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MEMORANDUM

TO: Executive Officers, The University of Texas System
Dr. David B. Prior
Kenneth I. Shine, M.D.
Dr. Scott C. Kelley
Mr. Philip Aldridge
Ms. Tonya Moten Brown
Mr. Barry D. Burgdorf
Ms. Francie A. Frederick
Mr. Barry R. McBee
Dr. H. Keith McDowell
Dr. Randa S. Safady
Ms. Amy Shaw Thomas
Mr. William H. Shute
Dr. Sandra K. Woodley

FROM: Francisco G. Cigarroa, M.D. 

From time to time, University of Texas System Administration vendors or potential vendors have sponsored conferences held by a U. T. System department or have paid travel expenses incurred by a U. T. System employee to attend (and sometimes speak at) a conference or participate on an advisory board. As you may recall, I asked Barry Burgdorf to form a committee to look at these practices and give me recommendations. I now have the benefit of those recommendations.

While I recognize the benefit to the U. T. System of vendor participation at its conferences and the value of an employee's service at a conference or on a vendor advisory board, I feel that it is important that the U. T. System have in place a standard set of considerations that department heads should use in deciding whether to accept or decline such an offer by a vendor or potential vendor. This process will ensure proper stewardship of public funds entrusted to the U. T. System and assure to the best of our abilities that our decision making in the selection of vendors is objective and unbiased.

Therefore, in deciding whether to accept a donation from a vendor or potential vendor to help defray the costs of a conference held by your department, your managers should consider the following:

- How does the donation further the mission of the U. T. System?
- Is there a pending procurement, contract renewal, or extension involving that vendor, or is one anticipated in the next six months?

- Does the percentage of the cost of the conference that is borne by vendors lead to the appearance that the conference is being held by vendors instead of the U. T. System?
- Is it clear that a vendor need not be a sponsor in order to participate in the conference?
- Is the conference a recurring event or is it a one-time event?

If, after considering the above, a manager decides to accept a particular donation, the donation should be used for the general expenses of the conference and should not be ear-marked by the vendor for a particular event to be sponsored by the vendor, such as a dinner or break. If a manager concludes that the acceptance of a particular donation presents an appearance of impropriety, the donation should be declined.

If an employee in your department has been offered the payment or reimbursement of expenses by a vendor or potential vendor in order to attend a conference or advisory board meeting, the employee should notify his or her manager about the offer and provide the manager with answers to the following questions relevant to the travel:

- What value does the U. T. System receive from the employee's attendance at the conference or meeting?
- Does the employee have responsibility over decisions relating to that vendor?
- Is there a pending procurement, contract renewal, or extension involving that vendor, or is one anticipated in the next six months?
- Will the employee play an active role at the conference or meeting, such as giving a speech?
- How many times has the vendor paid for the employee to travel in the past?
- How luxurious or extravagant might the location of, and/or accommodations at, the conference be?

If, after considering the employee's answers to the above questions, a manager concludes that the acceptance will present an appearance of impropriety, the manager should decline the offer. However, the manager might still decide that the value to the U. T. System of the employee's attendance or speech at the conference or meeting is such that it is fully appropriate for the U. T. System to pay the employee's costs.

Please ensure that all managers in your department are aware of these considerations. I realize that the determination about whether to accept a particular offer is subjective and will depend on the totality of the circumstances surrounding the offer. As always, if you desire further counsel about a particular situation, the Office of General Counsel, particularly Karen Lundquist or Barry Burgdorf, are ready to assist you.

FGC:mk