a portion of his/her salary and must be able to demonstrate a history of essentially continuous grant funding. Furthermore, in order for an adjustment in base salary to be made, it must be evident that the respective faculty member's salary is less than that of other similarly qualified faculty members within the state and nations. Adjustments will be made in accordance with the HSC policies. The need and magnitude of an adjustment in base salary will be determined by the respective Department Chair, appropriate Dean, and Provost.

Any adjustments in base salary as described above will be incorporated into the contracted, base salary for the respective faculty member. The adjustment is not to be construed as an augmentation in salary. If a faculty member receives an adjustment in base salary due to his/her contributions in teaching, research, and service and if that faculty member subsequently loses the grant which is paying a portion of his/her base salary, the base salary may be reduced in accordance with his/her reduced job responsibilities. In these cases, the faculty member will be given ample time to demonstrate their continued contributions to the school, as indicated by the garnering of additional grant funds which will release a portion of state-paid salaries. If a reduction in base salary is appropriate because of a reduced contribution to the institution in any academic area as defined above, the reduction in salary shall occur at the beginning of a state fiscal year. In no case will the reduction cause the respective faculty member's salary to be less than his/her base

salary before the adjustment occurred plus any merit increase in salary which was awarded since that time.

#### C. STUDENT LABOR

Employment of budgetary units may employ only such students as has been provided for in their budgets and approved by the Department of Human Resources. (Approval of budget by Board of Regents)

## VII. PURCHASING

#### A. UNIFORM POLICY FOR PURCHASING

General policies concerning purchasing apply to all funds of the Health Science Center regardless of source and must be handled consistently in accordance with established fiscal policy.

#### B. PURCHASE ORDER OR NEGOTIATED WRITTEN CONTRACT

The purchasing policy provides that no commitments for materials or services be made without a purchase order or negotiated written contract.

#### C. CONTRACTS AND AGREEMENTS

The authority to contract on behalf of the Health Science Center exists only with the Board of Regents and the persons they delegate this authority to as described in the University of North Texas System Contracts and Agreements Policy, SY 10.4. SY 10.4 also describes which contracts are required to be approved by the Chancellor and Board of Regents. No employee (faculty and/or staff) has the authority to incur any obligation or enter into a contract and/or agreement on behalf of the Health Science Center unless specifically authorized in writing to do so. An employee who enters into a contract or agreement without written authorization can be held personally liable if the contract is breached. To initiate an agreement, a department or individual must have this authority or must receive all appropriate administrative approvals in writing. No student may be delegated the authority to contract on behalf of the Health Science Center. Oral contracts are prohibited.

The Board of Regents through SY 10.4 has delegated specific authority to the President of the Health Science Center to enter into certain contracts including clinical affiliations with hospitals, health care agencies and other educational institutions on behalf of the Health Science Center.

For contracts for which the President has authority to sign pursuant to SY 10.4, the Executive Vice President for Finance and Administration and/or Executive Vice President sign all contracts concerning administrative matters and/or requiring the

receipt, disbursement, or obligation of funds, unless otherwise specified in writing. Contracts containing fiscal obligations but also concerning academic matters must first be reviewed and approved by the appropriate Dean. All contracts concerning academic matters which entail no fiscal obligations by either party must be signed by the appropriate Dean unless otherwise instructed in writing.

All contracts and agreements must be submitted to the Office of General Counsel for review and approval unless another written procedure is otherwise established (such as approved "form" contracts). Sufficient time for the Counsel's review and approval is normally one to two weeks. After approval by General Counsel, the contract is routed to the initiating department and other offices for the appropriate approvals and signatures. Once these signatures are obtained, the contracting department forwards these originals to the other party for execution. When the other party has returned an executed original (the other party may retain one or more original(s) for their files), the department must forward an original to the Office of General Counsel containing the signature of all parties and retain one copy or an additional original for the department's files.

A contract may need review by other departments such as Purchasing, Information Resources and Technology, or Facilities Management and Construction, depending upon the nature of the contract. A contract related to a purchase must not be sent to the vendor without an attached and approved purchase order or other proper Health Science Center purchasing procedures first having been completed. If the purchase requires bids, the purchase order must be reviewed by the Purchasing Director.

Each department must appoint a Contracting Officer to manage and coordinate the department's contracts. Departments through their appointed Contracting Officer are responsible for compliance with the specific terms of the contract and each department should establish a method of tracking compliance with specific terms applicable to their department. The responsibility for compliance with all terms of the contract lies with the department.

Individuals who violate this policy by entering into contracts and/or agreements without proper authority, or by forwarding a contract and/or agreement to a vendor without the required purchase order or other approved purchasing procedure, can be held personally liable for the contract and/or agreement. Violations of this policy are punishable by disciplinary action that may include suspension and/or termination of employment. Due process procedures must be followed in the administering of said penalties. This policy is addition to and not in lieu of any other policy of this Health Science Center or any System policy.

## **VIII. CENTRAL RECEIVING**



#### A. GOODS PURCHASED AT DELIVERED PRICES

Goods purchased on the basis of delivered prices must not be accepted from the transportation company unless all transportation charges are fully prepaid. Transportation charges on such shipments will not be paid by the Health Science Center and should be deducted from the invoice.

#### B. LESS-THAN-CARLOAD SHIPMENTS

All less-than-carload shipments of freight and express must be carefully checked before acceptance from the transportation company. Shortages and damages must be noted on the freight or express receipt by the representative of the transportation company. Written notice of any shortages must be given promptly to the vendor. When deductions for shortages are made from the invoice, a carbon copy of the notice must be attached to each copy of the voucher.

In order to establish a concealed damage claim the following action is required:

1. An inspection by the carrier must be requested within 15 days after delivery.
2. The carrier must make an inspection at the premises to which delivery was made within 5 days of request.
3. Receiver must retain damaged article, the container and packing material for the damaged article until the inspection has been completed.
4. No payment will be made for concealed damage to merchandise which has been moved from the point of carrier's delivery to other premises prior to discovery and/or the reporting of damage.

Because of these restrictions, you should inspect all shipments very carefully on arrival and at the time of unloading. Take exception and make notations on the delivery receipts on all cases where damage is apparent or suspected. The package should be opened and the merchandise inspected in the presence of the delivering driver and proper notations made on the freight bill if damage has occurred. (Required by all common carriers)

### **IX. PROPERTY CONTROL**

#### A. SURPLUS PROPERTY SALES

##### 1. SURPLUS PRODUCTS AND EQUIPMENT

Arrangement for sales of equipment or supplies may be made only through the Executive Vice President for Finance and Administration. An interoffice memo listing surplus property will be submitted to Property Control. At the time a sale is planned, Property Control will notify all departments who have obsolete property. An Equipment Transfer Request Rev 12-93 will be used to release this equipment to the Property Manager for proper disposition. Public bids will be

taken on this equipment with high bidder being awarded the products and/or equipment. A state sales tax will be assessed against all products or equipment sold with the exception of items exempted by the Comptroller of Public Accounts and/or parties assigned an official tax exemption number. All other bid performance standards will be set by the Executive Vice President for Finance and Administration and/or the Property Manager. No property with a fair market value in excess of twenty-five thousand dollars (\$25,000.00) shall be sold or disposed of without the consent of the Board of Regents. (Regents' Rule) After completion of a sale of surplus, Property Control, upon approval of the Property Manager, will enter the deletion requests in the State Property Accounting system with the proper deletion code for the State Auditor's office and maintain the paperwork in the Property Control office.

#### B. ACQUISITION AND DISPOSAL OF SURPLUS, OBSOLETE, UNSERVICEABLE, OR DAMAGED PROPERTY

Surplus, obsolete, unserviceable, or damaged property is acquired in a number of ways. This property will be (1) redistributed, (2) stored, (3) sold, (4) transferred to other state agencies, (5) donated to qualified institutions, or (6) thrown away.

1. When departments receive new space assignments they may in the move leave property behind. They may find items in closets, desks, etc. that are no longer needed. The new space may be smaller or have new or built-in furnishings. In such cases, they release the excess property.
2. When a budgetary unit is closed, there are usually property items which need to be redistributed.
3. The purchasing of new equipment often releases older equipment for redistribution.
4. The departments having surplus, cannibalized, obsolete, unserviceable, or damaged property will notify Property Control by completing one of two forms or both:
  - (a) Request for Authority to Remove Equipment or Other Property from Inventory.
  - (b) Equipment Transfer Request.

The following judgments will be made in determining the method of dealing with surplus, cannibalized, obsolete, unserviceable, or damaged property: (a) the useful life, (b) the condition, (c) the feasibility of repairing broken or worn items, (d) the adaptability of the item to a use other than that for which it was intended, and (e) state requirements for the disposal of computers and educational materials (SB1106/HB3226).

Six ways to deal with surplus, cannibalized, obsolete, unserviceable, or damaged property are: (1) redistribute the equipment among the departments of the institution, (2) sell the equipment, (3) transfer the equipment to other state agencies, (4) donate the equipment to a qualified entity, (5) dispose of property through state requirements (SB1106/HB3226) and (6) throw the equipment away.

1. The procedures for redistribution are as follows:
  - (a) Redistribute the equipment first to those departments that have a request for such property on file.
  - (b) Property Control will call those departments which have a special need for property that is available. Example: Postal scale, departments with heavy mailings such as Continuing Medical Education, UNT Health, Library, or News and Information.
  - (c) Property Control will call any department that is known to be developing or enlarging at the time or in the very near future.
  - (d) After the preceding steps, Property Control will send a listing of the remaining available equipment to all the Department Heads. The property is distributed on a first-come, first-serve basis.
  - (e) The department receiving the property must complete the paperwork to have the property moved and to transfer the responsibility of the property to its DeptID.
  
2. The following factors will be considered before placing property in a sale:
  - (a) The amount of available storage space will determine the dates, the frequency and the contents of a sale. When the space begins to fill or when other plans are made for the space being used for storage, it becomes necessary to hold a sale.
  - (b) An item held in storage for more than a year is unlikely to be needed in the future. Unless there is a specific need within three months, the item will be put into a sale.
  - (c) Items are held for future use if the current plans include development, expansion or increasing the faculty and staff.
  - (d) However, if the development or expansion will create like items as surplus, then items presently in storage will be placed in the sale.
  - (e) Items that have reached their anticipated life span and that are not in great demand within the institution will be placed in the sale.
  - (f) Items which have a history of frequent repairs will be placed in a sale.
  - (g) Property Control will contact the appropriate institutional service department for guidance in determining the condition and feasibility of repair. The recommendations will be repair, disposal, sale, or cannibalism for parts.
  - (h) The disposal of data processing equipment and educational material due to state requirements (SB1106).
  
3. Items that still have a useful life, but are not suitable for purposes of the Health Science Center because of the level of study, activity, accuracy requirements, etc. can be donated to other entities. Donations are subject to policies and procedures of the state (HB3226). All donations will be made for equipment under the accountability of the Property Manager. Donation priorities:

- (a) Public Schools and School Districts.
- (b) Political Subdivisions. A county, municipalities, rural fire prevention districts, volunteer fire departments, or community centers established or operating Under Article 3, Texas Mental Health and Retardation Act (Article 5547-203, V.T.C.S.)
- (c) Assistance Organizations (HB2840). Definition of assistance organization:
  - (1) A nonprofit organization that provides educational, health, or human services or assistance to homeless individuals.
  - (2) A nonprofit food bank that solicits, warehouses and redistribute edible but unmarketable food to an agency that feeds needy families and individuals.
  - (3) Texas Partners of Americas, a registered agency with the Advisory Committee on Voluntary Foreign aid, with the approval of the Partners of the Alliance office of the Agency for International Development.
  - (4) A group, including faith-based groups, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients.

The receiving organization will demonstrate the following:

- (i) a use and an intent to use the property within its organizational boundaries.
  - (ii) guarantee an ability to supply the accessories and/or repair if needed to initiate the use of the property.
  - (iii) the organizational head will sign a written acceptance of the property.
  - (iv) the organizational leadership will have no affiliation with University of North Texas Health Science Center at Fort Worth, the Board of Regents, nor the department chairmen who requested the removal of the equipment from the inventory.
  - (v) the written approval to make the donation will be signed by the President of the University of North Texas Health Science Center at Fort Worth or his designee who holds a position no lower than that of a vice president.
4. Items that cannot be recycled in any manner will be thrown away.
- (a) The safety factors to be considered before disposing of items are the following: (1) Has the item been contaminated? Property Control will confer with the Safety Officer if there is any question of contamination. (2) Does the item contain information not intended for the public?
  - (b) The item will be dismantled in such a manner that no one can make any further use of the item. Property Control will supervise this destruction.

## C. EQUIPMENT INVENTORIES

### 1. RESPONSIBILITY

Each budgetary head shall be responsible through authorized channels for all Health Science Center equipment and supplies under his/her control and shall take an actual physical inventory of all such property once each year according to the methods prescribed by the State Comptroller and under the direction of the Property Manager of the Health Science Center (Article 601b, V.A.C.S.; See New Employee Packet for copy of this article. Section 8.02 (c) and 8.03 [f, g, h] Article 601b, V.A.C.S.)

2. EQUIPMENT INVENTORIES

The Property Manager will furnish as of February 28 of each year (the date set for University of North Texas Health Science Center - Fort Worth annual equipment inventory by the State Comptroller) a detailed machine listing of all equipment carried in the central inventory control records for each budgetary unit. This list will be physically verified by each budgetary head and, where discrepancies exist between the physical count and the machine listing, proper steps must be taken to bring the records into agreement. This must be completed by a date set by Property Control and returned to Property Control. Property Control will compile the reports and submit a Comptroller of Public Account Form 73-293 Rev 5-94/2 "Certification of Physical Inventory Conducted by Agency" to the State Property Accounting Office and enter the missing equipment into the State Property Accounting system no later than April 15. (Section 8.0-2[c] and 8.03 [f,g,h], Article 601b, V.A.C.S.)

3. ADJUSTMENT OF INVENTORY

The reporting of Health Science Center equipment inventory adjustments will be handled as follows:

- a. New Items. When equipment is purchased, donated, or recovered, the addition is recorded on the Health Science Center records. All donated property must be reported to the Office of Development.
- b. Salvage (cannibalized, obsolete, unserviceable, or damaged). When equipment is declared salvage by the department, it is reported to the Property Manager by submitting a "Request for Authority to Remove Equipment from Inventory" form. Property Control will initiate the deletion process of the equipment through the State Property Accounting system and supervise proper disposition of the equipment.
- c. Missing or Stolen. When property is missing, the department will report this loss to the Property Manager by completing the state form, "Missing or Stolen Report for State Departments, Institutions and Agencies." Property Control will report the equipment as missing in the State Property Accounting system until located or disposed of according to state policies and procedures.

When property is stolen, the department must report the theft to the appropriate law enforcement agency (area of incident) and the Property Manager by submitting a "Request for Authority to Remove Equipment from Inventory" form and a written description of the incident. All collected documents will be forwarded by Property Control to the appropriate vice president for a determination of negligence by the

employee or department. Property Control will follow state policies and procedures for disposal of the equipment based on the determination of negligence by the vice president.

Property Control will submit all appropriate documents to the State Auditor and/or the Attorney General based on the determination of negligence by the vice president.

d. Transfer

(i) Health Science Center. The Equipment Transfer Request (ETR) Rev 12-93 will be completed by the department chairman relinquishing the equipment. The chairman will forward the ETR to the department chairman accepting the equipment or furniture. The receiving chairman will sign the ETR and submit it to Property Control. The transfer of the equipment or furniture can be executed when the properly signed forms have been returned to the departments involved in the transfer.

(ii) To Property Control.

(1) Scope. This policy establishes written guidelines for the Health Science Center to follow when redistributing equipment or transferring equipment to Property Control to increase safety and to preserve the value of the equipment.

(2) Clean Equipment. Equipment to be redistributed and/or transferred to Property Control for disposal must be thoroughly cleaned and drained before it can be removed from the transferring department. If hazardous materials have been used with the equipment, it must have a clearance from the Health Science Center Safety Office.

(3) Manuals and Accessories. All manuals and accessories must be boxed and labeled as to contents and identification of the equipment item with which they should be stored.

(4) Electrical Cords and Hoses. All electrical cords and hoses must be securely coiled and attached to the unit so they do not trail on the floor.

(5) Computer Equipment. All data or software, with the exception of the operating system, must be erased from hard drives, disks, or any memory storage device before the workstation is taken out of service and sent to surplus.

(6) Department Records. All department records and data must be removed from drawers, pockets and/or cubbyholes of the unit.

(iii) Inter-Agency. The Comptroller of Public Account Form 73-285 Rev. 5-94/3 is completed by the Property Manager to transfer equipment from the Health Science Center to another State agency. (Section 9, Article 601b, V.A.C.S.)

#### 4. EQUIPMENT ON LOAN.

- a. For State Purposes Only. No person shall entrust State property to any State official or employee or to anyone else to be used other than for State purposes. (Section 8.03, Article 601b, V.A.C.S.)
  - b. Written Receipt Required. When the possession of property of one budgetary unit is entrusted to another budgetary unit on loan, such transfer shall be done only when authorized in writing by the budgetary head who is lending such property; and the written receipt shall be executed by the budgetary head who is borrowing such property. (Section 8.03 [e], Article 601b, V.A.C.S.)
  - c. Property from Other Schools. Any property belonging to other institutions must be listed on an interoffice memo which must be filed with Property Control. The memo must contain a statement of reason for the property's being housed on the Health Science Center and the length of time the property is to remain.
5. REMOVING STATE OWNED PROPERTY FROM CAMPUS.
- This policy regards the removal of state owned property from the Health Science Center campus in compliance with legislative laws and regulations.
- a. For State Purposes Only. No person shall entrust State property to any State official or employee or to anyone else to be used for other than State purposes. Health Science Center property shall be used only for official business. No employee of the Health Science Center shall use for his own personal benefit or pleasure any property of the Health Science Center except books from the Library and other such items of well established use.
  - b. Removing State Owned Equipment from Campus.
    - (1) A Health Science Center Property Custody Receipt Acct-16 must be completed before any state owned equipment can be moved from the Health Science Center Campus or its units. The following must sign the form: the user, department head, appropriate vice president and the Property Manager.
    - (2) By this policy, equipment is any item(s) under the direction and control of the Health Science Center. All equipment removed from campus must have a UNTHSC property tag.
    - (3) Only employees of the Health Science Center may remove equipment from the Campus.
    - (4) Property Control, Campus Police and the Department of Accountability must receive copies of the Property Custody Receipts before the equipment is moved from campus.
    - (5) State owned property is any property for which the Health Science Center is responsible. This also includes donated items, grant purchases, or items loaned by other agencies.
    - (6) The person who wants to move the equipment from its assigned area must state on Property Custody Receipt Acct-16 a reason for this move.
    - (7) The Executive Vice President for Finance and Administration or his designee have final authority on all removals.
  - c. Personal Responsibility.
    - (1) The person taking equipment off campus must attach a copy of proof of insurance to the Property Custody Receipt. The Executive Vice President for Finance and Administration or designee may approve a waiver to this condition.

- (2) An individual who already has equipment off campus may request additional equipment. The person must complete a new Property Custody Receipt and list all equipment that is off campus plus the new equipment.
  - (3) No employee may transfer equipment located off campus to another employee. The employee must first return the equipment to campus. The second employee must complete a new Property Custody Receipt for approval.
  - (4) The employee is personally responsible for reasonable and proper care of the item(s) while off campus.
  - (5) The employee obligates himself/herself to pay the replacement value of the equipment if the administration determines that damage, theft or loss occurred due to negligence or unreasonable care while the property was in the custody of the employee.
  - d. Geographical Boundaries.
    - (a) The exact address and location of the item(s) shall be clearly shown on the Health Science Center Property Custody Receipt Acct-16.
    - (b) Certain departments, such as News and Information, Audio Visual, Admissions, must carry equipment with them for presentations, lectures, or conventions. These departments are exempt from using the Property Custody Receipt as long as they show they keep records in their offices of the equipment carried on specific trips.
  - e. Duration of Consent.
    - (a) No request to remove from campus can exceed twelve (12) months.
    - (b) The employee must return all equipment to the campus on the return date shown on the Property Custody Receipt Acct-16. Otherwise, the employee must submit a new form for approval.
    - (c) The employee must return the equipment to the Department Property Coordinator. The Coordinator must sign the lower portion of the canary yellow copy held by the temporary custodian. Then, the Coordinator must send the signed statement of returned equipment to Property Control promptly.
    - (d) Employees who are leaving employment at the Health Science Center must return all the Health Science Center property. During the exit process, they must receive clearance from Property Control.
  - f. Policy Exceptions.
    - (a) Any exception to the Off-Campus Policy as stated must have the approval of the President of the institution or his designee. The President will base his decision on how the exception will be in the interest of the institution.
    - (b) Any outside group or individual allowed use of equipment off campus under this exception must have a Health Science Center employee appointed as accountable for the equipment.
6. PRIVATE PROPERTY  
All private property on the Health Science Center campus is the responsibility of the individual. Private property must be clearly and permanently marked with the name of the individual. The Health Science Center is not responsible for any service or repairs to private property.
7. MOVING EQUIPMENT OR FURNITURE.



- a. Relocation within the Department. Any department moving furniture or equipment from one room or building to another room or building, will complete the Equipment Transfer Request (ETR) Rev 12-93 and forward all four copies to the Property Control office. Upon approval of the move Property Control will return two (2) copies of the ETR to the department. One copy of the approved ETR must be attached to the work order before Physical Plant can make the requested move. (Section 8, Article 601b, V.A.C.S.)
- b. Department Vacates Space. Any department moving from areas where furniture is to remain will complete two (2) Equipment Transfer Request Rev 12-93 forms: one listing the furniture and equipment to be moved to the new area and one listing the furniture and equipment that will be left. (Section 8, Article 601b, V.A.C.S.)
- c. Department Occupies New Space. Any department moving into an area where furniture and equipment already exists and that department will use the furniture must complete two (2) Equipment Transfer Rev 12-93 forms: one listing the furniture there that will now become their responsibility and one listing the excess furniture that must be moved to another area.  
The new location of the excess furniture will be assigned by the Executive Vice President for Finance and Administration or his designee. (Section 8, Article 601b, V.A.C.S.)

8. **PECUNIARY LIABILITY OF HEALTH SCIENCE CENTER EMPLOYEES.**  
When Health Science Center property disappears through theft or other cause as a result of the failure of the budgetary head, Property Manager, or Health Science Center employee entrusted with the property in writing to exercise reasonable care for its safekeeping, such person shall be pecuniarily liable to the Health Science Center for the loss thus sustained by the State. When Health Science Center property deteriorates as a result of the failure of the budgetary head, Property Manager, or Health Science Center employee entrusted with the property in writing to exercise reasonable care to maintain and service the property, such person shall be pecuniarily liable to the Health Science Center for the loss thus sustained by the Health Science Center. When Health Science Center property is damaged or destroyed as a result of an intentional wrongful act or of a negligent act of Health Science Center official or employee, such person shall be pecuniarily liable to the Health Science Center for the loss thus sustained by the Health Science Center. The liability prescribed by this section may be found to attach to more than one person in a particular instance; in such cases the liability shall be joint and several. (Section 8.05, Article 601b, V.A.C.S)

E. **USE OF HEALTH SCIENCE CENTER PROPERTY**

1. **NON-OFFICIAL USE PROHIBITED**

Health Science Center property shall be used only for official business. No employee of the Health Science Center shall use for his own personal benefit or pleasure any property of the Health Science Center except books from the Library and other such items of well-established use. Computers may be used to search for information of a recreational nature on the internet provided that there is no cost to the Health Science Center, it is done of the employee's own time and it does not involve information deemed inappropriate by other institutional policies. No personal calls shall be charged to the Health Science Center telephones. The use of Health Science Center motor vehicles for other than official business is strictly prohibited and is punishable by fines or imprisonment. (H.B. 520, 42nd Legislature)

2. DAILY REPORT ON MOTOR VEHICLE.

This report shall be filed as required by law and as set forth in Section XXVII hereof. (Art. 1342, Texas Penal Code)

3. PARKING LOTS.

It is the intent of the Legislature that no educational and general funds whether from General Revenue Fund or local sources as appropriated shall be used for the purpose of construction, maintaining, or operating parking lots. It is the further intent that such facilities shall be constructed, maintained and operated from fees charged to those using such facilities. (Auxiliary Enterprise. Also Section 51.201, 51.202, 51.203, 51.204, 51.205, Chap. 51 V.A.C.S)