

From: Murphy, Jennifer
Sent: Tuesday, March 01, 2005 8:27 AM
To: GRP-APS Customer Advisory Group; Kauffmann, Jeffery; Carpenter, Janet
Subject: FW: Grant of Public Money

Good Morning:

The guidance below, from Randy Wallace, on the topic of contributions or sponsorships to charities does not pertain to all of you, but we felt that all departments should be aware of this restriction.

Please read and share with your department.

Have a good day,
Jenny

From: Wallace, Randy
Sent: Tuesday, March 01, 2005 7:47 AM
To: Franklin, Becky
Cc: Boline, Sherill
Subject: Grant of Public Money

. The Texas Constitution at Article III, Section 51 states:

Sec. 51. Grants of public money prohibited; exceptions.

Sec. 51. The Legislature shall have **no power** to make any grant or authorize the making of **any grant of public moneys** to any individual, association of individuals, municipal or other corporations whatsoever; provided, however, the Legislature may grant aid to indigent and disabled Confederate soldiers and sailors under such regulations and limitations as may be deemed by the Legislature as expedient, and to their widows in indigent circumstances under such regulations and limitations as may be deemed by the Legislature as expedient; provided that the provisions of this Section shall not be construed so as to prevent the grant of aid in cases of public calamity.

I believe the Texas Constitution will not allow the University to make “contributions” or “sponsorships” of other charities. We simply cannot grant “public monies” to any person, group or entity. This restriction is not limited to appropriated funds, it applies to all “public monies”. We cannot transfer state funds to our own supporting foundations either. As I see it, the only way for the University to be seen as a sponsor of a table, is for one of your supporting foundations to pay for it, with foundation funds. This Section of the Texas Constitution does not limit our supporting Internal Revenue Code Section 501(c)(3) foundations, as their monies are not state funds. The University cannot fund this directly or indirectly. It must be the independent action of the foundation, if done at all.

Conclusion: State funds **cannot** be used to “buy” or “sponsor” tables at other charities fund raising events.

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