



UT System Administration Policy Library -- Policy UTS141 **Guidelines for Employee Discount Programs**

Responsible Officer: Executive Vice Chancellor for Business Affairs

Sponsoring Office: Office of Business Affairs

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POLICY STATEMENT

The guidelines contained in this policy are adopted in accordance with the Board of Regents' *Rules and Regulations*, Rule 80103, Section 2.17, which permits Employee Discount Programs as an exception to the prohibition against solicitation as provided below:

Employee Discount Programs. The distribution or presentation to employees of the UT System and any of its institutions of material related to products and services offered by companies that provide employee discount programs, merchandise membership programs, credit union and banking programs, or other benefits that are available to such officers and employees through discount plans or programs approved by the UT System or any of its institutions. Such material may be distributed or presented by the Office of Human Resources of the UT System or any of its institutions, with the approval of the institution's president, and placed on institution web pages for the purpose of providing education, product and service information, and participant enrollment, in accordance with guidelines promulgated by the Executive Vice Chancellor for Business Affairs.

RATIONALE

The rule is designed to provide broad authorization for the development of Employee Discount Programs in accordance with the UT System and institutional guidelines. It is expressly intended to ensure that neither UT System nor an institution is involved in any transaction between a provider and an employee or that the receipt of a discount is a benefit that is being bestowed by UT System or an institution on an employee.

SCOPE

All institutions and UT System Administration

WEBSITE ADDRESS FOR THIS POLICY

<http://www.utsystem.edu/policy/policies/uts141.html>

RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS

UT System Administration Policies & Standards	Other Statutes, Policies & Standards
<ul style="list-style-type: none">• Board of Regents' Rules and Regulations, Rule 80103, Section 2.17.• UTS122, Guidelines for Web Site Solicitations	

CONTACTS

If you have any questions about UT System Administration Policy UTS 141, *Guidelines for Employee Discount Programs*, contact the following offices:

Subject	Office Name	Telephone Number	Email/URL
Employee Discount Plan requirements	Office of General Counsel	512-499-4617	bholthaus@utsystem.edu

DEFINITIONS

Participating Service and Product Provider; Providers: A person or company providing a discounted service or product to System employees through an employee discount plan offered by a System institution or System Administration.

RESPONSIBILITIES

Participating Service and Product Providers; Providers

- Complies with Regents rules, applicable institutional policies, and state law including any licensing or certification requirements applicable to the provisions of a particular service.
- May not disclaim knowledge of, or responsibility for, the authenticity or legality of the products or services offered.

UT Institutions' and System Administration's Human Resources Offices

- Creates policies that require participating providers to refrain from using UT System or institutional logos or seals or otherwise implying that participation in the program equals endorsement by the UT System or institution.
- Ensures that provider participation does not create a conflict of interest.
- Sets minimum requirements for discount service and product providers that are specific and clear enough to avoid the perception that an institution is selecting or judging program participants.

PROCEDURES

1. Provider Participation Requirements.

The institution or System Administration Human Resources office must adopt and implement program policies, procedures and applications that require participating service and product providers to comply with Regents rules, applicable institutional policies, and state law including any licensing or certification requirements applicable to the provisions of a particular service.

1.1. The program's policies and procedures must require that:

- a) All discount offers made through the program must be an added value or actual discount on products or services.
- b) Providers may not disclaim knowledge of, or responsibility for, the authenticity or legality of the products or services offered.
- c) Participating providers shall not use UT System or institutional logos or seals or otherwise imply that participation in the program equals endorsement by the UT System or institution. See UTS122, Guidelines for Web Site Solicitations.
- d) Provider participation does not create a conflict of interest including policies and procedures for ensuring that discount service and product providers owned or controlled by institutional or UT System officers and employees do not participate.

1.2 The program must include minimum requirements for discount service and product providers are specific and clear enough to avoid the perception that an institution is selecting or judging program participants.

1.3 The provider application and selection process cannot include a formal or informal appeals process.

1.4 Programs must be designed to give full and fair access to any service or product provider that meets the minimum requirements.

1.5 Program policies, procedure and applications for participation as a service or product provider must contain clear and specific language that clarifies that participation in the program as a discount service or product provider :

- a) Does not constitute or create a contract or an agent relationship between the provider and the UT System or institution;
- b) Is separate and distinct from the provision of any services through a vendor contract with an institution or the UT. System;
- c) Does not create any legal duty or liability on the part of the UT System or institution for any actions of the provider.

2. Employee participation. The institution's program must use clear and specific disclaimers to avoid creating employee expectations that discount services or products are provided by the institution by including disclaimers that:

2.1 The institution is not endorsing products or service offered by providers through the program.

2.2 The institution is not responsible for agreements entered into between employees and service or product providers or resolving disputes arising between the parties.

2.3 Inclusion of a service or product in the program is not a guarantee of quality or performance.

2.4 Services and products do not constitute compensation to employees.

2.5 Products and services are available on the same basis to all employees of the institution or UT System.

2.6 Specific products and services, as well as the program itself, are subject to discontinuation at any time.

2.7 The Vice Chancellor and General Counsel is charged with officially interpreting this policy and is/are responsible for revising it as necessary to meet the changing needs of The University of Texas System and any statutory requirements.

FORMS AND TOOLS/ONLINE PROCESSES

None

APPENDIX

None

Keywords: employee discounts, discounts, discount, discount program, employee discount
