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THE RULES AND REGULATIONS OF THE BOARD OF REGENTS
FOR THE GOVERNMENT OF THE UNIVERSITY OF TEXAS

THE UNIVERSITY SYSTEM

PART ONE

Explanatory Statement

The Rules and Regulations contained in this volume are those which apply generally to the entire University. They are to be known as "The University Rules and Regulations" to distinguish them from the rules and regulations for each component institution of the University published in separate volumes and entitled "Institutional Supplement for . . ."

This volume is divided into two parts: Part One contains those rules and regulations which may be amended by the Board of Regents only after thirty days' notice or action at two duly called meetings; the rules and regulations of Part Two may be amended without such prior notice or action.

These Rules and Regulations are published in loose-leaf form to facilitate their being kept current. The Secretary of the Board of Regents will maintain a central record of distribution of serially numbered copies, which shall be assigned to offices or individuals by title upon designation by the President, subject to recall and reassignment. As promptly as possible after an amendment is approved, the Secretary will distribute corrected pages to replace those no longer current.

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CHAPTER I

THE BOARD OF REGENTS

- Sec. 1. Government of University Vested in Board of Regents. --The government of The University of Texas is by law vested in a Board of Regents composed of nine members appointed by the Governor, with the approval of the Senate, for staggered terms of six years each, the terms of three members expiring on odd-numbered years.
- Sec. 2. The Chairman of the Board.
2. 1 Election of Chairman. --The Chairman of the Board shall be elected by the Board from their number and shall serve at the pleasure of the Board. He shall report and be responsible to the Board. In case of death, resignation, or disqualification of the Chairman, the Board shall elect his successor as soon as practicable.
2. 2 Duties of the Chairman. --The duties and responsibilities of the Chairman shall include the following:
2. 21 He shall preside over the meetings of the Board.
2. 22 He shall be authorized to call special meetings of the Board, as herein provided.
2. 23 He shall appoint the standing and special committees of the Board, as herein provided.
2. 24 He shall be an ex officio member of all committees of the Board.
- Sec. 3. The Vice-Chairman. -- The Vice-Chairman of the Board shall be elected from their number when the Chairman is elected and shall serve at the pleasure of the Board. Upon the death, absence, resignation, disability, or disqualification of the Chairman, the Vice-Chairman shall perform the duties of the Chairman until the Chairman shall resume his office or his successor shall have been elected as herein provided. Upon the death, disability or resignation of the Vice-Chairman, the Board shall elect his successor as soon as practicable.

Sec. 4 The Secretary of the Board of Regents.

- 4.1 Appointment. --At the regular meeting which follows the election of the Chairman and Vice-Chairman of the Board, the Board shall elect a Secretary who is not a member of the Board and who shall receive such compensation as may be fixed by the Board. The Secretary shall report and be responsible to the Board of Regents and to the President. The Secretary shall serve subject to the pleasure of the Board and may be removed by the Board at any time.
- 4.2 Duties and Functions. --The duties and functions of the Secretary shall include the following:
- 4.21 Meetings. --The Secretary shall make preparations for all meetings of the Board.
- 4.22 The Agenda. --Under the direction of the Chairman of the Board and the President, the Secretary shall prepare, document, and distribute the agenda for all meetings of the Board and its committees. The Secretary shall also prepare and deliver the calendars of these meetings.
- 4.23 Minutes. --The Secretary shall record, prepare, and index the official minutes of the meetings of the Board and shall distribute copies thereof, including the annual budgets, to members of the Board, to the President, and to other individuals specified by the Board and by the President and as provided by law. The Official Minutes shall be kept in the Office of the Secretary of the Board and certified excerpts from these minutes shall be prepared by the Secretary.
- 4.24 Documents. --The Secretary shall keep on file in the Office of the Secretary of the Board of Regents all official documents, correspondence, and proceedings of the Board.
- 4.25 Seal. --The custody of the official seal of the University of Texas shall be with the Secretary of the Board of Regents. The Secretary shall affix the official seal of the University to, and attest, all documents executed by the Chairman of the Board in the name of the Board of Regents. A duplicate of this seal shall be in the possession of the Registrar of the Main University for the purpose only of certifying official transcripts for students. Each component institution shall maintain an official seal especially designed for the institution to be used for the same purpose.
- 4.26 Rules and Regulations. --The Secretary shall be charged with the responsibility of keeping current the official copies of the Rules and Regulations of the Board, furnishing to members of the Board and administrative officers of the University designated by the President, any changes or additions as soon as possible after the meeting at which they are adopted.

- 4.27 Reports. -- The Secretary shall prepare and distribute such reports and communications as directed by the Board of Regents and the President.
- 4.28 Delegated Duties. -- The Secretary shall perform such other functions as shall be delegated by the Board of Regents or the President.
- 4.29 Other Duties. -- In addition to the foregoing, the Secretary shall perform those functions and have those duties and responsibilities which are usual and customary to the position of Secretary and which assist the members of the Board of Regents in the discharge of their official duties.

Sec. 5. Meetings of the Board.

- 5.1 Regular Meetings. -- Regular meetings of the Board of Regents shall be held at such times and places as the Board shall designate. Unless otherwise determined in advance by the Board, all regular meetings shall be held in Austin. Customarily the Board will hold regular meetings every two months for two full days, usually on Friday and Saturday.
- 5.2 Special Meetings.
 - 5.21 Special meetings of the Board shall be held upon the call of the Chairman, or upon the written request signed by two members of the Board, or upon the request of the President if concurred in by the Chairman of the Board. In these events the Chairman shall cause written notification of the time, place, and purposes of the meeting to be mailed to each member of the Board by the Secretary at least five days before the time of the meeting.
 - 5.22 Special meetings may also be set by the Board at a prior meeting.
 - 5.23 No business other than that embraced in the call for the special meeting shall be officially transacted thereat without the consent of all members of the Board or without the consent of a majority of the whole Board and subsequent ratification at a regular meeting.

Sec. 6. Committees.

- 6.1 Standing Committees. -- The following committees shall be appointed to consider policies for the government of all major areas: (a) Executive Committee, (b) Academic and Developmental Affairs Committee, (c) Buildings and Grounds Committee, (d) Land and Investment Committee, (e) Medical Affairs Committee, (f) Board for Lease of University Lands.

- 6.11 Appointment and Term of Standing Committees. -- The standing committees shall be appointed by the Chairman shortly after his election, by and with the consent of the Board, and shall remain as constituted (unless a vacancy shall be caused by death, resignation, or refusal of some member of a committee to act) until the succeeding Chairman shall have reconstituted the committees. The Chairman shall be an ex officio member of each committee.
- 6.12 Method of Filling Vacancies in Standing Committees. -- In case a vacancy shall occur on any of the standing committees, the Chairman of the Board shall appoint another member or members of the Board to serve thereon until the next regular meeting, at which time the sense of the Board shall be taken on such appointment, and, if confirmed, the appointment shall stand until the time for reconstituting the standing committees as herein provided.
- 6.13 Time of Meetings of Committees of Board. -- The committees of the Board customarily shall meet on the first day of any scheduled Board meeting and at such other times as the membership of each committee shall determine.
- 6.14 Authority of Standing Committees. -- The authority of standing committees of the Board shall be subject to the policies of the Board and, except in cases where it is necessary to act for the Board, their acts shall be referred to the Board for approval.
- 6.15 Committee of the Whole. -- The Committee of the Whole shall meet prior to sessions of the Board to receive items for deliberation from standing and special committees and from the President, and to receive special matters from the chief administrative officers of the component institutions which have been cleared previously by the President.
- 6.16 Composition and Duties of the Executive Committee. -- The Executive Committee shall be composed of the Chairman of each standing committee, including the Chairman of the Executive Committee. It shall have the following duties:
- 6.161 It shall coordinate the work of all other committees.
- 6.162 It shall serve as an interim committee for action on all matters that require action between meetings of the Board.
- 6.163 It shall confer with the President and his administrative staff with reference to the preparation and approval of budgets and make reports

and recommendations to the Board relating thereto.

- 6.164 At each meeting of the Board, the Executive Committee shall report in writing for approval all actions taken by it since the last meeting of the Board. This report shall be prepared by the Secretary, approved by the President, and sent to the Chairman of the Executive Committee for his signature.
- 6.17 Duties of the Academic and Developmental Affairs Committee. -- The Academic and Developmental Affairs Committee shall:
- 6.171 Consider and make recommendations relating to matters of academic policy and student life in the general academic institutions.
- 6.172 Study and make recommendations relating to developmental matters concerning the entire University.
- 6.173 Consider all matters relating to legislative matters affecting the University, matters relating to other state agencies and departments and municipal and federal agencies, and perform such continuing duties as are usual and customary for a committee charged with legislative and inter-agency responsibilities.
- 6.174 Consider all matters affecting the growth and usefulness of the libraries of the University.
- 6.175 Consider all matters affecting the conduct and management of Intercollegiate Athletics.
- 6.176 Consider all matters affecting the Texas Memorial Museum which have not been delegated to other committees of the Board.
- 6.177 Consider and make recommendations concerning the docket.
- 6.178 Consider all matters where the Board's approval is required or desirable not assigned to another committee unless such matters have been placed on the agenda of the Committee of the Whole by the Chairman of the Board or the President.
- 6.18 Duties of the Medical Affairs Committee. -- The Medical Affairs Committee will review all matters connected with the medical, dental, and nursing institutions and schools except those specifically assigned to other committees of the Board.
- 6.19 Duties of the Buildings and Grounds Committee. -- The Buildings and Grounds Committee shall have the following duties:

- 6.191 It shall consider and make recommendations relating to the construction and use of buildings and other matters involving the physical expansion of the University system.
- 6.192 It shall review, and make recommendations as to, all proposals for new construction in an amount exceeding \$5,000.00, all proposals for repairs and remodeling of the physical plant which involve proposed expenditures of \$20,000.00 or more, and proposals for extensive improvements of the grounds of the University.

6.1(10) Duties of the Land and Investment Committee. -- The Land and Investment Committee shall consider and make recommendations on all matters relating to (a) the investment of the Permanent University Fund and all trust and special funds, (b) management of the state lands constituting the permanent endowment of the University, (c) the acquisition, management, and sale of trust property and special funds, and (d) the issuance of bonds.

6.1(11) Board for Lease of University Lands. -- Two members of the Board of Regents shall serve on the Board for Lease of University Lands. They shall be selected by the Board of Regents in conformity with the Act creating the Board for Lease of University Lands.

6.2 Special Committees. -- The Chairman of the Board shall appoint such special committees of the Board as the Board shall direct.

Sec. 7. Rules of Procedure.

- 7.1 Rules of Order. -- Robert's Rules of Order, when not in conflict with any of the provisions of this chapter, shall be the rules of parliamentary procedure when the Board is in session.
- 7.2 Order of Business. -- Customarily the order of business when the Board shall meet in regular session shall be as follows:
- 7.21 Correction and approval of Minutes of preceding meeting.
- 7.22 Report of the Committee of the Whole.
- 7.23 Reports of standing committees.
- 7.24 Reports of special committees.
- 7.25 Special items:
- (a) Central Administration
 - (b) Members of the Board of Regents
 - (c) Main University
 - (d) Texas Western College

- (e) Medical Branch
- (f) Dental Branch
- (g) M. D. Anderson Hospital and Tumor Institute
- (h) Southwestern Medical School
- (i) Postgraduate School of Medicine

- 7.3 Open and Closed Meetings. -- Meetings of the Board shall be open meetings, unless otherwise determined by the Board. The Board may meet as a Committee of the Whole whenever it desires. The Chairman of the Board, during each formal Board meeting, shall report briefly for inclusion in the Minutes final actions taken by the Board in the Committee of the Whole.
- 7.4 Attendance at Meetings.
- 7.41 Every effort will be made to schedule the appearance of institutional heads before the Board so that they will not have to remain for the duration of the meeting.
- 7.42 Attendance of representatives other than institutional heads will be required only when essential or when authorized by the President.
- 7.5 Matters to be Referred to Committees. -- The Board, in all cases when practicable and desirable, before taking action on any subject or measure coming clearly within the sphere of the duties of any standing committee, shall refer the same to the proper committee, which shall report its recommendations to the Board.
- 7.6 Communications to the Board.
- 7.61 Communications to the Board from persons not members thereof, except in the case of the President and the Secretary, shall customarily be in writing. The regular channel of communication from the faculty, officers, and staff members to the Board shall be through the President and shall be in duplicate. Communications sent directly to the Board members shall be acknowledged, if desired, and, if deemed necessary by the recipient, immediately referred to the President, with a copy to the Chairman of the Board, for appropriate action. Nothing herein shall be construed to prevent members of the Board of Regents from informing themselves as to their duties and obligations in such a manner as they may deem proper. The regular channel of communication with members of the Board is through the President; however, each Board member shall determine the propriety of any direct approach to him by any employee of the University. All staff

- proposals shall be presented to the President in sufficient time to permit him to consider them, make recommendations thereon, and assign them to committees of the Board or transmit them to the Chairman of the Board no later than ten days prior to the next meeting of the Board. Except where emergency proposals are involved, all staff proposals not submitted to the President within the time prescribed shall not be considered by the Board but shall automatically be deferred until the next meeting of the Board.
- 7.62 Notice of desire to appear before the Board shall be filed in duplicate with the President at least ten days prior to the meeting of the Board, and a copy shall be sent to the Chairman of the Board at least three days prior to such meeting.
- 7.63 All official material to be distributed to the Regents shall be transmitted through the Office of the Secretary of the Board. Copies of all official communications from administrative officers to the Regents shall be sent to the Secretary. Communications from the President shall be exempt from this requirement at his discretion.
- 7.64 A docket, including items related to Central Administration and each component institution, summarizing routine matters requiring either advance approval or post-approval of the Board of Regents in accordance with established policies of the Board, shall be prepared as directed and approved by the President and shall be transmitted to the members of the Board in advance of each meeting. Policy matters, changes in the rules and regulations of the Board, and other matters other than of a routine nature shall be listed on the agenda compiled by the Secretary of the Board when such items have been approved by the President or the Chairman of the Board, or when specifically requested by a member of the Board. The docket shall be referred to and approved by the Academic and Developmental Affairs Committee.
- 7.65 All matters to be considered by the Board at any meeting shall be mailed or delivered to each member of the Board of Regents customarily at least ten days in advance of the meeting at which they are to be considered. Each such matter shall be accompanied by a summary of the facts pertaining thereto, the needs for action thereon, and the President's recommendations. Where financial matters are involved the summary shall show the method of competition, if any, the names and offers of all interested parties, and

generally sufficient information to show the reasons for and fairness of each transaction. The President's recommendations shall state whether or not they are fully concurred in by any institutional head involved, and if not, the views and recommendations of the institutional head shall be included. Any opposing views to the President's recommendations shall be fairly stated to the Board committee considering the matter or to the Committee of the Whole either in writing or orally as the President may direct prior to official Board action on the matter. Any matter not sent to the members of the Board of Regents, documented as herein provided, at least five days in advance of the meeting at which it is to be considered shall go over to the next meeting for consideration; provided, however, that if sufficient emergency exists requiring immediate action, and it appears that the delay was unavoidable, this requirement may be waived by a two-thirds vote of the Board upon recommendation of the appropriate committee.

- 7.7 Report to Press on Actions of Board. --Matters of public interest will be given, as promptly as possible after each meeting, to the Press by the Director of News and Information Service under the direction of the Chairman of the Board or the President.
- 7.8 Political and Otherwise Obviously Controversial Matters. -- The Board of Regents reserves to itself the responsibility for passing upon matters of a political or otherwise obviously controversial nature which represent an official position of the University or any institution or department thereof. Statements on such matters as the Board may deem advisable to make shall be made through the Chairman of the Board or the President. No Regent, officer, or faculty or staff member shall make or issue any public statement on any political or other subject of an obviously highly controversial nature which might reasonably be construed as a statement of the official position of The University of Texas or any institution or department thereof, without the advance approval of the Board of Regents. The intent of this policy statement is not to stifle the right of freedom of speech of anyone speaking in a personal capacity where he makes it clear that he is not speaking for the University. Matters of an emergency nature shall be cleared through the President with the Chairman of the Board of Regents.

CHAPTER II

ADMINISTRATION

- Sec. 1. Component Institutions.--The University of Texas is composed of the following: the Main University, Austin, which includes the Institute of Marine Science at Port Aransas and the McDonald Observatory at Fort Davis; the Medical Branch, Galveston; the Dental Branch, Houston; the M. D. Anderson Hospital and Tumor Institute, Houston; Southwestern Medical School, Dallas; Texas Western College, El Paso; the Postgraduate School of Medicine with headquarters in Houston and divisions at locations as may be determined by the Board of Regents; and such other colleges, schools, research agencies, or other educational activities as may from time to time be constituted by law a part of The University of Texas.
- Sec. 2. Administrative Authority. -- The President of the University is the chief administrative officer of The University of Texas system. The chief administrative officer of each component institution in the system, acting in a line capacity for the operations of his institution, reports only to the President, and is responsible to the President and through him to the Board of Regents.
- Sec. 3. Officers of Central Administration.
- 3.1 The principal officers of the Central Administration staff are: President (ex officio), Vice-President for Administrative Services, Vice-President for Developmental Services, Vice-President for Fiscal Affairs, Comptroller, Endowment Officer, and Budget Officer.
- 3.2 Officers of the Central Administration serve primarily as staff officers for the entire system. In that capacity, each officer is responsible for planning and policy formulation in his particular field and each serves as adviser in his area to the President. In addition, each Central Administration officer is expected to advise and consult with the officials of the component units in his particular field of competence.

Sec. 4. Administrative Officers of the Component Institutions.--The chief administrative officers of the component institutions are: Vice-President and Provost of the Main University, Executive Dean and Director of the Medical Branch at Galveston, President of Texas Western College, Director of the M. D. Anderson Hospital and Tumor Institute, Dean of the Dental Branch, Dean of the Southwestern Medical School, and Dean of the Postgraduate School of Medicine.

Sec. 5. Appointment and Tenure of Administrative Officers.

5.1 The President of the University shall be elected by affirmative vote of a majority of the Regents in office. He shall hold office without fixed term subject to the pleasure of the Board of Regents.

5.2 All other officers of The University of Texas shall be elected by the Board of Regents pursuant to nomination by the President. Officers so elected shall not have tenure by virtue of their respective offices. They may be dismissed by the President for cause, subject to review by the Board of Regents.

Sec. 6. Duties and Responsibilities of the President.

6.1 The President of The University of Texas is the chief administrative officer of the University system. He advises and counsels with the Board of Regents in establishing and promulgating basic policies for the government and operation of the University.

6.11 Specifically, his responsibilities include:

6.111 Acting as executive agent of the Board of Regents in implementing policies of the Board.

6.112 Recommending budgets for the operation of the University system.

6.113 Nominating to the Board of Regents the officers of Central Administration and the chief administrative officers of the component institutions.

6.114 Acting as the official medium of communication between the Board of Regents and the officers, staffs, faculties, and students of the component institutions of the University.

6.115 With the aid and advice of the Board of Regents, representing the University with the Legislature.

6.116 Serving as an ex officio member of all institutional faculties of The University of Texas.

6.12 The President reports to and is responsible to the Board of Regents.

Sec. 7. Duties and Responsibilities of the Officers of Central Administration.

- 7.1 The Vice-President for Administrative Services is a line officer who, under delegation from the President, is to represent, with the aid and advice of the Board of Regents, the University in its relations with the Legislature, state agencies, and other higher education institutions. Upon delegation by the President, he executes administrative policies of Central Administration relating to the component units and serves as the personal representative of the President. As a staff officer, he is to advise the President on administrative organization, on legislative matters, and on relationships with state agencies and with other institutions of higher education.
- 7.2 The Vice-President for Developmental Services is a staff officer whose duties and responsibilities include both staff and administrative functions.
- 7.21 As a staff officer, his general function is to advise the President on developmental planning and public relations for the University system. Specifically, he is expected to assist in (a) the formulation of policies and procedures, and (b) the development of improved practices in long-term planning of facilities and programs, public and alumni relations, private fund development, and in administrative organization.
- 7.22 As an administrative officer, he has supervisory line responsibility over the following offices: (a) News and Information Service, (b) Director's Office, University Development Board, (c) Studies and Planning Office. Subject to delegation by the President, he has executive authority for:
- 7.221 Coordinating and collecting planning information; direction of specific planning studies.
- 7.222 Coordinating private fund development activities; conducting negotiations for private funds.
- 7.223 Maintaining liaison with the University Development Board and the Ex-Students' Association.
- 7.224 Supervision of developmental publications.
- 7.23 The Vice-President for Developmental Services reports to and is responsible to the President.
- 7.3 The Vice-President for Fiscal Affairs is a staff officer whose duties and responsibilities include both staff and administrative functions.
- 7.31 As a staff officer, his general function is to advise the President as to all fiscal and business management activities of the University system. Specifically, he is expected:

- 7. 311 To formulate procedures governing the preparation of and review of all budgets and to develop an effective method of presenting approved budgets to state agencies.
- 7. 312 To plan an effective system of expenditure control by means of regulations, internal audits, and periodic financial reports.
- 7. 313 To formulate and recommend policies for investment and administration of the University's endowment and trust funds.
- 7. 314 To aid in developing improved practices and procedures in all areas of business management.
- 7. 32 As an administrative officer, he has supervisory line responsibility over the following offices in Central Administration: University Lands--Legal and Surveying, Endowment Office, and Office of the Comptroller. With respect to these offices, he recommends budgets and changes in approved budgets for the consideration of the President.
- 7. 33 The Vice-President for Fiscal Affairs reports to and is responsible to the President.
- 7. 4 The duties and responsibilities of the Comptroller include both staff and administrative functions.
 - 7. 41 As a staff officer, his general function is to advise and consult with the Vice-President for Fiscal Affairs and the President, with reference to all business operations of The University of Texas system which are not specifically assigned to the Endowment Office. These business operations include:
 - 7. 411 Accounting, auditing and reporting, and budgetary control.
 - 7. 412 Receipt, disbursement, and custody of moneys.
 - 7. 413 Procurement and purchasing.
 - 7. 414 Operation and maintenance of physical plant and management of auxiliary and service enterprises.
 - 7. 415 Advice and consultation with the chief executive officer of each component institution, the Vice-President for Fiscal Affairs, and the President, with reference to the appointment or removal of the Business Managers and Auditors of the component institutions.
 - 7. 42 As an administrative officer, he has direct supervisory responsibility over certain business activities. These activities include:
 - 7. 421 Administration and general supervision of new construction and other permanent improvements, including repair and remodeling projects involving the proposed expenditure of \$20,000 or more;

- consultation, advice and working with the consulting and associate architects employed by the Board of Regents, subject to the terms and conditions of contracts entered into by the Board of Regents with these architects; and service as an ex officio member of the Faculty Building Committee of each component institution.
- 7. 422 Supervision, with the assistance of the Branch College Auditor, of post-auditing and accounting system work at each component institution.
 - 7. 423 Supervision of the Workmen's Compensation insurance program and all other staff benefit programs.
 - 7. 424 Direct responsibility for the following specific duties: approval of all accounting records, forms, procedures, or financial reports; negotiation of all depository agreements with banks; approval and signing of lease contracts for building space; approval of insurance policies; review and recommendatory approval of the business aspects and overhead rates in research and other contracts with outside agencies; and joint custodianship with the Main University Auditor of securities owned by University of Texas Funds which are not on deposit in the State Treasury.
7. 43 The Comptroller reports to the Vice-President for Fiscal Affairs, and through that office to the President.
7. 5 The Endowment Officer is the business officer of The University of Texas charged with the investment of University funds and the management of endowment and trust funds and properties.
- 7. 51 Specifically, he is in immediate charge of the following areas of administration.
 - 7. 511 The investment of all funds owned by the University.
 - 7. 512 The management and supervision of all endowment properties of The University of Texas, including University Lands.
 - 7. 513 The investment of and administration of all trust funds and other properties held in trust by the Board of Regents of The University of Texas.
 - 7. 514 The issuance of bonds or other evidence of indebtedness of The University of Texas as authorized by law.
 - 7. 52 The Endowment Officer reports to and is responsible to the Vice-President for Fiscal Affairs and through that officer to the President.

For additional duties, authority, and policies relating to the Endowment Officer, see Part Two, Chapter IX.

- 7.6 The Budget Officer is concerned with improving and standardizing budgetary procedures of the University system.
 - 7.61 Specifically, his duties and responsibilities include:
 - 7.611 Recommending procedures to be followed (a) in scheduling budget preparation, (b) in compiling budgets to assure uniformity of coverage and format, and (c) in providing effective review of budgets at all administrative levels.
 - 7.612 Preparing and recommending budget-writing instructions and forms.
 - 7.613 Developing effective methods of presenting completed budgets and budget analyses.
 - 7.614 Assisting in processing all budgets submitted by the institutional heads.
 - 7.615 Conducting budget research studies in such areas as: salary supplementation, maintenance and equipment allocations, and physical plant expenditures.
 - 7.616 Assisting in devising more effective methods of expenditure control.
 - 7.617 Planning financial report forms designed to reveal periodically the current rate of spending from budgeted funds at each component institution.
 - 7.62 The Budget Officer reports to and is responsible to the Vice-President for Fiscal Affairs.

- 7.7 The Auditor, Main University, is the accounting officer for the Main University and for Central Administration.
 - 7.71 Specifically, his duties and responsibilities for Central Administration include:
 - 7.711 Custody of, accounting for, and financial reporting of, all funds handled by the Auditor's Office for the component institutions outside of Austin, and for Central Administration, Permanent University Fund, and Available University Fund.
 - 7.712 Joint custodianship with the Comptroller of securities owned by University of Texas Funds which are not on deposit in the State Treasury.
 - 7.713 Keeping, accounting for, and turning over to his successor, or to such person as the Board of Regents shall direct, and according to the direction of the Board, all monies, property, vouchers, and papers belonging to the University for which he is responsible.
 - 7.714 Keeping a full set of books which shall correctly set forth all the financial and property accounts, transactions, and dealings of the University with all persons, as required by the Board.

- 7.72 The Auditor on Central Administration matters reports to and is responsible to the Comptroller and through him to the Vice-President for Fiscal Affairs.
- 7.73 The duties of the Auditor which apply to the Main University are set out in the Rules and Regulations of the Main University.

Sec. 8. Duties of Chief Administrative Officers of Component Institutions.

- 8.1 The Vice-President and Provost of the Main University serves as the chief administrative officer of the Main University (which includes the Institute of Marine Science and the McDonald Observatory) under the direction of the President, and has access to the Board of Regents through the President. Within the policies and regulations of the Board of Regents and under the supervision of the President, the Vice-President and Provost has general authority and responsibility for the administration of the Main University.
 - 8.11 In cooperation with the President he:
 - 8.111 Develops, with faculty assistance, plans and policies for the program and the administration of the Main University in accordance with policies of the Board of Regents.
 - 8.112 Interprets University policy.
 - 8.113 Develops and administers policies relating to students.
 - 8.114 Recommends appropriate budgets, and supervises expenditures under approved budgets.
 - 8.115 Nominates all members of the faculty and staff, except as otherwise delegated; and recommends removal of any staff member for cause.
 - 8.116 Insures that the business affairs and physical property under his general supervision are properly managed.
 - 8.117 Serves as ex officio member of all faculties of the Main University, and presides at meetings of the General Faculty and the Faculty Council at the request of the President.
 - 8.118 Appoints all faculty and staff committees unless otherwise provided.
 - 8.12 The Vice-President and Provost of the Main University reports to and is responsible to the President.
- 8.2 The chief administrative officer of each of the other component institutions serves under the direction of the President, and has access to the Board of Regents through the President. Within the policies and regulations of the Board of Regents and under the supervision of the President, the chief administrative

officer of each unit has general authority and responsibility for the administration of that unit.

8.21 Specifically, the chief administrative officer is expected, with appropriate participation of the staff, to:

- 8.211 Develop and administer governing policies for the program, organization, and operations of the institution.
- 8.212 Interpret University policy to the staff, and interpret the institution's program and needs to the President and to the public.
- 8.213 Recommend appropriate budgets and supervise expenditures under approved budgets.
- 8.214 Nominate and recommend for retention or dismissal all members of faculty and staff, and maintain efficient personnel programs.
- 8.215 Establish proper management of services to students or patients.
- 8.216 Insure efficient management of business affairs and physical property; recommend additions and alterations to the physical plant.
- 8.217 Serve as presiding officer at official meetings of faculty and staff of the institution, and as an ex officio member of each college or school faculty (if any) within the institution.
- 8.218 Cause to be prepared and submitted to the President, and through him to the Board of Regents, regulations for the governance of the institution.
- 8.219 Assume initiative in developing long-term plans for the program and physical facilities of the institution.

8.22 The chief administrative officer of each component institution reports to and is responsible to the President.

8.3 The general function of the Business Manager of each component institution, acting under the direction of the chief administrative officer, is to conduct all business activities of his particular institution.

8.31 Specifically, his duties and responsibilities include:

- 8.311 Collection, custody, and disbursement of institutional funds.
- 8.312 Maintenance of accurate accounting records, and control of expenditures in accordance with approved budgets and University regulations.
- 8.313 Maintenance of an effective program of internal audit.
- 8.314 Procurement and purchasing.

- 8.315 Operation and maintenance of physical plant.
- 8.316 Supervision of auxiliary and service enterprises.
- 8.317 Preparation and processing of government research and other contracts.*
- 8.318 Preparation of periodic financial reports; and continuing study to improve business practices and procedures.
- 8.319 Assistance in the preparation of budgets as directed by the institutional head.
- 8.32 The Business Manager reports to and is responsible to the chief administrative officer of his component institution

Sec. 9. Advisory Councils.

- 9.1 Council on Administrative Policy.--To advise with the President at periodic intervals upon matters of system policy, the Council on Administrative Policy is established. It is composed of the President (the Chairman), the chief administrative officer of each component institution, the Vice-Presidents, and the Comptroller. Meetings are held at the call of the President, who prepares the agenda.
- 9.2 Business Management Council.--To advise the Vice-President for Fiscal Affairs in his area of staff responsibility for budgeting, business management, physical plant operation, and systems of expenditure control, the Business Management Council is established. It is composed of the Vice-President for Fiscal Affairs (Chairman), the Business Manager of each component institution, the Comptroller, the Endowment Officer, the Budget Officer, and the Auditor (Main University). Meetings are held at the call of the Vice-President for Fiscal Affairs, who prepares the agenda.
- 9.3 Council on Medical Affairs.-- The Council on Medical Affairs is established to formulate forms and advise the President regarding medical, dental, and nursing institutions or schools. It shall be composed of the Executive Dean and Director of the Medical Branch, the Dean of the Southwest Medical School, the Director of the M. D. Anderson Hospital and Tumor Institute, the Dean of the Dental Branch, and the Dean of the Postgraduate School of Medicine. The Chairmanship shall be rotated in the above order annually. Meetings shall be held at the call of the Chairman and by a request of the majority of the Council members. The Council shall report and be responsible to the President.

*At the Main University government research contracts are processed by the Office of Government Sponsored Research.

CHAPTER I I I

PERSONNEL

Sec. 1. Appointments.

- 1.1 The Board of Regents, upon the recommendation of the President, shall elect or appoint, as the case may be, all of the officers, faculty members, and employees of the component institutions and agencies of The University of Texas, fixing, subject to State and Federal laws, the duties, rights, and privileges of each employee or each class or group of employees; provided, however, that the Board may delegate to the President, or to the executive heads of the component institutions, authority to appoint employees in certain designated classes or categories.
- 1.2 All appointments shall be made on the basis of merit.
- 1.3 The executive heads of the component institutions shall investigate thoroughly the character, integrity, scholastic attainment, etc., of prospective members of their staffs before nominating them to the President and the Board, or before exercising any delegated authority for making appointments.
- 1.4 The executive heads of the component institutions shall not nominate or appoint, nor will the Board approve the appointment of, any person whose conduct or views are not exemplary; and the Board may inquire, or authorize inquiry, into family history and health, personal and moral character.
- 1.5 As provided in the Constitution of the State of Texas, Article I, Section 4, and by statute, no religious qualification shall be required for appointment to any office or position connected with The University of Texas.
- 1.6 As provided by statute (Article 6252--7) every employee is required to execute an oath or affirmation that he is not connected or associated with the Communist party or Communist activities.

- 1.61 Specifically, each employee must swear or affirm that:
 - 1.611 He is not, and has never been, a member of the Communist party.
 - 1.612 He is not, and during the preceding five-year period has not been, a member of an organization, etc., which has been designated by the Attorney General as totalitarian, fascist, Communist, or subversive.
 - 1.613 He is not, and during the preceding five-year period has not been, a member of any "Communist political organization" or "Communist front organization."
- 1.62 It shall be the responsibility of the institutional business officer, and through him the responsibility of the institutional head, to ascertain that each new employee has executed the required oath or affirmation before assuming the duties of his position, or receiving compensation.
- 1.63 Copies of the executed oaths or affirmations shall be kept accessible at all times for inspection by appropriate persons.
- 1.7 There shall be full compliance with statutory and rider provisions requiring notification to employees of specific provisions or language.
- 1.8 Each applicant for a regular salaried position is required to have an X-ray of the chest. Employees to be covered by Workmen's Compensation Insurance and employees whose duties will require the handling of food must, in addition, have a complete physical examination indicating fitness for the position for which application is made. The examination and the X-ray may be made at the health service of the component institution at which the applicant will be employed, if such service exists. Reports of physical examinations shall be filed as determined by the institutional head.

Sec. 2. Classified Personnel Systems.

- 2.1 The Rules and Regulations of each of the component institutions, except the Postgraduate School of Medicine, shall provide for a classified personnel system covering all positions not entailing significant instructional responsibilities or responsibilities for administration of instructional or research activities. These systems shall be as nearly uniform as possible, and shall include a schedule of class titles, job specifications for each class, a schedule of pay ranges, and policies and rules relating to personnel administration.

- 2.2 All appointments of classified personnel shall be made within appropriate salary ranges and on salary steps as defined by the classified personnel program approved by the Board of Regents for the particular component institution.
- 2.3 The system-wide rules as to classified personnel are found in Part Two, Chapter V, Section 1.

Sec. 3. Employment of Aliens.

- 3.1 As may be required by current Appropriation Bill, employees, other than those paid from trust funds, must be citizens of the United States, or have instituted naturalization proceedings, in order to be appointed for a period longer than 90 days unless (1) their appointment is for instructional purposes; (2) they are regular students appointed as student assistants or minor employees; (3) they are appointed as nurses or medical or dental technicians at the Medical Branch, Southwestern Medical School, Dental Branch, or M. D. Anderson Hospital and Tumor Institute; or (4) they are employed as librarians at the Main University.
- 3.2 Employment of Aliens on Government Research Project.
 - 3.21 No alien shall be employed on Government research contracts without express approval of the Board of Regents unless such person has security clearance by the Federal Bureau of Investigation or other equivalent agency.
 - 3.22 Where the contract for government research does not otherwise prohibit such employment, a foreign student may be employed upon certification by the Director of the International Advisory Office at the Main University and by an appropriate administrative officer at the other component institution that the student's visa has been examined and found to be in order and that the student has the approval of the immigration authorities to accept such employment.

Sec. 4. Code of Ethics. -- Each employee, under State law, shall be furnished a copy of the Code of Ethics bill, which prescribes the following standards of conduct for University employees:

- 4.1 No employee of the University shall accept any gift, favor, or service that might reasonably tend to influence him in the discharge of his official duties.

- 4.2 If an employee of the University owns a controlling interest in a corporation, firm, partnership, or other business entity which is under the jurisdiction of any state regulatory agency, he shall file a sworn statement with the Secretary of State disclosing such interest.
- 4.3 No employee of the University shall use his official position to secure special privileges or exemptions for himself or others, except as may be otherwise provided by law.
- 4.4 No employee of the University shall accept employment or engage in any business or professional activity which he might reasonably expect would require or induce him to disclose confidential information acquired by him by reason of his official position.
- 4.5 No employee of the University shall disclose confidential information gained by reason of his official position, nor shall he otherwise use such information for his personal gain or benefit.
- 4.6 No employee of the University shall transact any business in his official capacity with any business entity of which he is an officer, agent, or member, or in which he owns a controlling interest.
- 4.7 No employee of the University shall make personal investments in any enterprise which will create a substantial conflict between his private interests and the public interest.
- 4.8 No employee of the University shall accept other employment which might impair his independence of judgment in the performance of his public duties.
- 4.9 No employee of the University shall receive any compensation for his services as an employee from any source other than the State of Texas, except as may be otherwise provided by law.

Sec. 5. Appointment of Relatives (Nepotism Rule).

- 5.1 When any staff appointment is made, either on a full-time or part-time basis, it shall be made subject to the provisions of the following portions of this section:
 - 5.11 Unless otherwise specifically stated, the term "relative" as used herein shall be defined as a person related within the first degree of affinity or the second degree of consanguinity, according to the common law. The

first degree of affinity includes the spouse of the applicant, as well as the parents, children, brothers, and sisters of the applicant's spouse. The second degree of consanguinity includes the parents, children, brothers and sisters, grandparents, uncles and aunts, first cousins, nephews and nieces, and grandchildren of the applicant.

5.12 Part-time Appointments.

5.121 Neither a relative of a member of the Board of Regents, nor a relative of an administrative officer concerned, nor of a person holding a position of instructor or above in rank in the department concerned, may be appointed to a part-time position.

5.122 A relative of a person holding a position of instructor or above in rank at a particular institution may not be appointed to a part-time position at that institution having a monthly salary exceeding the maximum rate paid a teaching assistant at the Main University.

5.13 Full-time Appointments.

5.131 A relative of a member of the Board of Regents will not be considered for appointment, but such person will be considered for reappointment in those cases where the appointment was antecedent to the Board membership by a period of two years or more.

5.132 A person shall not be initially appointed even temporarily when it is the duty of a relative on the University staff to act in some official capacity upon the appointment.

5.133 A person, any relative of whom occupies a position of the rank of instructor or higher at the Main University or one of the other component institutions of The University of Texas, may not be initially appointed even temporarily to the position of instructor or higher at the Main University or one of the other component institutions.

5.134 A person may not be initially appointed even temporarily in any department or similar subdivision if he has a relative in that department or subdivision holding the position of instructor or higher rank.

5.14 In the application of the above regulations, relationship brought about by marriage after appointment shall not be a bar to continuance of employment, except that if a person of the rank of instructor or higher marries another employee both positions may not be retained beyond the then

current fiscal year. Relationship brought about by marriage before September 1, 1936, shall not be a bar to continued service. The marriage of a staff member to a person who is not a staff member but who is a relative of a staff member, shall have no effect on either tenure or promotion.

- 5.15 Relationship shall not be a bar to honorary positions or to nonremunerative positions.
 - 5.16 The provisions of this nepotism rule shall apply to all institutions and programs administered by the Board of Regents, equivalence in salary being regarded as equivalence in rank.
 - 5.17 For the purpose of administering these provisions, an employee "occupies" his position from the date upon which his employment begins until his connection with the component institution is formally terminated. This occupancy includes the period between the close of one long session and the opening of the next, for regular nine months' employees, and also any period covered by a leave of absence with or without pay.
- 5.2 Institutional heads, acting upon the affirmative advice of the Administrative Council at the Main University or the corresponding committee at the other component institutions, are authorized to suspend these regulations in an emergency, with the suspension limited to the end of the then current fiscal year. In extraordinary cases where the interest of the University will best be served, the Board of Regents may suspend the rule upon the recommendation of appropriate administrative officials, except as to the appointment of a relative of a Regent, the President, or the institutional head.

Sec. 6. Tenure, Promotion, and Termination of Employment.

- 6.1 By statute, "The Regents shall have power to remove any professor, tutor or other officer connected with the institution, when, in their judgment, the interest of the University shall require it." (Article 2586, Vernon's Civil Statutes)
- 6.2 The principles governing tenure and promotion are specified for each component institution in the Institutional Supplement applicable to that institution.
- 6.3 Termination by an institution of the employment of a faculty member who enjoys continuing appointment and of all other faculty members before the expiration of the stated period of appointment, except by resignation or retirement for age

in accordance with these rules, will be only for good cause shown. In each case the issue will be determined by an equitable procedure, affording protection to the rights of the individual and to the interests of the University.

- 6. 31 An institutional head may for grave cause suspend an accused faculty member pending immediate investigation or speedy trial as hereinafter provided.
- 6. 32 In cases of incompetency, gross immorality, or felony, where the facts are admitted, summary dismissal will follow.
- 6. 33 In cases where other offenses are charged, and in all cases where the facts are in dispute, the accused faculty member will be informed in writing of the charges against him, which, on reasonable notice, will be heard by a special trial committee whose composition is prescribed in the Institutional Supplement for the institution concerned.
 - 6. 331 In every such hearing the accused will have the right to appear in person and by counsel of his own selection and to confront and cross-examine witnesses who may appear against him.
 - 6. 332 He shall have the right to testify, but may not be required to do so, and he may introduce in his behalf all evidence, written or oral, which may be relevant or material to his defense.
 - 6. 333 A stenographic record of the proceedings will be taken and filed with the Board, and such record shall be made accessible to the accused.
 - 6. 334 The Committee, by a majority of the total membership, will make written findings on the material facts and a recommendation of the continuance or termination of the accused faculty member's tenure. The Committee, by a majority of its total membership, may make any supplementary suggestions it deems proper concerning the disposal of the case. The original of such findings and the basic recommendation, together with any supplementary suggestions, shall be delivered to the Board and a copy thereof to the accused. If minority findings, recommendations, or suggestions are made, they shall be similarly treated.
- 6. 34 The Board of Regents, by a majority of the total membership, will approve, reject, or amend such findings, recommendation, and suggestions, if any, or will recommit the report to the same committee for hearing additional evidence and reconsidering its findings, recommendation, and suggestions, if any. Reasons for

approval, rejection, or amendment of such findings, recommendation, or suggestions will be stated in writing and communicated to the accused.

- 6.4 Dismissal or demotion of classified or nonteaching personnel will be only for good cause shown, as determined by appropriate administrative officers to whom this responsibility is delegated by the institutional head, and in case of such dismissal or demotion any appeal shall be reviewed by the institutional head.

Sec. 7. Rights and Responsibilities as a Citizen and as a Teacher.

- 7.1 The teacher is entitled to full freedom in research and in the publication of the results, subject to the adequate performance of his other academic duties.
- 7.2 The teacher is entitled to freedom in the classroom in discussing his subject, but he is expected not to introduce into his teaching controversial matter which has no relation to his subject.
- 7.3 The University teacher is a citizen, a member of a learned profession, and an officer of an educational institution supported by the State. When he speaks or writes as a citizen, he should be free from institutional censorship or discipline, but his special position in the community imposes special obligations. As a man of learning and an educational officer, he should remember that the public may judge his profession and his institution by his utterances. Hence he should at all times be accurate, should exercise appropriate restraint, should show respect for the opinions of others, and should make it plain that he is not an institutional spokesman. As a member of the staff of a State institution of higher education, he should refrain from involving the University in partisan politics.

Sec. 8. The Greater Duties of a Member of the Teaching Staff.

- 8.1 Common practice has fixed the greater duties of a member of the teaching staff so clearly that many institutions do not even list them among their regulations. They are:
- 8.11 Teaching in the classroom, laboratory, seminar, or ward.
- 8.12 Studying, investigating, discovering, and creating.
- 8.13 Performing curricular tasks auxiliary to teaching and research, e. g. , serving on faculty committees,

attending to administrative and disciplinary tasks, promoting diligence and honest work in the student body.

- 8.14 Influencing beneficially students and citizens in various extracurricular ways.
- 8.2 Performance as a teacher, as a scholar, as an administrator, and as an individual is valued greatly by the University, for in these four ways its work is chiefly done.
- 8.3 A state university being a public enterprise of maximum social importance, it is the duty of all persons connected with the University to be as civic-minded as possible. It is also a duty to cooperate with the Board of Regents in carrying out the purposes and policies of the Board which are deliberately considered, usually by both the Board and the several faculties, in accordance with law and designed to attain the best educational results with the resources available. The Regents, the President, the institutional heads, and other administrative officers are entitled to the cheerful acquiescence of all staffs in carrying out the policies duly adopted. At the same time, administrative officers are expected to listen with an open and appreciative mind to criticisms and suggestions coming to them from members of their staffs.

Sec. 9. Acquaintance with, Conformity to, and Improvement of University Regulations.

- 9.1 It is a specific and important duty of each member of the several teaching staffs to become acquainted with and to conform to all the rules and regulations relating to him and to the proper and orderly discharge of his work that are to be found set forth in both these Rules and Regulations and the institutional supplements; in catalogues, announcements of courses, and other official publications; in printed or other material regularly prepared for the use of the staff; and in minutes of the faculties.
- 9.2 It is also the specific duty of each member of the teaching staffs to consider the regulations and the routines in conforming to them and to propose what seem to be desirable changes in these regulations and routines to the appropriate faculty or official.

Sec. 10. Communications, Appeals, and Hearings.

- 10.1 Every member of a teaching staff has the right to propose changes in policies and procedures and to present arguments in support thereof.

- 10.11 Proposals should originate and follow routines as prescribed elsewhere in these Rules and Regulations or in the institutional supplements.
 - 10.12 When a proposal has been approved or amended by the appropriate institutional officials, faculties, and head of the component institution, it shall then go to the President for recommendation to the Board of Regents if such action is required.
 - 10.13 When a proposal has been approved or amended or rejected by the appropriate institutional officials, faculties, and the component institutional head, any member or group of members of the staff may present an appeal in opposition to the action of the majority or in opposition to the recommendation of the institutional official or the component institutional head, and this appeal, accompanied by reasons for and against the proposal, shall go through the prescribed administrative channels and shall be presented to the Board of Regents for final action. The deans and other institutional officials, the component institutional head, and the Regents may invite both sides for personal conferences and discussions.
 - 10.14 An authorized routine for proposals, with the right of appeal, having been herein fixed, it follows that proposals shall always be made in accordance therewith.
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- 10.2 The regular channel of communication with members of the Board is through the institutional head or the President; however, each Board member shall determine the propriety of any direct approach to him by employees of the University. Likewise, nothing in this section is intended to prohibit faculty and staff members from responding to direct requests from individual Regents, and in any such instance it is the responsibility of the Regent to determine whether he will report the matter to the institutional head and the President.
 - 10.3 Every voting member of any faculty has the right and the duty to propose changes and to participate in debate in faculty meetings.
 - 10.4 Appeals of classified (nonteaching) employees concerning conditions of employment must be made in keeping with the rules governing such employees.

- Sec. 11. Communication with the Legislature and Other State Agencies or Officials. --The President and the Board of Regents are the only proper channels through which recommendations concerning the administration of the University, as a whole or in any of its parts, should reach the Legislature or other State agencies or officials.
- Sec. 12. Office Hours. --Members of the teaching staffs are expected to post on their office doors, and publish in any other manner required by the institutional head, office hours and conference periods most advantageous to students.
- Sec. 13. Outside Employment.
- 13.1 Even in the case of members of the staff specifically engaged only in residence work, there exists an obligation, usually intermittent, to furnish expert knowledge and counsel for the public benefit free of charge, provided that the meeting of this obligation by a staff member does not interfere with his regular duties, and provided further that in meeting this obligation a staff member on full time duty shall avoid undue competition with legitimate private agencies.
 - 13.2 No member of the faculty or staff engaged in outside remunerative activities shall use in connection therewith the official stationery of the University or give as a business address any building or department of the institution.
 - 13.3 No member of the faculty or staff shall accept employment which will probably bring him as an expert or in any other capacity into antagonism with the interests of the State of Texas.
 - 13.4 Every member of the faculty or staff who gives professional opinions must protect the University against the use of such opinions for advertising purposes. That is, when he does work in a private capacity, he must make it clear to those who employ him that his work is unofficial and that the name of the University is not in any way to be connected with his name, exceptions being made of the name of the author attached to books, pamphlets, and articles in periodicals.
 - 13.5 No member of the faculty shall accept pay from private persons or corporations for tests, assays, chemical analyses, bacteriological examinations, or other such work of a routine character, which involve the use of University property, unless advance permission has been obtained from the institutional head and provision has been made for compensation to the University.

- 13.6 Outside employment and consultation for full-time faculty and staff members may be approved when it is undertaken in conformity with the provisions in the institutional supplements.

Sec. 14. Holidays.

- 14.1 Members of the teaching staffs are entitled to all holidays for students listed annually in the official calendar of their respective institutions.
- 14.2 Regular salaried classified or other nonteaching personnel are entitled to such holidays as are provided by the Legislature in the then current appropriation bill and as are approved annually by the President and the Board of Regents. (See the Classified Personnel rules in the institutional supplements.)

Sec. 15. Vacation.

- 15.1 Members of the staffs employed on a nine-months basis are regularly on duty during the long session, except where otherwise specifically provided. Between long sessions such members are not on duty unless they have received Summer appointments, but they are expected to keep the institutional head advised of their addresses.
- 15.2 Vacations for classified and other nonteaching personnel on a regular salary basis shall be as provided by the Legislature in the then current appropriation bill and as approved by the President and the Board of Regents. (See the Classified Personnel rules in the institutional supplements.)

Sec. 16. Leaves of Absence without Pay.

- 16.1 With the interest of the University being given first consideration, and for good cause, leaves of absence without pay may be granted for a period within the term of appointment of a member of any faculty or staff.
- 16.2 The maximum unit period for which a leave of absence will be granted is the end of the fiscal or academic year in which the leave begins. In normal times, leaves for one year will be granted liberally, provided the department so recommends and can supply satisfactory replacements.
- 16.3 A second consecutive year of leave should not be requested except for military service, reasons of health, or continued

graduate study. This provision will be interpreted liberally in the case of junior staff members working on advanced degrees.

16.4 Except in very unusual circumstances a third consecutive leave of absence for one year will not be granted. Such circumstances would now include extended military service or prolonged illness.

16.5 After a return to active duty of one year or more, the leave of absence privilege indicated by the revised rule will again be available.

16.6 The granting of a leave of absence does not affect in any way the tenure position of the grantee.

Sec. 17. Division of Salaries for Staff Engaged in Teaching and Nonteaching Activities. -- Each component institution shall develop policies covering budgetary division of salaries for individuals whose employment is divided between teaching and nonteaching assignments subject to current statutory requirements or limitations. These policies shall be set forth in the institutional supplements.

Sec. 18. Sick Leave.

18.1 In cases where illness incapacitates a member of an institutional or professional staff of the University, arrangements for carrying on his usual duties must be made through appropriate administrative channels with the chief administrative officer of the institution.

18.2 In cases of illnesses of classified or other nonteaching personnel the rules and regulations for each of the several component institutions shall apply, subject to controlling provisions of State law.

Sec. 19. Leave for Jury Duty. -- Necessary time off for jury duty is allowed without loss of pay or vacation leave.

Sec. 20. Absence from Usual and Regular Duties.

20.1 Authorization for any member of a faculty or staff of the University to be absent from his usual and regular duties will be granted only under the following conditions:

20.11 When such absence is on State business, and

20.12 When appropriate provisions are made to carry on the duties of the absent person without additional expense to the University; or

20.13 In the case of military leave, not to exceed 15 calendar days each year.

20.2 Permission to be absent from usual and regular duties shall be obtained as prescribed in the Fiscal Rules (see Part Two hereof).

Sec. 21. Authorization to Travel.

21.1 Authorization to travel will be granted only under the conditions specified in the Fiscal Rules (see Part Two hereof).

21.2 A faculty or staff member whose usual duties do not require travel shall not absent himself from his regular place of work and his usual duties except with permission obtained according to the Fiscal Rules (see Part Two hereof).

Sec. 22. Compensation for Correspondence and Extension Teaching of Full-time Staff Members. --- Compensation rates for correspondence courses and extension center teaching for full-time teachers on a nine months' basis or for other employees on a twelve months' basis shall be in accord with rates fixed by the then current appropriation bill. If not so fixed, they shall be set from year to year by the institutional head with the approval of the President. The provisions of this section shall also cover postgraduate medical courses.

Sec. 23. Textbooks and Other Materials Prescribed for the Use of Students

23.1 The policy of the Board of Regents concerning textbooks and other materials prescribed for the use of students is as follows:

23.11 Although generally the individual instructor or the department should have wide discretion in the choice of materials to be used in the courses offered by the department, frequent changes in the textbooks prescribed should be discouraged and should be made only for cogent reasons.

23.12 Although the authorship of books, outlines, manuals and similar materials by members of the staff should be encouraged, the prescribed use of these for students is a responsibility that goes beyond that of the individual author. Where practicable and equitable, the charge for outlines, syllabi, and similar materials prescribed for the use of students should be borne by the instructional department concerned. Whenever a charge is authorized for such mimeographed or similarly processed materials,

the prices should be as low as possible, consistent with the payment of a fair and reasonable royalty to the author or authors.

- 23.2 To carry out this statement of policy the following procedures are prescribed:
- 23.21 Any proposed change in the textbook of any course, within one year from the date of first adoption, shall be approved by the departmental faculty having jurisdiction, and a statement of the authorization with reasons therefor shall be transmitted by the chairman of the department through the dean to the institutional head.
- 23.22 Textbooks, notebooks, manuals, or other materials for the use of students, written or prepared by a member of an institutional faculty of the University, shall not be prescribed for the use of students in that institution or sold to such students until such books, notes, manuals, or materials shall have been approved, with reasons stated, by the departmental faculty, the dean or deans concerned, and transmitted to the institutional head for approval and inclusion in the next regular Docket. All such requests shall indicate the proposed prices and profits, and their authorization shall be effective only to the end of the fiscal year (August 31) for which such approval has been given.

Sec. 24. Sectarian Courses Prohibited. --No course of instruction of a sectarian character shall be taught at the University. (Art. 2604, Vernon's Civil Statutes.)

Sec. 25. Acceptance of Money from Students.

- 25.1 Members of teaching staffs, without previous and special approval of the Board of Regents, shall not collect from students any fees or charges to be expended for institutional purposes, and shall not sell to students books, notes, or similar student supplies.
- 25.2 A member of the staff of the rank of instructor or above may not accept pay for extra instruction or teaching of students registered in the University.
- 25.3 With written approval, teaching assistants, assistants, and other like instructional employees below the rank of an instructor, may accept pay from students for extra-class instruction or coaching but only in courses or sections of

courses with which they have no instructional connection. The Institutional Supplement of the component institution shall specify the procedure for approval at the institutional level.

Sec. 26. Power to Authorize Expenditures out of University Funds.

26.1 No expenditure out of funds under control of the Board of Regents of The University of Texas shall be made and no debt or obligation shall be incurred and no promise shall be made in the name of the University or any of its component institutions or of the Board of Regents by any member of the respective staffs of the University except:

26.11 In accordance with general or special budgetary apportionments authorized in advance by the Board and entered in its minutes; or

26.12 In accordance with authority specifically vested by the Board in a committee of the Board; or

26.13 In accordance with authority to act for the Board when it is not in session, specifically vested in some officer of the University by these Rules and Regulations or by special action of the Board. (Cf. Article 2594, Vernon's Civil Statutes.)

26.2 It shall be the duty of the Auditor of the Main University and the several institutional business managers to see that all claims for payment of items not authorized as indicated above are refused and returned unpaid.

26.3 There shall be no sale to or purchase from the University by any member of its staff unless same has been duly authorized by the Board and the details relating thereto have been entered in its minutes.

Sec. 27. Indebtedness to the University or the State.--Neither salary payments nor any other payments shall be made to an employee, his agent or assignee, who is indebted to the University or to the State until such debt is paid.

Sec. 28. Power to Bind the University in Fixing Its Policies.--No member of any staff in the University, as an individual or as a member of any association or agency, has the power to bind the University or any of its component institutions in fixing its policies unless such power has been officially conferred in advance by the Board of Regents. Any action which attempts to change the policies of the University or any of its component institutions, taken by any association or agency, shall be of no effect until the proposed

action has been approved by the institutional head concerned and the President, and ratified by the Board of Regents.

Sec. 29. Institutional Employees as Students. -- The Institutional Supplement for each of the component teaching institutions shall express the institutional policy as to the amount of course work full-time and part-time employees shall be permitted to carry.

Sec. 30. Modified Service.

- 30.1 Members of institutional faculties or staffs will not be continued on their standard full-time service or full-time compensation rate beyond the end of the fiscal year that includes their seventieth birthday.
- 30.2 Faculty and staff members who have served the University for twenty years or more shall be continued after reaching the age of seventy on a reduced salary from the University and upon modified service until the Board of Regents, upon recommendation of the institutional head involved, determines that they shall retire completely from University service and compensation.
- 30.21 The salary rate for modified service shall be one-half the average regular salary rate for each individual during the five years of full-time service immediately preceding the academic year in which modified service begins. Adjustments in rate will be made to care for any general change in salary scale under policies developed from time to time by the component institutions and approved by the President and the Board of Regents.
- 30.22 The work load of a member placed on modified service shall be essentially one-half of his immediately previous full-time work load, but he may not continue, or be assigned, major administrative duties. Further provisions and limitations regarding the services of a person on modified service appear in the institutional supplements for the component institutions.
- 30.23 During the fiscal year in which the employee's seventieth birthday occurs and before the budget is prepared for the following year, and each year thereafter until full retirement, there must be an administrative determination of his fitness to fulfill his duties. The administrative procedure shall be prescribed in the Institutional Supplement for each component institution.

- 30.3 Members of institutional faculties and staffs who have served the University for twenty years, may, upon approval of the institutional head, change to modified service in the University at any time between the ages of sixty and seventy.
- 30.4 No person appointed to the staff of the University after the age of fifty shall have a right to modified service.
- 30.5 Members of institutional faculties and staffs who are not members of the Teacher Retirement System and those who have served less than twenty years may secure modified service status only upon special recommendation of the institutional head and the President and approval by the Board, and such recommendation and approval must be made annually on the basis of institutional need.
- 30.6 In deciding when a member shall retire from all University service and compensation, the Board of Regents will consider his current capacity for work, his service to the University, and the retirement benefits to which he is entitled under the Teacher Retirement System of Texas and the Federal Social Security laws; with the expectation that for each voting member with at least twenty-five years of faculty membership in the University, modified service will be continued until the retirement benefits receivable are approximately equal to the amount that would be received under modified service.
- 30.7 Whenever such action appears to be to the advantage and best interests of the University, the Board of Regents, upon recommendation of institutional heads, may, by unanimous vote of the members present, make exceptions to this rule in special and extreme cases.

Sec. 31. Staff Benefits. -- For other staff benefits, see Part Two hereof.

CHAPTER IV

FACULTY ORGANIZATION

Sec. 1. Educational Policy.

- 1.1 The Board of Regents will use its discretion and powers in efforts to make the institutions composing The University of Texas of the "first class," as the Constitution directs in Article VII, Section 10. The Board will be guided in general by the practices of the best universities in the United States and abroad, especially state universities.
- 1.2 The Board will not, except in extraordinary cases, act on important matters of educational policy until it has received, or requested and obtained, advice thereupon from the institutional faculty or faculties affected or their legislative bodies. When new policies originating in any faculty give rise to serious differences of opinion in that body, the advice and recommended legislation shall, at the request of the minority, be accompanied by a record of the vote and by a summary of the reasons for and against the matters proposed.

Sec. 2. Institutional, College, School, and Departmental Faculties and Legislative Bodies.

- 2.1 General Authority. --Subject to the authority of the Board of Regents, and subject further to the authority that the Board has vested in the various administrative officers and subdivisions of the University, the general charge of all component institutions regularly offering instruction shall be entrusted to their respective faculties within the following areas:
 - 2.11 General educational policies and welfare.
 - 2.12 Student life and activities.
 - 2.13 Requirements of admission and graduation.
 - 2.14 Honors and scholastic performance generally.
 - 2.15 Approval of candidates for degrees.
 - 2.16 Faculty rules of procedure.

- 2.2 Necessity of Approval by Regents. -- Legislation by an institutional faculty, or legislative body thereof, requiring approval of the Board of Regents, shall not be effective unless approved by the Board. Such legislation by a college or school faculty shall not be presented to the Board of Regents until it has been approved by the institutional faculty, either directly or through its legislative body. The faculty affected will be notified by the Board of Regents, through administrative channels, of its action on faculty legislation.
- 2.3 When Legislation Effective. -- Except in the component institutions whose institutional rules and regulations specifically authorize a procedure for placing into effect emergency legislation without prior Board approval, institutional faculty legislation shall become effective only upon approval by the Board of Regents or at such later time as the Board shall specify. The Secretary of the institutional faculty shall be notified of Board action and notice of such action shall be included in the official minutes of the faculty.
- 2.4 Approval of Degree Candidates. -- It shall be the duty of the several institutional faculties to approve or disapprove all candidates for degrees. This duty may be delegated for any academic year by affirmative vote of the institutional faculty, or its legislative body, to the respective deans or other appropriate official. Should this duty not be delegated, then the institutional registrar, or his equivalent, shall furnish to the members of the institutional faculty a complete list of the degree candidates for approval.
- 2.5 List of Degree Candidates in Minutes. -- The institutional registrar, as soon as possible after each commencement, shall provide the secretary of his institutional faculty, or its legislative body, with a complete list of all successful degree candidates, and the secretary shall insert the list in the minutes of the faculty.
- 2.6 Changes in Degree Requirements. -- Changes in degree requirements shall not become effective until approved by the Board and published in the appropriate catalogue; provided, however, that students may be given the benefit of any action reducing or modifying the requirements for their degree immediately upon Board approval.
- 2.7 Other Rules in Institutional Rules and Regulations. -- The membership of institutional, college, school, and departmental faculties and legislative bodies, their officials,

authority, procedures, rules of order, and other matters pertaining to their functions and duties are specified in the rules and regulations of each component unit.

- 2.8 Faculty Minutes. -- Copies of institutional faculty minutes, or of their legislative bodies, shall be available for use of members of the particular faculties individually, if desired; and shall be filed in the offices of their secretaries, the institutional heads, the President, and the Secretary of the Board of Regents and in the institutional libraries.

CHAPTER V
MISCELLANEOUS

- Sec. 1. Students' Associations. -- Students' associations previously authorized at the component institutions of the University are hereby approved and continued. They shall have such jurisdictions and shall exercise such powers as the Board of Regents, upon their request and with the approval of the institutional heads, may delegate to them.
- 1.1 Constitutions and Laws Approved. -- The constitutions and laws of the several associations, in force at the date of adoption of these Rules and Regulations, are hereby approved, and the jurisdictions and powers therein set forth are hereby delegated by the Board of Regents to the several associations.
- 1.2 Mode of Amending Constitutions and Laws. -- An amendment or addition to the constitution or laws of a students' association may be adopted by such association, in accordance with its constitution and laws but same shall not become effective until transmitted to and acted upon by the dean of student life, or his counterpart, at each institution and approved by the Board of Regents upon recommendation by the institutional head and the President.
- 1.3 Amendment or Repeal by Regents. -- The Board of Regents has the power to amend or repeal any portion of the constitution and laws of a students' association when, in the judgment of the Board, the interests of the particular institution shall require it. The Board, however, will exercise this power, unless a very grave emergency exists, only after due consideration, notice, and consultation with the dean of student life, or his counterpart, at each of the institutions, the institutional head, the institutional faculty if need arises and the officers of the particular association.
- 1.4 Amendment or Repeal by Dean of Student Life. -- The dean of student life, or his counterpart, at each institution, shall

have the power, when in his judgment the interests of the institution require it, to amend or repeal, temporarily, any provision in the constitution or laws of the particular association, but his action shall be in force only until the next regular meeting of the Board of Regents, when Section 1.3 above, becomes applicable.

- 1.5 Salaried Employees Approved by Regents. -- All persons employed on salary officially by or under the direct supervision of a students' association shall be subject to approval by the institutional head, the President, and the Board of Regents, both as to salary and as to qualifications. Contemplated appointments shall be reported through the dean of student life, or his counterpart, at each institution, who shall transmit same with his recommendation to the institutional head.
- 1.6 Annual Financial Reports. -- Every officially recognized organization of a students' association shall make annually a complete financial report to the institutional business officer, and shall make such special reports as may be called for by him. A duplicate copy of each report shall be filed with the dean of student life, or his counterpart. Any student organization maintaining a budget in excess of \$25.00 per annum shall make such reports of financial condition as may be required by the dean of student life, or his counterpart.

Sec. 2. The University of Texas Development Board.

- 2.1 Responsibilities of the Board of Regents and Administrative Officials of The University of Texas in Private Fund Development. -- Among the most important responsibilities of the Board of Regents are those of establishing policies and procedures by which the developmental needs of The University of Texas can be determined and approved, and of directing vigorous efforts to attract private fund support for meeting these needs. For discharge of these responsibilities, as is true for other responsibilities of the Board of Regents, the President is to serve as the chief executive agent, with fund development a major obligation, and the head of each component institution is to serve as chief executive officer in this regard for that unit as set forth in the manual of administrative organization for The University of Texas system.
- 2.2 Responsibilities and Duties of The University of Texas Development Board:
 - 2.21 There is hereby established The University of Texas Development Board, which is the agency responsible to the President, and through him to the Board

of Regents, for all private fund development for the entire University system.

- 2.22 The Development Board shall, after conference with the President, recommend to the Board of Regents policies which shall govern activities and responsibilities in cultivating and securing private funds for the University, including such activities and responsibilities of employees of the University.
 - 2.23 No major fund development effort or decision not covered by previously adopted regulations of the Board of Regents shall be recommended by the President to the Board of Regents without prior advice thereupon by the Development Board, which advice shall be transmitted to the Board of Regents.
 - 2.24 All fund-development agencies and organized fund development enterprises of the University shall be under the jurisdiction of the Development Board and shall operate under policies adopted by it and approved by the President.
 - 2.25 The Development Board shall have particular responsibility for formulating and actively promoting support for both current and long-term programs designed to meet developmental needs of the University. The President shall lay before the Development Board at periodic intervals descriptions of current needs as determined by the Board of Regents, the University administration and the faculties, taking into account any such needs as the Development Board has recommended for consideration. The Development Board should also be continuously alert to gift possibilities not necessarily related to predetermined projects. The programs of activities formulated by the Development Board shall be submitted to the President and Board of Regents for information, and periodic reports of progress shall be made. It is expected that the continuing program of the Development Board will include vigorous cultivation and dissemination of information supporting gifts and endowments for the University.
- 2.3 Development Board Executive Office.
- 2.31 Within the Office of the President there shall be an officer responsible to the President and to the Development Board as its executive officer. He shall be appointed by the President only upon recommendation of the Development Board. He is to be an officer of Central Administration, charged solely with fund development activity, and subject to supervision, evaluation,

and termination of employment by the President. The President, however, shall secure periodic evaluations of this officer's services from the Development Board and take these into full account in continuing employment and in according recognition for accomplishment. He shall have such title and rank as established by the Board of Regents upon recommendation of the President and the Development Board.

- 2.32 The Development Board executive officer shall have such staff and such operating funds as shall be determined from time to time by budgets recommended by him and the Board, endorsed by the President, and adopted by the Board of Regents. Duties of staff members shall be established by the executive officer.
- 2.4 **Finances.** -- Financial support of The University of Texas Development Board and the executive office shall be provided exclusively by appropriation of the Board of Regents. Such appropriation will be made by established budgetary procedures. The Board of Regents may accept gifts designated for use by the Development Board and make such funds available for Development Board expenditure.
- 2.5 **General Policies.**
- 2.51 The Development Board will seek to enlist the aid of numerous friends of the University in fund development efforts, and may establish such committees and other groups as seem desirable in carrying out its program.
- 2.52 The Development Board is to serve all component institutions of The University of Texas. It may establish advisory and action groups for each component institution with the advice and approval of the head of that component institution.
- 2.53 The Development Board will have jurisdiction over all internal foundations, and no such foundation shall be established or continued in existence except with the approval of the President. The executive officer of the Development Board shall be responsible for stimulating, guiding, and assisting the internal foundations and shall require suitable annual reports from each.
- 2.54 From time to time, special campaigns for specific objects may be conducted, with or without the assistance of private fund-raising counsel. Such campaign may originate with recommendation by the Board of Regents, the President, or The University of Texas Development Board. No such campaign shall be authorized or undertaken, however, until the Development Board has

recommended concerning it and those recommendations have been considered by the Board of Regents.

2. 541 When a special campaign is to be conducted with funds as previously appropriated by the Board of Regents, joint approval by the Development Board and the President is sufficient authorization. Campaigns which require the expenditure of funds other than those appropriated, regardless of source, shall be authorized only by the Board of Regents.

2. 542 When the Board of Regents authorizes a special campaign, it shall be under the direction of the Development Board, and any private fund-raising counsel employed shall be administratively responsible to the executive officer of the Development Board.

2. 55 The Development Board shall be responsible for and conduct all fund-raising activities (as distinguished from membership enrollments) directed at ex-students of the University or for Ex-Students' Association purposes. It may delegate executive management of such activities to the Ex-Students' Association, under mutually agreeable guiding policies.

2. 56 The Development Board shall recommend, and upon authorization of the Board of Regents, execute such recognitions of donors as appears wise.

2. 6 Composition and Operation of The University of Texas Development Board.

2.61 The University of Texas Development Board shall consist of one member of the Board of Regents designated biennially by the Chairman, the President of the University, six members named by the Executive Council of The University of Texas Ex-Students' Association, and seven members named by the Board of Regents.

Members other than those by virtue of office held shall serve for six-year terms, so staggered that the terms of two members appointed by the Executive Council of the Ex-Students' Association and of two members appointed by the Board of Regents, shall expire on August 31 of each even-numbered year (on each third odd-numbered year, three instead of two Regental appointments shall be made). In selecting members, the Board of Regents and the Executive Council of the Ex-Students' Association shall give due consideration to geographical and component institution factors. Vacancies shall be filled by the original appointing agency.

- 2.62 The Development Board shall designate one of its members as Chairman, and shall provide for such other officers as it deems necessary. It shall adopt bylaws governing its operations and shall file them, and subsequent amendments thereto, with the Secretary of the Board of Regents. It shall cause accurate minutes of its proceedings to be kept, and file copies with the Secretary of the Board of Regents. It shall prepare an annual evaluation report on its activities, incorporating such recommendations as it cares to make, and transmit this report to the President and to the Secretary of the Board of Regents.
- 2.63 The Development Board shall conduct its operations to accord with policies and regulations of the Board of Regents, and shall make recommendations concerning modifications and additions to those policies through the President to the Board of Regents.

Sec. 3. Foundations. -- The following policies shall govern the creation and administration of foundations:

3.1 Internal Foundations.

- 3.11 That the establishment of internal foundations be limited to teaching divisions of the University and not include bureaus and other nonteaching divisions. This is not in any sense to be construed as excluding such bureaus or nonteaching divisions from seeking support from private sources through the Development Board as the authorized agency for correlating all fund-raising activities.
- 3.12 That the establishment of foundations for other than colleges or schools be limited to divisions and departments regarding which it can be clearly demonstrated that there exists actually or potentially the support of a strong business or professional group, such as exists in the case of the Geology Foundation, and the activities of which will not be in substantial conflict with the foundation which represents the school or college of which the division or department is a part. It is believed that other divisions and departments which cannot meet these tests may effectively work as separate groups within the framework of the foundation which represents this school or college. The provisions now existing for the designation of special funds to be used for specific activities should continue within the framework of the various foundations. This opportunity to earmark funds obtained by specific groups should

help to avoid stifling the interest and initiative of these groups.

- 3.13 That any foundation in addition to those now existing be authorized by the Board of Regents only after approval by the Development Board and by the Administration.
- 3.14 That the work of all internal foundations be considered a part of the work of the Development Board and that each such foundation, through its directing head, constantly cooperate with the Development Board office and keep the office informed of its activities; that it be the duty of the Development Board to cooperate with such foundations at all times and to stimulate their efforts by counsel, by personal contacts, and by providing promotional materials; and further that the foundations report periodically to the Development Board. Every effort should be made to permit free range of initiative within the foundations but in conformity with Development Board policies so as to permit maximum over-all achievements in fund raising.
- 3.15 That there be periodic reviews of the activities of each foundation to determine its effectiveness and provision made for its dissolution if it is unproductive over a reasonable length of time.
- 3.16 That internal foundations not necessarily be restricted to the Main University but be established at component institutions where conditions may warrant and the demand may exist, as, for instance, at the School of Dentistry.
- 3.17 That there be established wherever practicable advisory councils to the foundations such as now exist for the Pharmaceutical Foundation and the Geology Foundation and that the Director of the Development Board be an ex officio nonvoting member of each such advisory council.

3.2 Authorized Internal Foundations:

<u>Foundation</u>	<u>Date Established</u>
John Charles Townes Foundation (School of Law, Main University)	1941
Pharmaceutical Foundation of the College of Pharmacy (Main University)	1949
Fine Arts Foundation of the College of Fine Arts (Main University)	1950
Architectural Foundation of the School of Architecture (Main University)	1952
Genetics Foundation of the Zoology Department (Main University)	1952

College of Business Administration Foundation (Main University)	1953
The Psychological Research Foundation of The University of Texas (Main University)	1953
Geology Foundation (Main University)	1953
Arts and Sciences Foundation (Main Univer- sity)	1955
Engineering Foundation (Main University)	1955
Teacher Education Foundation (Main Univer- sity)	1956

3. 3 External Foundations.

3. 31 That the establishment of external foundations over which the University has no control be prohibited in instances where the Administration and the Board of Regents have such authority, and in all other instances be discouraged.

3. 32 That wherever such external foundations exist or come into being, the Development Board should establish a working relationship with the officials of the foundation and should seek to coordinate their activities in such a way as to bring them into line with the general policies of the Development Board and those of the Administration and the Board of Regents. Such coordination would not be intended to dampen the enthusiasm or alienate the affections of persons wishing to assist the University, but rather, if possible, to direct their energies through established University channels.

Sec. 4. Naming of Buildings and Research Units (including Laboratories and Clinics). -- Buildings and research units (including laboratories and clinics) of the University shall not be named in honor of a person because of distinguished service to the University, to Texas, or to the United States, until the bearer shall have been dead at least ten years and a nomination accompanied by reasons shall have been obtained from the institutional faculty by the Board; provided that the foregoing shall not necessarily apply when naming buildings and research units (including laboratories and clinics) donated to the University by individuals.

Sec. 5. Flags at Half Mast. -- Flags at any of the component institutions of The University of Texas shall be placed at half mast on the death of a Regent, the death of a member of the teaching or non-teaching staff or a student in residence at the institution, and at such other times as deemed appropriate by the institutional heads.

Sec. 6. Medical and Hospital Services. --No medical or hospital services shall be provided by any component institution of The University of Texas to any person without compensation or reimbursement to The University of Texas, except that in the cases of hospitals operated by The University of Texas, which under the law are open to the general public, free or partly free medical and hospital services may be rendered to persons who are indigent and who are able to offer proof that they are not financially able to pay either all or any part of their hospital or medical expense.

Sec. 7. University Policy in Regard to Debts of Students.

7.1 The University is not responsible for debts contracted by individual students or by student organizations. On the other hand, the University expects all students and student organizations to conduct themselves honorably in all commercial transactions. The University will not assume the role of a collection agency for organizations, firms, and individuals to whom students may owe bills, nor will the University adjudicate disputes between students and creditors over the existence or the amounts of debts.

7.2 A student, however, is expected to perform his contractual obligations and in the event of conduct on the part of a student clearly demonstrating a flagrant disregard of his commercial obligations (refusal to pay or meet admitted debts or obligations will be thus construed), action will be taken appropriate to the age of the student and other circumstances:

7.21 In the event of such conduct, the parents of minors will be notified and requested to intervene.

7.22 In the case of a married student or a student over 21 years of age, the student will be requested to make prompt payment or to negotiate a reasonable plan for payment with his creditor or creditors.

7.23 In the event that the actions prescribed in (7.21) and (7.22) above do not result in the payment or agreement to pay admitted obligations, one or more of the following actions, as determined appropriate in the particular case, may be taken:

7.231 A bar against readmission of the student.

7.232 Withholding of the student's grades and official transcription.

7.233 Withholding of a degree to which the student otherwise would be entitled.

CHAPTER V I

THE GRADUATE SCHOOL

- Sec. 1. Functions.-- The Graduate School is the agency responsible for the graduate program, including graduate study, instruction, research, and other activities related thereto. The graduate program, however, shall not include the M. D. and D. D. S. degrees at the medical and dental branches of the University or such other exceptions as the Board of Regents may approve on recommendation of the President.
- Sec. 2. The Dean of the Graduate School. -- The Dean of the Graduate School shall be appointed upon recommendation of the President. He shall be directly responsible to the President on matters concerning the broad system-wide administration and organization of the Graduate School; the Vice-President and Provost of the Main University shall be kept informed of any administrative or organizational plans or changes which affect the Office of the Dean of the Graduate School section of the Main University budget. The Dean shall be the responsible administrative officer of the Graduate School and shall advise the institutional heads and the President concerning current and proposed graduate teaching and research policies of the University.
2. 1 When proposed policies or plans affect the teaching or research programs of the component institutions, the Dean of the Graduate School shall keep the chief administrative officers of the component institutions affected, and the undergraduate deans of the schools or colleges of the Main University directly involved, fully informed at all stages in planning and development, and shall submit all recommendations of policy and action to the chief administrative officers of the institutions directly concerned who shall transmit these recommendations to the President with their own comments and recommendations.
2. 2 He shall consult and advise with the Vice-President and Provost in the preparation of the annual budgets of the teaching

departments of the Main University and the research budgets directly related to graduate instruction at that institution; and he shall consult and advise with the chief administrative officers of the other component institutions concerning their graduate teaching budgets and their research budgets which are directly related to graduate instruction.

- 2.3 Research assignments or grants at the Main University involving reduced teaching loads recommended by the Graduate Dean, or by committees or councils responsible to him, shall have the prior approval of the dean of the undergraduate school or college affected, and shall be transmitted for approval to the Vice-President and Provost.

Sec. 3. Institutional Graduate School Administrators. -- Institutional Graduate School administrators for each component institution of the University, other than Main University, where graduate work is given shall be recommended, with appropriate title, by the Dean of the Graduate School with the concurrence of the executive head of each such component institution of the University for annual appointment by the President, subject to the approval of the Board of Regents. Such appointees shall be responsible to the Graduate Dean in matters relating to the operation of the Graduate School.

Sec. 4. Graduate Advisers. -- One member of the Committee on Graduate Studies in each academic area shall be appointed as Graduate Adviser by the Graduate Dean, after consultation with the department chairman and undergraduate dean concerned and with members of the Committee on Graduate Studies. His duties and responsibilities shall include the following:

- 4.1 He shall be the representative of the Graduate Dean in all matters pertaining to the advising of graduate students taking major work in that academic area.
- 4.2 He shall register each graduate student and act on adds, drops, section changes, and special examinations.
- 4.3 He shall receive a record of each student's work for previous degrees and copies of registrations and grades in work at this University.
- 4.4 He shall send students to the Graduate Dean for exceptions requiring action by the Dean or the Graduate Council.
- 4.5 He shall give students information about graduate work and shall send students to other faculty members for advice about courses.

- 4.6 He shall act as an assistant to the Dean of the Graduate School in all matters that may be assigned.

Sec. 5. The Graduate Faculty.

- 5.1 Membership. -- Nominations for membership in the Graduate Faculty shall be made by the appropriate Committee on Graduate Studies; however, in exceptional cases, the Graduate Council may accept applications initiated in other ways.
- 5.11 Nominations, after their initiation, shall then be considered by the Committee on Membership of the Graduate Council, whose recommendations shall be presented to the Graduate Council. The recommendations of the Council shall be sent to the Dean of the Graduate School, whose affirmative decision shall be reported to the institutional head and the President.
- 5.12 Considerations in Making Nominations. -- The nominating committees shall consider the following items in making their nominations:
- 5.121 The candidate's national reputation as a scholar in his field as judged by several of the criteria listed below:
- Publication of several articles in a national or international scholarly journal.
 - The writing of a scholarly book or a substantial article.
 - The writing of several significant book reviews in national scholarly journals.
 - Several artistic performances or artistic creations of professional caliber.
 - Invitations to present scholarly lectures at first-class institutions outside the State.
 - Invitations to participate in symposia sponsored by national scholarly organizations.
- 5.122 The successful teaching of graduate courses in a first-class institution for several years.
- 5.123 The successful direction of master's theses and/or doctoral dissertations which are recognized as being of good quality by the experts in the field. It is expected that several of these will have been published.
- 5.124 Exceptions may be made for particularly outstanding men from government, industry, or the professions.

5.2 Associates.

- 5.21 Associates of the Graduate Faculty shall be appointed by the Dean upon recommendation of the appropriate Committee on Graduate Studies. All such appointments shall terminate on August 31 of even-numbered years.
- 5.22 An Associate shall be eligible to supervise master's theses; and under exceptional circumstances and by request of the appropriate Committee on Graduate Studies and on approval of the Dean of the Graduate School, an Associate may be permitted to supervise specific doctoral dissertations, in general not exceeding a total of three during the entire period of his status as an Associate of the Graduate School.
- 5.23 Authorization to teach graduate courses other than thesis or dissertation courses shall not constitute appointment as an Associate of the Graduate Faculty.

Sec. 6. The Graduate Legislative Council.

- 6.1 Composition of the Council. --The Graduate Legislative Council shall consist of the following members:
- 6.11 Ex officio Members without Vote:--The President of the University, the Dean of the Graduate School (with casting vote), the Associate Dean of the Graduate School (casting vote when presiding), the administrative heads of all branches of the University, colleges and schools (which are not subdivisions of colleges). However, the administrative heads of the Graduate School of Library Science and the Graduate School of Social Work shall be entitled to seats with vote until such time as there shall be in such designated school one or more members of the Graduate School eligible for nomination and election to the Council. Ex officio members of the Council shall not be eligible for nomination and election to the Council.
- 6.12 Elected Members with Vote:--The elected voting members shall be apportioned among the following branches, and electoral divisions of the Main University:
- 6.121 Main University:
- College of Arts and Sciences:
- Electoral Group A - Bacteriology, Botany, Chemistry, Geology, Physics, Zoology, Home Economics, Mathematics
- Electoral Group B - Anthropology, Economics, Geography, Government, History, Philosophy, Psychology, Sociology

Electoral Group C - Classical Languages,
English, Germanic Languages, Ro-
mance Languages

Electoral Group D - School of Journalism

College of Engineering

College of Education

College of Business Administration

College of Fine Arts

College of Pharmacy

School of Architecture

Graduate School of Library Science

Graduate School of Social Work

6.122 School of Medicine (Medical Branch)

6.2 Future Apportionment of Seats.

6.21 Until 1960 the apportionment of seats on the Legislative Council among the electoral divisions of the University shall remain as adopted in 1956. In 1960, and every fourth year thereafter, the Dean of the Graduate School shall appoint a committee to recommend to the Legislative Council a plan for apportioning its seats among the electoral divisions, which, when adopted by the Council, shall become effective at the next election.

6.22 Each branch of the University shall be entitled to elective representation on the Council whenever the number of faculty members directing graduate work at such branch, in relation to the ratio of representation at the Main University, warrants such representation.

6.3 Method of Election.

6.31 Main University.

6.311 The members of the graduate faculty of each electoral division having two or more members shall nominate and elect their representatives in a primary and final election, the latter to be conducted according to the Hare system of proportional representation. The names of the candidates receiving the highest number of votes in the primary equal to twice the number of places to be filled shall be placed on the final election ballot.

6.312 The members of the Graduate Faculty of each electoral division having one representative shall nominate and elect their representative in a primary and an election, the election

ballot to contain the names of the two receiving the largest number of votes in the primary.

- 6. 313 No department shall have more than two members on the election ballot.
- 6. 32 Other Component Institutions. --Members of the Graduate Faculty at a component institution of the University, other than the Main University, shall nominate and elect their representatives in the same manner provided for the electoral divisions of the Main University. In case no members of the Graduate Faculty are in residence at a branch of the University in which graduate instruction has been authorized, those members actively participating in approved graduate courses shall be entitled to nominate and elect one representative.
- 6. 4 Time of Election; Terms of Members.
 - 6. 41 Primary elections shall be held on the third Tuesday in April of odd-numbered years.
 - 6. 42 Final elections shall be held on the second Tuesday in May following the primary election.
 - 6. 43 Special elections to fill vacancies shall be held as occasion arises.
 - 6. 44 The Secretary of the Graduate Faculty of the Main University for the first election, and the Secretary of the Graduate Legislative Council thereafter, shall be responsible for the holding and conduct of primaries and elections provided herein. The Secretary may request the assistance of the heads of branches, colleges, and schools in carrying out this responsibility.
 - 6. 45 The elected members of the Council shall serve for a term of two years, and no members shall be eligible to serve for more than two full successive terms.
 - 6. 46 Members of the Council shall take office on the third Monday in September following their election. Members filling vacancies shall take office immediately after their election.
- 6. 5 Attendance by Members of Graduate Faculty at Legislative Council Meetings. --Any member of the Graduate Faculty of the Main University or any member of a branch electorate may attend meetings of the Council and, with permission of the Council, may speak.
- 6. 6 Organization of Graduate Legislative Council.
 - 6. 61 Presiding Officers.--The Dean of the Graduate School shall preside and have a casting vote. In his absence,

- the Associate Dean of the Graduate School shall preside and have a casting vote. In the absence of both, the Council shall elect a chairman pro tempore from among its voting members.
6. 62 Secretary of the Graduate Legislative Council. -- The Council shall elect annually, at the regular meeting in the spring semester, a secretary from among the members of the Graduate Faculty at the Main University. He shall:
6. 621 Send out all notices and communications; prepare the agenda; keep an attendance record and record of proceedings; receive all communications; and preserve all records of the Council.
6. 622 Supervise the conduct of primaries and elections.
6. 623 Classify all legislation as (a) Emergency, (b) Minor, or (c) Major. This classification may be revised by the Council.
6. 624 Report recommendations of the Council to the Graduate Dean.
6. 625 Refer all matters classified as major to the members of the Graduate Faculty of the Main University and to those approved for graduate instruction at other branches.
6. 626 Distribute minutes of meetings to members of the Legislative Council, to all other graduate faculty members who request copies, and to the Board of Regents.
6. 627 Present an annual report to the Graduate Faculty and to graduate teachers at other branches; also copies to the secretaries of the General Faculty at the Main University and of the appropriate faculties of the other branches.
6. 63 Meetings. -- The Graduate Legislative Council shall hold a regular meeting once each semester at the Main University at such time as it shall determine by its rules of procedure and may be called at other times by the Graduate Dean or upon request of five of its elected voting members. Called meetings may be held at places other than the Main University.
6. 64 Procedure.
6. 641 The general authority shall be Robert's Rules of Order.
6. 642 A quorum shall be a majority of the elected voting membership.
6. 643 Three elected members may demand a record vote.

- 6.644 The Order of Business shall be determined by the Council.
- 6.65 Committees. -- The Graduate Legislative Council may create from time to time such standing or special committees as it may desire consisting of its own members, or of nonmembers entitled to vote in the election of voting members of the Council, or of a combination of the two.
- 6.7 Authority and Functions of the Graduate Legislative Council. -- In general, the Graduate Legislative Council shall exercise all legislative powers and duties for the University as a whole that formerly were exercised for the Main University by the Graduate Faculty of the Main University and its legislative authority shall supersede that of the Graduate Faculty of the Main University. These powers and duties shall include:
- 6.71 Determination of standards for the admission and retention of students in the Graduate School.
- 6.72 Recommendation of new graduate degree programs and their requirements as well as changes in existing graduate programs.
- 6.73 Approval of graduate courses.
- 6.74 Establishment of criteria for membership in the Graduate Faculty.
- 6.75 Establishment of policies relating to graduate studies, research, and faculties for the University as a whole.
- 6.8 Emergency and Minor Legislation. -- Emergency and minor legislation enacted by the Graduate Legislative Council shall be referred to the Vice-President and Provost of the Main University for transmission with recommendation to the President and the Board of Regents. Emergency legislation shall be in effect from the date of its enactment and continue in effect unless disapproved by the President or Board of Regents.
- 6.9 Major Legislation.
- 6.91 The Council's initial decisions with respect to major legislation shall not go into effect for a period of two weeks after such decisions are made. Such major legislation shall within this period be circularized among the regular members of the Graduate Faculty of the Main University and the faculty members entitled to vote for Council members in other branches of the University as a whole. In the event that any five regular members or a majority (whichever is the lesser) of the voting members of any other branch of

the University shall request it within the two-week period, the Council shall reconsider its initial action on such major legislation at a special meeting called promptly thereafter for the purpose, at which meeting those presenting the request and other voting members may appear to oppose the final enactment of such legislation. After such hearing the Council shall send its final recommendations to the Vice-President and Provost of the Main University for transmission with his recommendations to the President and the Board of Regents.

6. 92 Major legislation may be initiated outside the Council by any five regular members of the Graduate Faculty of the Main University or by five members or a majority (whichever is the lesser) of the voting members of any other branch of the University entitled to representation on the Council, which proposals the Council shall be required to consider. Any of the ex officio members of the Council may initiate legislation within the Council as may voting members.

6.(10) Appeals by Faculty from Recommendations of Legislative Council. --Appeals concerning recommendations of the Graduate Legislative Council may be addressed to the President and the Board of Regents by the Graduate Faculty in a branch of The University of Texas where graduate work is offered or proposed. When an appeal has been voted by the faculty in any branch, the Secretary of the Graduate Legislative Council shall notify the secretaries of the faculties in all the other branches for study and action by those faculties.

6.(11) Special Meetings of the Graduate Faculties of Component Institutions. --Special meetings of the Graduated Faculty of the Main University or of the voting members of the other branches of the University may be held whenever the Graduate Dean or the administrative head of such other branch shall desire, or upon petition of five members of the Graduate Faculty of the Main University, or of five members or of a majority (whichever is the lesser) of the voting members in other branches. Such meetings may recommend legislation for submission to the Council.

Sec. 7. The Graduate Council.

7. 1 Composition. --The Graduate Council shall be composed of six members of the Graduate Faculty, the Secretary of the Graduate Legislative Council, and the Associate Dean of

the Graduate School at the Main University, all with vote. The six members of the Graduate Faculty shall be selected by the Dean of the Graduate School, who may invite nominations for these positions from the Graduate Faculty. In constituting the Graduate Council the Dean shall give attention to securing the broadest possible representation to all areas of graduate instruction.

- 7.2 Terms of Office. --The six members of the Council selected from the Graduate Faculty shall serve terms of six years each, the terms being so staggered that one will expire each year on September 1. An interval of two years must elapse before any Council member can be reappointed.
- 7.3 Committees of the Graduate Council.
- 7.31 The Dean of the Graduate School shall appoint such administrative committees as the Council may determine to be necessary to the proper discharge of its functions. These committees shall report to the Graduate Council in such manner as the Council or the Graduate Dean shall direct.
- 7.32 The Dean shall appoint from the members of the Council a chairman of each committee and, in consultation with its chairman, appoint its additional members from the members of the Graduate Faculty.
- 7.4 Duties. --The Graduate Council shall have the following duties and responsibilities:
- 7.41 It shall be the chief policy advisory agency to the Dean of the Graduate School in the administration of the graduate program of The University of Texas.
- 7.42 It shall assist the Dean in the formulation of policies that may be presented to the Graduate Legislative Council.
- 7.43 It shall make final recommendations on proposals concerning graduate courses and their teachers, nominations for membership in the Graduate Faculty, and all petitions concerning the graduate program.

Sec. 8. Committees on Graduate Studies.

- 8.1 Membership. --In each major academic area in which graduate work is offered, as determined by the Graduate Council, there shall be a Committee on Graduate Studies. This Committee shall be composed of all persons in that area who have been appointed as members of the Graduate Faculty. The Committee shall select its own chairman.

8.2 Duties.

- 8.21 Recommendations concerning new degree programs, new graduate courses, changes in graduate courses, and designation of teachers of graduate courses shall be made by the Committee on Graduate Studies of the appropriate academic area to the Graduate Council. These recommendations shall be reviewed by the undergraduate dean concerned, or by the appropriate administrative officer of the budgetary unit of the University, relative to their budgetary and personnel implications, and then sent to the Graduate Dean for consideration by the Graduate Council.
- 8.22 Each Committee on Graduate Studies shall be in charge of the admission to candidacy for all graduate degrees in its academic area.

Sec. 9. Authorization to Teach Graduate Courses. -- Authorization to teach graduate courses shall be given by the appropriate Committee on Graduate Studies subject to approval by the Graduate Dean.

CHAPTER V I I

ENACTMENT AND AMENDMENT

- Sec. 1. Repeal of Existing Rules in Conflict Herewith. --All rules, orders, and regulations heretofore enacted by the Board of Regents which are in conflict with these Rules and Regulations are hereby repealed.
- Sec. 2. Format for Rules.
- 2.1 The Rules and Regulations for the Government of the University concern the organization and functioning of the Board of Regents, the administrative structure for governing the University system, over-all personnel and fiscal management, and other rules applicable generally to all of the institutions comprising The University of Texas.
- 2.2 Rules and regulations relating specifically to each component institution of the University system, as differentiated from rules of general application, shall be contained in an Institutional Supplement for each component institution. Until such rules and regulations have been promulgated and adopted for a particular institution, the rules and regulations presently in effect for that institution shall continue in full force and effect unless superseded by provisions in these Rules and Regulations.
- 2.3 These Rules and Regulations are organized in two parts. Part One shall, in general, contain all rules and regulations other than those of a fiscal nature. Part Two shall consist of the fiscal rules and regulations of the Board.
- Sec. 3. Official Copies.
- 3.1 The official copies of The Rules and Regulations for the Government of The University of Texas and of each Institutional Supplement shall be maintained in the Office of the Board of Regents.
- 3.2 Copies of these Rules and Regulations and of the Institutional Supplements shall be in the possession of the members

of the Board of Regents, the President, the institutional heads, and such other persons and offices as the President shall designate.

Sec. 4. Amendment of Rules and Regulations.

- 4.1 The rules and regulations contained herein may be added to or amended by a majority of all of the members of the Board at any duly called meeting; provided, however, that any proposed amendment to Part One of these rules and regulations must first be filed with the Secretary of the Board, in writing, and a copy thereof given to each member of the Board not less than thirty (30) days before the meeting at which it is adopted, or such proposed amendment to Part One must receive the required vote at two duly called meetings of the Board.
- 4.2 Amendments and additions to Part Two of these rules and regulations shall not require such prior notice or approval at two meetings.
- 4.3 Classification of material under Part One and Part Two of these rules and regulations shall be made by the President subject to change by the Board.

Sec. 5. Distribution of Amendments. -- After any change in these rules and regulations or in the institutional supplements, the Secretary of the Board shall conform the official copies and shall send corrected pages containing such changes for substitution in copies in the possession of members of the Board, administrative officers, or others on an official list in the Office of the Secretary of the Board.

*Official copy
accepted
Jan. 1960*

PART TWO

Part Two consists of rules and regulations which are fiscal in nature. These may be deleted or amended by the Board of Regents without the necessity for prior notice or action.

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C H A P T E R 1

GENERAL

Sec. 1. Gifts to the University.

1. 1 The authority to accept gifts to the University or to any of the component institutions is vested in the Board of Regents.
1. 2 Recommendations for the acceptance of gifts showing details as to value, form, stipulations regarding use, and provisions for custody and disbursement of funds shall be transmitted by the institutional head to the President and by him, with recommendations, to the Board of Regents. These provisions, however, do not apply to contracts with public agencies.
1. 3 The authority to accept gifts to a component institution is delegated to the institutional head when the gift is to a fund, foundation, or enterprise already approved by the Board of Regents or is a continuation of a series which has been previously approved by the Board. Such gifts shall be reported to the Board by the dockets of each component institution.
1. 4 Each administrative head is empowered to accept cash gifts to The University of Texas of \$100 or less, within the policies of the Board of Regents and Legislature governing the acceptability of gifts, and to deposit such gifts to the appropriate accounts. A semiannual report of such gifts shall be filed in the Office of the Board of Regents within thirty (30) days after August 31 and February 28 of each year.
1. 5 Except as provided in the preceding sections, no member of any staff has the power to accept gifts of money to the University or to any of its component institutions. Gifts to the component institutions of books or other objects of very small value and very obvious propriety, without conditions attached, may be accepted by individual members of the staffs provided these gifts are reported promptly to the institutional head. Such gifts need not be reported to the Board.

1. 6 The University will not accept a gift for the benefit of any designated student unless the donor is exempt from Federal Income Taxes as defined by the Commissioner of Internal Revenue.
1. 7 The acceptance of gifts of real property is prohibited without prior express approval of the Legislature except for establishing scholarships, professorships, or other trust funds for educational purposes and then only on condition that such gifts must not later require legislative appropriations for maintenance, repair, or construction of buildings. (Current Appropriation Bill)

Sec. 2. Fellowships, Scholarships, and Loan Funds.

2. 1 After gifts for fellowships, scholarships, and loan funds have been accepted by the Board of Regents, as indicated previously, they are administered jointly by designated committees and the business office of each component institution.
2. 2 In the case of scholarships and fellowships, the appropriate committee, or designated individual, receives applications, makes the necessary inquiries, and determines the award. The committee advises the institutional head of the award and he, in turn, approves and forwards the notice of award to the business office. Payments on scholarships and fellowships are made through the business office of the component institution.
2. 3 In the case of loan funds, the appropriate committee receives applications for loans, makes the necessary inquiries, and approves or declines the original loan as well as all renewals and extensions. The chairman notifies the business office of the granting of loans, and all records including notes, cash, accounts and collections are thereafter handled by that office. The principal of loan funds is kept intact so far as is possible. The chairman of the awarding committee may be requested by the business office to assist in collection of past due interest or principal.

Sec. 3. Tuition and Other Fees. -- Tuition and other fees will be fixed as prescribed or as authorized by statute, and will be set out in the institutional catalogue.

Sec. 4. Fiscal Year. -- The fiscal year of the University shall be September 1 through August 31.

C H A P T E R I I

ACCOUNTING, AUDITING, REPORTING, AND BUDGETARY CONTROL

Sec. 1. Types of Funds.

1. 1 General Funds. --General Funds are those unrestricted, operating funds which are available for any purpose. They are expended in accordance with the budgets and appropriations approved by the Board of Regents. General Budget Funds balances shall not be reappropriated from one fiscal year to another unless specific approval is given the institutional head and the business officer by the President and the Board of Regents.
1. 2 Special Activities Funds. --Special Activities Funds are general funds restricted by the University; the income and expenditures are ordinarily related to a particular department. With few exceptions, expenditures are limited to the income derived from the project. They are subject to the same restrictions as General Budget Funds although balances are automatically reappropriated at the end of each fiscal year.
1. 3 Current Restricted Funds. --Current Restricted Funds are those received from individuals, firms, agencies, corporations, etc. , or income derived from private endowments, to be used only for a particular purpose or project, specified by the donor, such as research, conferences, scholarships, fellowships, etc. The period of use is usually designated in the agreement approved by the Board of Regents. Balances at the end of a fiscal year shall be carried forward to the succeeding year unless otherwise specified.
1. 4 Agency Funds. --Agency Funds are funds handled through the institutional business office as the agent of the owner, after approval by the institutional head, the President, and the Board of Regents through the Institutional Docket. Balances shall be carried forward from year to year unless otherwise designated. Agency Funds shall be expended in accordance with the limitations of the agency agreement and the applicable Rules and Regulations of the Board of Regents.

Sec. 2. Accounting.

- 2.1 The financial accounts of the University 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 Volume I of "College and University Business Administration" (1952) published by the American Council on Education. Where those recommendations conflict with statutes applicable to the University or to official orders of the Texas Commission on Higher Education, the latter shall be controlling.
- 2.2 All accounting records and procedures shall be subject to the approval of the institutional business officer and the University Comptroller.
- 2.3 The business office of each component institution shall be the central office for accounting control for all financial transactions of the institution. The institutional business officer shall confer with departmental and administrative officials and instruct them concerning the records of financial transactions to be kept by the departments.
- 2.4 Each departmental head shall keep an account of funds and property for which he is responsible, as detailed as necessary to supplement the business office records and to furnish accurate information on receipts, credits, expenditures, and other charges.
- 2.5 Records shall be kept for each fiscal year.
- 2.6 All expenditures must be in accordance with the approved budget.
- 2.7 Statements of departmental accounts shall be prepared monthly by the business office and shall be sent periodically to the department heads who will compare their records with those of the business office and report any differences promptly to the business office.
- 2.8 A person in each department may be designated by the department head, with the approval of the institutional head, to sign vouchers, requisitions, etc., in his absence. These designations shall expire at the end of a fiscal year, or sooner if specified, and must be renewed each year.

Sec. 3. Auditing.

- 3.1 The institutional business officer is initially responsible for the preaudit of all business items. Financial transactions concerning the receipt, custody, and disbursement of moneys shall be preaudited to the extent necessary under the institutional accounting procedures and system of internal control, the fiscal regulations, and statutes or laws applicable to the University.
- 3.2 The preaudit of disbursements and other transactions shall be a part of the regular accounting procedures of the business offices. Postaudits of various units and departments shall be performed as directed by the institutional business officer or the University Comptroller.
- 3.3 Although the University Comptroller is responsible for the internal postauditing of business transactions affecting the component institutions, this work shall be done under the supervision of the business officers of the component institutions and the Branch College Auditor.
- 3.4 The business records of accounts and other records shall be verified and authenticated within the budgets, regental actions, and statutory requirements.
- 3.5 The Branch College Auditor, under the supervision of the University Comptroller, shall be initially responsible for the post-audit of business activities at the component institutions, except the Main University. He shall conduct the audits in accordance with accepted auditing standards, including necessary tests of the records. He shall make a written report of each audit, calling attention to any transactions which may not be in accord with legal requirements, institutional accounting principles, and institutional policies and regulations.
- 3.6 The State Auditor, under State law, shall be responsible for the external audit of the University's books.

Sec. 4. Reporting.

- 4.1 All financial reports shall be prepared in accordance with the provisions of the statutes, official orders of Texas Commission on Higher Education, and the directives of the Board of Regents and in conformity with the Manual, "College and University Business Administration," referred to above. The

forms shall be prepared by the institutional business officer and approved by the University Comptroller.

4. 2 Two reports, both of which shall be prepared under the direction of the institutional business officer and the University Comptroller, shall be prepared annually by the University:
 4. 21 Annual Financial Report. --On or before December 29, printed financial reports, set up in accordance with the forms recommended in Volume I, "College and University Business Administration" (1952) shall be filed with the Texas Commission on Higher Education. The certificate of audit of the State Auditor is to be included if his report has been completed.
 4. 22 Salary Payment Report. --On or before December 31 each year, an itemized schedule shall be prepared of salaries and wages paid all employees for services during the preceding fiscal year out of any funds from any source or character under the control and/or custody of the Board of Regents, showing for each employee the total amount paid from each source during the twelve months of the fiscal year, the title of the position held or kind of service rendered, and a summary of all expenditures by departments. Two copies of this report shall be prepared, one copy for the Office of the Secretary of the Board of Regents and one copy for the Office of the Comptroller.
4. 3 A monthly financial report shall be prepared by each business office and distributed to administrative officials and to the Office of the Secretary of the Board of Regents.
4. 4 Quarterly financial reports reflecting income receipts, approved budget changes, and expenditures for each component institution shall be prepared by Central Administration.
4. 5 Other reports, such as the quarterly report to the Bureau of the Census, may be made from time to time as well as internal reports pertaining to estimates of income, budgets, etc., but only those considered essential to effective administration shall be requested from the institutional business office.

Sec. 5. Annual Budgets.

5. 1 Annual budgets for all the component institutions shall be approved by the Board of Regents within the budget estimates of income prepared by the institutional business officer and the institutional head.

- 5.2 General policies for the budget preparation shall be recommended by the President to the Board of Regents and shall be followed in preparing the budgets. Instructions for details of budget preparation shall be furnished to the institutional heads by Central Administration.
- 5.3 The institutional head shall issue local instructions and shall furnish forms to the budget recommending officials. Their recommendations for salaries, maintenance and operation, equipment, travel, and other pertinent items shall be reviewed by the institutional head and transmitted, with his recommendations, to the President for review and final recommendation to the Board.
- 5.4 Rules and procedures for budget administration shall be prepared by Central Administration, approved by the Board of Regents, and shall be included in the completed budgets.

Sec. 6. Biennial Budget Requests.

- 6.1 The University shall submit biennial budget requests as may be required to the Texas Commission on Higher Education, to the Legislative Budget Board, and to the Executive Budget Office in the form and at the time prescribed.
- 6.2 These requests shall be prepared in conformity with the same general procedures as outlined above for the annual budgets:
 - 6.21 Approval of budget writing policies by the Board of Regents upon recommendation of the President.
 - 6.22 Preparation of the budget of expenditures by the institutional head in conformity with these policies.
 - 6.23 Approval of the finished budget by the President and the Board of Regents.
- 6.3 The estimates of income shall be included in the biennial budget requests prepared by the institutional business officer and the institutional head.

C H A P T E R I I I

RECEIPT, CUSTODY, AND DISBURSEMENT OF MONEYS

Sec. 1. Receipts, Cash Registers, and Admission Tickets.

- 1.1 No department, division, or individual staff member is authorized to receive money in the name of the University without prior approval of the institutional business officer and institutional head.
- 1.2 An official receipt in the form prescribed by the institutional business officer shall be issued for all moneys received.
 - 1.21 Where the volume of sales justifies their use, cash registers shall be used with recording tapes listing the amount of each sale. When cash registers are not used, cash sales tickets or receipts shall include, if practical, the name of the purchaser, itemization, and price of the articles sold.
 - 1.22 Admission tickets, including complimentary tickets, shall have the price of admission indicated thereon, and all such tickets shall be prenumbered, except for certain events where the section, row, and seat number are shown. Admission tickets and coupon books shall be purchased for delivery to the institutional business office and issued to the department concerned. Unused tickets or books shall be returned along with a prescribed ticket report to the business office within 30 days from the date of the event, and all receipts from such sales shall be deposited in the business office as outlined later.
 - 1.23 A list showing the names of all persons receiving complimentary tickets shall be furnished the business office as a part of the prescribed ticket report.

Sec. 2. Deposits with Institutional Business Office.

- 2.1 Money received by all departments from all sources shall be deposited in the institutional business office using an official form. The deposits shall be daily if the receipts are \$50 or

more, and weekly even if the accumulation is less than \$50. When cash is included, the deposit shall be made in person by a departmental representative to whom an official receipt is issued.

- 2.2 Cash overages are deposited in the business office; notations pertaining to cash over or short shall be included on the deposit form.
- 2.3 Petty cash funds for making change shall be provided only on approval of, and by arrangement of, the department with the institutional business officer. Petty cash funds from which disbursements will be made shall have the approval of the institutional head as well.

Sec. 3. Deposits with the State Treasurer.

- 3.1 The appropriation bill requires that all cash receipts at the Main University and at Texas Western College be deposited in the State Treasury with the exception of those from auxiliary enterprises, noninstructional services, student service fees, student activity fees, parking fees, agency and restricted funds, endowment funds, student loan funds, and Constitutional College Building Amendment Funds.
 - 3.11 To facilitate the transferring of institutional receipts to the State Treasury, it is provided that each institution may open a clearing account in a local depository bank to which it deposits all receipts daily.
 - 3.12 Not less than every five days, the institutional business officer shall make remittances to the State Treasury in the form of checks drawn on the clearing account except that a balance of not more than \$500 may be maintained.
 - 3.13 The money deposited in the State Treasury shall be paid out via State warrants.
- 3.2 At its option, the University may use its local depository General Funds bank accounts instead of the special clearing account within the general requirements for deposits and transfers to the State Treasury.
- 3.3 The University, by law, is authorized with the approval of the State Comptroller to maintain Revolving Funds to facilitate the payment of nominal expenses - to pay bills within cash discount periods.

3. 31 When authorized by the State Comptroller, the University may use the revolving fund for regular monthly payrolls as well as for weekly and special payrolls.
3. 32 Disbursements from the revolving funds are reimbursed from state appropriations on claims filed with the State Comptroller under regularly prescribed procedures. One voucher and one warrant may cover a number of claims for this purpose. Reimbursement claims must meet the same requirements as other claims against state appropriations. Each institution shall prepare a reimbursement claim as of the close of business on the last day of each month or more often as may be expedient to avoid maintaining large revolving funds.
3. 33 The Board of Regents shall determine the amounts of the revolving funds and shall designate a depository bank for each such fund, specifying persons authorized to sign checks drawn on such funds. Depository banks shall secure revolving fund deposits as provided by law.

Sec. 4. Local Institutional Funds.

4. 1 All local income, not required to be deposited in the State Treasury, must by law be deposited in local depository banks for safekeeping. Requests for new depository bank accounts and for any authorized signatures to be accepted by the bank must have the approval of the University Comptroller and the President who shall notify the bank and others concerned. Depository agreements with the local banks shall be negotiated by the University Comptroller with the assistance of the institutional business office and the institutional head and shall be submitted to the President and Board of Regents for approval.
4. 2 Depository banks selected shall furnish adequate surety bonds or securities to assure safety of these funds. Local funds shall be deposited in the depository banks within five days from the date of collection. Such funds are usually carried as demand deposits; however, they may be carried as time deposits at a negotiated interest rate.
4. 3 The Board of Regents and the institutional heads may not, by law, borrow money from any person, firm, or corporation to be repaid from local funds except as specifically authorized by the Legislature.

Sec. 5. Charge Sales. -- The University is not allowed, by law, to sell property or service on credit.

Sec. 6. Sales to Staff Members. --Sales of University property may be made to staff members only after authorization by the Board of Regents through docket approval.

Sec. 7. Vouchers for Expenditures.

- 7.1 Main University Vouchers for disbursement of funds shall be prepared in the departmental offices at the Main University. They shall be signed by the head of the department, or someone recommended by him in writing and appointed by the Vice-President and Provost of the Main University, and such vouchers shall be approved by an authorized person in the auditor's office.
- 7.2 At the other component institutions, vouchers shall be prepared, where possible, in the business offices, and all vouchers shall be approved by the Business Manager or some person to whom he may delegate such authority.
- 7.3 Vouchers shall be prepared on State of Texas Purchase Voucher Form, P-1, consisting of five copies as follows:
 - No. 1 - For State Comptroller (if paid from State funds)
 - No. 2 - For Board of Control (if purchased through Board of Control)
 - No. 3 - For Institutional Business Office
 - No. 4 - For Institutional Department (file copy)
 - No. 5 - For return with check to vendor (sent by business office with payment)
- 7.4 Vouchers are to be coded in the business offices within the approved expenditure codes and, if payable by warrant from the State Treasurer, with the proper expenditure classifications furnished by the State Comptroller.
- 7.5 If two or more invoices from the same vendor and chargeable to the same account are to be paid, payment may be by one voucher, even though covered by more than one requisition and/or purchase order except:
 - 7.51 Separate vouchers shall be prepared for contract and noncontract invoices on purchases through the Board of Control.
 - 7.52 Separate vouchers shall be prepared for invoices for purchases made through the Purchasing Division and Printing Division of the Board of Control.
- 7.6 Cash discounts and credits shall be shown in full on the vouchers and shall include the amount and number of the

invoice, less discount or other credits, and the net amount. Explanations shall be made for all deductions.

- 7.7 A red "Rush - Discount" tag shall be attached to the face of the voucher and, in such cases, they shall be handled separately from other vouchers in the business office.

Sec. 8. Vouchers Payable from State Funds (All funds on deposit in State Treasury).

- 8.1 When materials, supplies, and other items are purchased through the Board of Control, four copies of the Voucher Form are submitted to the business office and Copy No. 1 (or the attached invoice) must be notarized if the amount is more than \$50.
- 8.2 If the amount is \$50 or less, either a notarization or a signed certification is required. The certification, if used, must read as follows:

I certify under the penalty of perjury that this claim has been examined by me and to the best of my knowledge and belief is true and correct.

- 8.3 When purchases are not made through the Board of Control, all copies excepting Nos. 2 and 4 are submitted and Copy No. 1 (or the attached invoice) must be notarized or a certification made as indicated in the preceding paragraph.

Sec. 9. Vouchers Payable from Local Funds (All funds not on deposit in State Treasury).

- 9.1 When materials, supplies, etc., are purchased through the Board of Control, Copy No. 3 may become the original and, if so, Copy No. 1 need not be submitted unless the required notarization or certification appears thereon. Notarization or certification is required as stipulated in the preceding section entitled "Vouchers Payable from State Funds."
- 9.2 When materials are not purchased through the Board of Control, only Copies Nos. 3 and 5 need be submitted, with Copy No. 3 as the original. Notarization or certification is required.

Sec. 10. Outstanding Checks.

- 10.1 Outstanding checks shall be carried on the official accounting

records for the two fiscal years following the year in which they are issued. (Example: if issued in 1953-54, they would be carried through August 31, 1956.) Those still outstanding at the end of the second fiscal year after issue shall be cancelled and written off the official accounting records.

- 10.2 Each business office is expected to make diligent effort to minimize the number of such outstanding checks, particularly those in excess of \$10.

Sec. 11. Institutional Membership Dues. -- University funds shall be used to pay membership fees only in educational, scientific, or other associations of which the University is an institutional member, with initial memberships approved by the Institutional Heads and the President.

Sec. 12. Payrolls.

- 12.1 There are three general types of payrolls, those for (1) regular salaried employees; (2) weekly salaried employees; and (3) hourly salaried employees.
- 12.2 At the Main University, payrolls for all regular salaried employees, except those for Auxiliary Enterprises, shall be prepared in the Payroll Division of the Auditor's Office and approved by the Auditor or Assistant Auditor.
- 12.21 Vouchers and payrolls for weekly and hourly employees, and regular salaried employees in Auxiliary Enterprises, shall be prepared in triplicate on proper forms by the department concerned. They shall be approved by the head of the department, or someone authorized to sign for him, and shall include the name of the payee, accurate calculations of pay, as well as the account to which charge is made.
- 12.22 Those covered by Workmen's Compensation Insurance shall be so indicated.
- 12.23 Two copies shall be transmitted to the Payroll Division for processing and for approval by the Auditor or Assistant Auditor.
- 12.3 At the other component institutions, all payrolls shall be prepared in the business office from regular budgets, appointment forms and letters, time cards, etc., and approved by the Business Manager or a person designated by him.
- 12.4 If payment for regular salaried employees is for less than a month, the salary shall be figured proportionately on the actual number of days in a given month, e. g., 28, 30, 31.

- 12.5 Deductions for income tax, teacher and employee retirement, and social security are made where applicable on all payrolls. At some institutions, hospitalization insurance is also deducted if approved by the Board of Regents.
- 12.6 Dates for distribution of salary checks vary at the component institutions and are announced by the business office.

Sec. 13. Absence from Usual and Regular Duties, Authorization for Absence, Including Travel, and Travel Expense Reimbursement.

13.1 Absence from Usual and Regular Duties.

13.11 Authorization for any member of a faculty or staff of the University to be absent from his usual and regular duties will be granted only under the following conditions:

- 13.111 When such absence is on state business, which shall include, among other purposes, the formal presentation of original researches by an employee before a national, regional, or state learned society, and
- 13.112 When appropriate provisions are made to carry on the duties of the absent person without additional expense to the University.

13.2 Authorization for Absence for Staff Members Whose Regular Duty Does Not Require Travel. -- Authorization for absence from usual and regular duties, including travel from the city or town where the University officer or employee is regularly stationed, will be granted by the Board of Regents, or by the Administrative Officer to whom the Board may delegate authority, only by advance permission obtained as follows:

- 13.21 Request for permission to be absent for a period not in excess of one week (7 calendar days) shall be transmitted through the proper administrative channels to the executive head of the component institution for approval. At the Main University, request for such absence, including travel on official business without expense to the University, shall be transmitted, with reasons therefor, through the departmental chairman or administrative superior to the appropriate dean or equivalent administrative officer for approval; but if reimbursement for travel is involved, the approval of the Vice-President and Provost is required.
- 13.22 Request for permission to be absent for a period in excess of one week but not in excess of two weeks,

- including travel on official business, shall be transmitted through proper administrative channels to the President of the University for approval prior to such absence.
- 13.23 Request for permission to be absent for a period in excess of two weeks (excluding holidays approved by the Board), including travel on official business, shall be transmitted through proper administrative channels to the President of the University and to the Board of Regents or the Executive Committee of the Board for approval prior to such absence.
- 13.24 Request for permission to be absent by the administrative officers and staff of Central Administration shall be approved by the President.
- 13.25 Any travel which contemplates reimbursement from funds appropriated by the Legislature for travel expenses incurred outside the continental limits of the United States must have the written approval of the President of the University and the Governor prior to the travel, in addition to the authorizations required in the appropriate preceding subdivisions.
- 13.26 In lieu of any of the delegations of authority to approve absence from usual and regular duties, including official travel, specified in the above subdivisions, the President of the University may exercise such authority.
- 13.27 The chief administrative officers of the component institutions shall keep records of all approved absences and shall submit detailed summaries periodically to the President for distribution to the Board of Regents.
- 13.28 Approvals of travel shall not be routine or perfunctory, but shall be made only after the executive head, or his authorized representatives, have carefully examined the purpose and need for each trip with a view to the economic and effective utilization of all travel funds.
- 13.3 Approval of Travel Expense Reimbursements.
- 13.31 Travel expenses shall be reimbursed only from funds appropriated or authorized for travel. Heads of component institutions shall plan the travel of all employees under their authority to achieve maximum economy and efficiency.
- 13.32 Travel vouchers for reimbursement of all official travel authorized pursuant to the foregoing provisions shall be approved and signed as follows:
- 13.321 Central Administration - Reimbursement for all travel shall be approved either by the President of The University of Texas or by the Auditor or Assistant Auditor of the Main University.

13.322 Component Institutions - Reimbursement for all travel by employees of the component institutions shall be approved either by the President of The University of Texas or by the administrative officers designated below:

Main University - the Vice-President and Provost, Auditor, or Assistant Auditor.

Texas Western College - the President of Texas Western College or the Business Manager.

Medical Branch, Galveston - Executive Dean and Director or the Business Manager.

Southwestern Medical School - the Dean or the Business Manager.

Dental Branch - the Dean or the Business Manager.

M. D. Anderson Hospital and Tumor Institute - the Director, the Administrator, or the Business Manager.

Postgraduate School of Medicine - the Dean or the Business Manager.

13.33 Per Diem Allowances. -- Travel Status for Continuous Period of Twenty-Four (24) Hours or More - An employee who is traveling on official University business and is in continuous travel for a period of twenty-four (24) hours or more will be reimbursed at per diem rates, in lieu of actual expenses for meals and lodging in accordance with the following:

	Rates	
	In State	Out of State
Per Diem per calendar day	\$9.00	\$15.00
One fourth (1/4) the rate for a calendar day for each period of six (6) hours or fraction thereof	2.25	3.75

13.34 Partial per Diem for Meals and Lodging.

13.341 An employee who is traveling on official University business for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does not involve overnight stay will be reimbursed a partial per diem for meals, in lieu of actual expenses, as follows:

13.411 Breakfast allowance if the employee departs from designated headquarters before 7.00 A. M. (or, in case of

- his return to designated headquarters after 7:00 A. M.) . . . \$1.00
- 13.3412 Lunch allowance if the employee is away from his designated headquarters after 1:00 P. M. \$1.00
- 13.3413 Dinner allowance if the employee is away from his designated headquarters after 7:00 P. M. \$2.00
- 13.342 An employee who is traveling on official University business for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does involve overnight stay will be reimbursed for meals and lodging in an amount not in excess of \$9.00 at the rate of \$2.25 for each six (6) hour period involved or fraction thereof.
- 13.35 Per Diem Allowances - Travel Status for a Continuous Period of Less Than Six (6) Hours.--No partial per diem or actual expenses (except transportation) will be paid an employee who is away from designated headquarters for a period of less than six hours.
- 13.36 Day Defined for per Diem Purposes.
 - 13.361 The calendar day (midnight to midnight) is the unit for computing the per diem allowance.
 - 13.362 For a fractional part of a day at the commencement or ending of continuous travel the six-hour periods of 12:01 A. M. to 6:00 A. M. , 6:01 A. M. to 12:00 Noon, 12.01 P. M. to 6:00 P. M. , and 6:01 P. M. to 12:00 Midnight are each considered to be one quarter (1/4) of a calendar day.
 - 13.363 Computation of per diem shall be on a quarter-day basis, the initial quarter to be that in which travel begins and the final quarter to be that in which travel ends.
 - 13.364 Out-of-State travel status commences at the beginning of the next quarter after the employee in travel status crosses the state line and continues through the quarter in which the employee returns to the state line. Payments for both in-state and out-of-state per diem allowance will not be made for the same period of a calendar day.

13.37 Transportation Allowance.

13.371 Public Conveyance Including Taxis.--An employee traveling by public conveyance is entitled to a transportation allowance equal to the actual cost of transportation, excluding federal tax. Receipts for such public transportation, excluding receipts for city bus, taxi, or limousine fares in amounts of \$2.50 or less, shall be obtained and attached to the employee's expense account when submitted. A detailed list of all claims for public transportation including city bus, taxi, and limousine fares in amounts of \$2.50 or less shall be shown on Travel Expense Account under "Record of Transportation Claimed for Each Trip."

13.372 Private Conveyance.--An employee traveling by private conveyance shall be reimbursed at the rate of eight cents (8¢) per mile on the basis of the shortest practical route between points.

13.3721 Reimbursement for mileage in the State of Texas shall include the use of Farm-to-Market roads. The latest official highway map published by the State Highway Department shall be the official map for use during the current biennium.

13.3722 When two or more employees travel in a single private conveyance, only one shall receive a transportation allowance, but this provision shall not preclude each traveler from receiving a per diem allowance.

13.3723 When two, three, or four officials or employees of Central Administration or of one of the component institutions of the University with the same itinerary on the same dates are required to travel on the same official state business for which travel reimbursement for mileage in a personal car is claimed, mileage reimbursement will be claimed and allowed for only one of the employees except as provided hereafter. If more than four employees attend such meeting or conference in more than one car, full mileage reimbursement shall be allowed for one car for each four employees and for any fraction in excess of a multiple of four

employees. If, in any instance, it is not feasible for these officials or employees to travel in the same car, then prior official approval from the President for Central Administration, or the head of the component institution for employees of that institution shall be obtained and shall be considered as authorization and the basis for reimbursement for travel for each person authorized to use his personal car in such travel.

- 13.38 Reimbursement for Dues or Registration Fees. -- Reimbursement will not be allowed for dues, registration fees, or similar expense incurred in joining or attending any type of organizations or associations unless the membership is in the name of the State of Texas and/or The University of Texas. Reimbursement will not be allowed for the cost of meals that may be included in the registration fees. Receipts for such dues or registration fees shall be obtained and attached to the expense account. If reimbursement is claimed, vouchers shall include a statement that the membership is in the name of The University of Texas.
- 13.39 Exception to per Diem Allowance. -- Subject to the advance written approval of the President of the University, the Executive Head of each component institution may designate one assistant who shall be reimbursed for actual expenses of meals, lodging, and incidental expenses not to exceed Twenty-five Dollars (\$25) per day when traveling on official business either in or out of the State. This authorization, however, shall be valid only for periods not to exceed one week in each instance. The Executive Head of the component institution authorizing such travel allowance shall file with the Comptroller of Public Accounts a written statement as to the purpose of such travel expense incurred by the employee each and every time such designation is made. Travel authorized under this exception to the per diem allowance must be specifically indicated in the required reports.
- 13.3(10) Special Exceptions to Foregoing General Travel Regulations. -- The provisions of the foregoing general travel regulations apply to all employees and all funds but employees may elect to take advantage of the specific exceptions authorized below:
- 13.3(10)1 Contracts. -- Travel allowances under research or other contracts, which are 100 per cent

reimbursable, will follow the terms of the contract, and in the absence of specifications the travel rules and regulations covering payments from Trust Funds will apply.

- 13.3(10)2 Trust Funds. -- Travel allowances paid from Trust Funds, unless otherwise specified under the grant or gift, shall be on the basis of actual expenses incurred in lieu of per diem not to exceed a maximum of \$15.00 a calendar day. Expense incurred under this provision must be itemized so as to show the amount expended each day for meals and lodging. All public transportation expenses in excess of \$2.50 shall be supported by receipts.
- 13.3(10)3 Intercollegiate Athletics. -- Actual expenses will be paid at no per diem limit, provided such expenditures in the amount of \$2.00 or more are supported by signed receipts.

Sec. 14. Freight and Express, Advertising, Postage and Box Rent, Telephone, Telegraph, and Subscription Vouchers.

- 14.1 Vouchers for freight and express charges are, if practicable, made payable to the local agent but in the name of the transportation company. A careful check shall be made for damages or shortages and, if any, notation is made on the receipt of the transportation company before the shipments are accepted. The vendor shall be notified in writing when damages or shortages occur and a copy of the notification shall be attached to the voucher when deductions are made on the invoice. In general, charges for freight and express are made against the same accounts as those charged for the purchase of the related materials.
- 14.2 Transportation charges for purchases at delivered prices (f. o. b. destination) cannot be paid by the University. An acceptance shall, therefore, not be given the transportation company unless such charges are prepaid.
- 14.3 A copy of the advertisement, as well as the invoice and affidavit of the publisher, showing rates in conformity with State laws, shall be attached to vouchers for advertisements.
- 14.4 Vouchers for postage and postal box rent shall be made payable to the United States Postmaster. Postage stamps are available at a central supply center at most institutions. Where

a postage meter is used by the institution, the use of stamps is limited.

- 14.5 Payment for telephone charges shall be handled at the Main University through the Office of the Director of Physical Plant. Interdepartmental vouchers are sent to the department being charged and all long-distance calls shall be carefully checked in the department before the vouchers are sent to the Business Office. At the other component institutions, the vouchering and checking shall be handled through the business offices. Only authorized persons shall make long-distance calls on University business and personal long-distance calls shall not be charged to institutional accounts.
- 14.6 Copies of all telegrams sent shall be retained in the files of the department or office responsible for the charge for one fiscal year and shall be checked against the itemized bill from Western Union before vouchering the bill. The itemized statement from Western Union showing the persons sending each telegram and the person to whom the message was sent shall be attached to the voucher for payment.
- 14.7 Subscriptions to publications shall be vouchered after the first copy is received. This is noted on the voucher or invoice for payment, as well as the period covered by the subscription.

Sec. 15. Supplies and Equipment. -- At most of the component institutions, stationery, office supplies, and some other general supplies and equipment may be secured through an institutional supply center. Payment for such purchases shall be by interdepartmental transfer vouchers which originate in the office furnishing such materials. When supplies and equipment are purchased through the Board of Control, or are payable from local funds, the general regulations for preparation of vouchers shall be as outlined herein.

Sec. 16. Insurance on Money and Securities. -- As approved by the Board of Regents, the University carries a blanket system-wide policy insuring against loss of money or securities at any of the component institutions. The premium paid by each institution is separately computed and is based on the coverage applicable at each institution. At the time a loss occurs the University Comptroller shall be notified by the appropriate Business Manager and shall approve all loss claims and settlements. Any settlement over \$1,000 and under \$10,000 shall be approved by the President as well as by the Comptroller, and shall be reported to the Board of Regents for

ratification at the next meeting. Settlements in the amount of \$10,000 or more must have the advance approval of the Board of Regents.

Sec. 17. Receipting for Payments.--All statutory or rider provision requirements as to receipts for warrants in payment of salaries, wages or reimbursement of official travel expenses shall be complied with by the component institutions.

C H A P T E R I V

PURCHASING

- Sec. 1. Authority to Obligate Funds. -- The official purchasing agents of the component institutions shall have sole authority to obligate funds of their respective institutions for purchases unless otherwise provided in these regulations or otherwise specifically approved by the institutional head and the President or by the Board of Regents. The University can assume no liability for payment of obligations except those incurred in accordance with authority thus granted.
- Sec. 2. Purchasing Ethics.
- 2.1 All qualified, reputable bidders shall be given equal opportunity to submit bids on a uniform basis when competition is possible.
 - 2.2 No bidder shall receive special consideration or be allowed to revise his bid after the time set for opening bids.
 - 2.3 Purchasing agents and their staffs and others authorized by or under these regulations to make purchases shall not accept gratuities or become obligated to individuals or firms seeking business.
 - 2.4 Any violations of these purchasing ethics shall be reported promptly to the President and to the Board of Regents.
- Sec. 3. Purchases of Supplies and Equipment.
- 3.1 Unless otherwise provided in these Regulations or specifically approved by the Board of Regents, the State Purchasing Act of 1957 shall govern the purchasing policies of the University. This Act gives the authority to the University to purchase, without approval of the Board of Control:
 - (a) Supplies, materials, services, and equipment for resale.
 - (b) For Auxiliary Enterprises.

(c) For Organized Activities relating to instructional departments.

(d) From Gifts and Grants.

- 3.2 Unless otherwise provided in these regulations or specifically authorized by the executive head and the President, all purchases of supplies and equipment shall be made through the official purchasing agents of the component institutions.
- 3.3 The official University purchasing agents and divisions, departments, or offices of the University to whom the purchasing function has been delegated shall observe sound and generally accepted purchasing practices of educational institutions including the following:
- 3.31 Items on State Contract processed through the Board of Control will be purchased through the official purchasing agents.
- 3.32 Purchases of supplies and equipment payable (or reimbursable) from Federal funds, trust funds, and auxiliary enterprises funds may be made directly from vendors if it is essential to efficient operation to do so or if monetary savings would result.
- 3.33 Closed or noncompetitive specifications shall not be used except in unusual instances clearly justified as being essential to efficient operating performance. Reports of all such exceptions with a summary of the reasons therefor shall be filed quarterly with the President and with the Secretary of the Board of Regents.
- 3.34 Competitive bids, usually a minimum of three, shall be secured whenever competition is available.
- 3.35 Purchase awards should be made to the supplier submitting the "lowest and best bid" as defined in the State Purchasing Act of 1957.

Sec. 4. Contacts with the State Board of Control. -- All contacts, whether oral or written, with the State Board of Control and with vendors are handled through the official purchasing agents and the divisions, departments, or offices to whom the purchasing function has been specifically delegated, unless advance written authorization is obtained from the purchasing agents or the business managers for other persons to do so.

Sec. 5. Requisitions.

- 5.1 Separate requisitions shall be made for:
- 5.11 State contract items purchased through the Printing Division of the State Board of Control;

- 5.12 State contract items purchased through the Purchasing Division of the State Board of Control; and
 - 5.13 Items to be purchased in the open market by competitive bids, or otherwise.
- 5.2 Requisitions for supplies and equipment shall be prepared on the official departmental requisition form, approved by the chairman of the department, or other administrative official, and the original forwarded to the business office or other designated office for approval as to availability of funds and to the official purchasing agent for approval of the purchase. Requisitions shall show an actual or estimated cost and shall be numbered consecutively. Separate requisitions shall be made for purchases on the open market for each class of items, such as hardware, electrical supplies, chemical supplies, etc. The department shall be furnished a copy of each purchase order issued against its funds by the purchasing agents.
- 5.3 Requisitions shall not be required for perishable items, automobile repairs which include both material and labor, and service charges which include only labor. However, vouchers payable from State funds for perishable items, or automobile repairs including material must be approved by the State Board of Control.

Sec. 6. Requisitions for Space Leases.

- 6.1 Space leases involving buildings must, by law, be approved by the State Board of Control and may not extend beyond the current biennium.
- 6.2 Proposals for space leases require the approval of the President and the Board of Regents, and lease contracts drawn in accordance with such approval shall be signed by the University Comptroller.
- 6.3 A requisition shall be submitted to the purchasing agent and the lease completed prior to occupancy of any space for office, storage, or other purposes. The requisition must show type of space and purpose of its use, approximate number of square feet, location, whether janitor service and/or utilities will be furnished by the lessor, period of the lease, and any other requirements.

Sec. 7. Rental of Machines and Equipment. -- Requisitions for rental of all machines and equipment are required, by law, to be approved by

the State Board of Control prior to the beginning of the rental period. They are submitted through the purchasing agents and payment of the rentals shall be made only after approval of the requisitions by the Board of Control. Also see Section II of this Chapter.

- Sec. 8. Purchase of Air-Conditioning Equipment. -- It is the policy of the Board of Regents that expenditures for purchase of any new or additional air-conditioning equipment must be approved in advance by the Board or the President on recommendation of the executive head of the component institution. Because the installation or replacement of air-conditioning equipment frequently involves special electrical installations, departments shall secure the approval, in writing, of the Director of Physical Plant and/or the Business Officer before initiating a request for such equipment. When departmental funds are the source of the original purchase, installation costs, as well as maintenance and repair costs shall be paid from departmental budgets.
- Sec. 9. Purchase of Stationery, Office Supplies, Stenographic Services, Mimeograph and Multilith Work, Printing, Books, Periodicals, and Magazine Subscriptions.
- 9.1 Stationery, office supplies, stenographic services, mimeograph and multilith work shall be purchased by departments and administrative offices from the Stenographic Bureau at the Main University or from a central source of supply at the other component institutions. The department, in writing, shall authorize certain persons to make such purchases.
 - 9.2 Printing at the Main University is usually purchased from the University Printing Division, and at the other component institutions purchases are made as designated by the business officer.
 - 9.3 Books, periodicals, and magazine subscriptions, if payable from general budget funds, shall be purchased at the Main University through the University Library by the use of a book order card. Purchases from the other funds at the Main University and purchases at the other component institutions shall be made by requisition through the purchasing agents.
- Sec. 10. Purchases from Employees. -- Purchases are not permitted from any officer or employee of the University unless the cost is less than that from any other known source and until approved by the institutional heads, the President, and the Board of Regents. Details of such transactions shall be reported in the dockets or Minutes of the Board.

- Sec. 11. Purchase or Rental of Certain Typewriters. -- In accordance with the current appropriation bill purchase or rental of executive and/or proportional spacing typewriters is not permitted unless the head of the department makes an affidavit attached to the requisition for the purchase that the use of such typewriter shall be more economical than purchasing printed matter and such typewriter shall be in continuous use for at least six (6) hours a day. Also see Section 7 of this Chapter.
- Sec. 12. Acceptance of Used or Rented Equipment on Purchase of New Equipment. -- Used or rented equipment shall not be accepted in fulfillment of an order for new machines or new equipment, even though such machines or equipment have been used by the component institution making the order.

C H A P T E R V

PERSONNEL

Sec. 1. Classified Personnel.---The Policy of the Board of Regents on the Development and Coordination of the Classified Personnel Programs. This policy covers:

1. 1 The development and operation of the Branch Personnel Program as defined in the duties of the Branch Personnel Officer. This extends to:
 1. 11 The administration of the Classified Personnel Program in his institution. The Branch Personnel Officer shall:
 1. 111 Know the objectives and all of the details of the program.
 1. 112 Assume responsibility for recommending all changes in the written program to his chief executive officer.
 1. 113 Interpret the personnel program to his institution--administration, supervisors, and employees.
 1. 12 The classification plan. The Branch Personnel Officer shall:
 1. 121 Recommend all changes in any existing job classification or the creation of any new job classification.
 1. 122 Write all class specifications.
 1. 123 Allocate all jobs to the proper job classification.
 1. 124 Assure that no person is appointed in a position in the classified service under a title not included in the Classification Plan.
 1. 13 The pay plan. The Branch Personnel Officer shall:
 1. 131 Recommend all changes in approved salary ranges together with the ranges for all new job classifications.
 1. 132 Make salary studies to determine correctness of existing salary ranges and to substantiate recommendations for new ranges or changes in existing ranges.
 1. 133 Assure that no appointment and/or change of salary is made which is:

- 1.1331 Below the minimum salary for the class range (except for a "Trainee").
 - 1.1332 Above the maximum salary for the class range.
 - 1.1333 Not on a regular step (or fraction thereof if part time).
- 1.14 The policies and rules. The Branch Personnel Officer shall:
- 1.141 Provide a uniform interpretation of the institution's personnel policy.
 - 1.142 Advise his chief executive officer and the System Personnel Adviser of any violation or abuse of this policy
 - 1.143 Recommend any necessary change in the written Policies and Rules.
- 1.15 Personnel transaction. The Branch Personnel Officer shall:
- 1.151 Approve all budget recommendations, appointments, changes of status, military leaves, leaves without pay, separations or other personnel transactions involving classified employees prior to final consideration by his chief executive officer to assure conformity with all provisions of the Classified Personnel Program.
 - 1.152 Call to the attention of his chief executive officer in writing any violation of the program which may be approved outside the channels provided above, with a copy to the System Personnel Adviser.
- 1.16 Personnel services. The Branch Personnel Officer shall provide necessary personnel services to departments of his institution as rapidly as time and staff permit. These services should include, as a minimum, the following:
- 1.161 Centralized personnel records.
 - 1.162 A program of interdepartmental promotions.
 - 1.163 Centralized recruiting for job vacancies.
 - 1.164 A training program.
 - 1.165 A program of employee communication.
- 1.2 The development and coordination of the System-Wide Personnel Program.
- 1.21 The Classification Plan
- 1.211 Coverage. -- The Classified Service of The University of Texas System shall include all positions on the staff at the University which do not entail significant instructional responsibilities or responsibilities for the administration of instructional or research organizations. The chief executive

officer of each component institution shall determine the inclusiveness of the classified service within this general definition, and shall submit to the President upon request a list of those administrative or research positions not included in the classified program.

- 1. 212 Type of Plan. -- Uniform use shall be made of the "grading or Job Classification" system of job evaluation. Job specifications shall be prepared according to the Procedure for Writing Class Specifications provided by the Office of the President of The University of Texas.
- 1. 213 Job Titles. -- Standardized job titles shall be used for similar job classes common to two or more of the component institutions in order that a particular job title shall describe similar work. Classes unique to a component institution shall have suitable descriptive titles.
- 1. 214 Job Code. -- A uniform job code entitled the Personnel Classification Code shall be used to designate job classes. This code may be used on IBM cards to compile statistical information on classified employees.
- 1. 22 The Pay Plan.
 - 1. 221 A uniform system of salary steps providing for an increase of 5 per cent, to the nearest dollar, above each preceding step shall be used for all pay plans. All salaries shall be on salary steps, or a fractional part thereof.
 - 1. 222 A uniform system for setting forth the salary ranges for each job classification shall be used in the pay plans for each institution.
 - 1. 223 Salary ranges for each job classification shall be dependent upon the competitive labor market situation for each institution, as determined by pay surveys.
- 1. 23 The policies and rules.
 - 1. 231 Each institution shall operate its Classified Personnel Program under a policy statement covering the appointment, compensation, and working conditions of classified employees.
 - 1. 232 Uniform policies shall be followed in providing vacation, sick leave, etc., within the limitations imposed by local operating conditions.
- 1. 24 Approval of additions to and changes in the Classified Personnel Program.
 - 1. 241 Formal approval of the Classification Plan, Pay

- Plan, and Policies and Rules developed by each institution was obtained from the Board of Regents at the time each program was formally adopted.
- 1.242 Changes in the Classification Plan, Pay Plan, and Policies and Rules at each institution must be made upon the recommendation of the branch personnel officer, the chief executive officer of the institution, and have the approval of the President and the Board of Regents. Such changes must have the approval of the President prior to inclusion in the Regents' Docket for the institution concerned.
 - 1.25 Branch Personnel Officer.
 - 1.251 The chief executive officer of each component institution shall designate one qualified official who shall be responsible under the chief executive officer of that institution for the development and operation of the Classified Personnel Program.
 - 1.252 Functional direction and help on technical personnel matters shall be provided each classified personnel officer by the Office of the President of The University of Texas.
 - 1.26 System Personnel Adviser. -- The System Personnel Adviser serves as a staff officer advising the President through the Vice-President for Fiscal Affairs on the Classified Personnel programs for each of the component institutions of the system.
 - 1.27 Reports. -- Necessary reports concerning the status and operation of the various Classified Personnel programs may be required by the President of The University of Texas.

Sec. 2. General Personnel.

- 2.1 Fidelity Bond.
 - 2.11 As approved by the Board of Regents, the University shall carry a blanket position (fidelity) bond which shall cover employees of all component institutions. All employees shall be covered in the amount of \$5,000 each. It shall be the responsibility of the Comptroller to recommend to the President through the Vice-President for Fiscal Affairs the administrative officials who are to be covered by amounts in excess of this figure, and the amount of coverage recommended for each. For total coverage in excess of \$10,000, approval of the State Auditor is necessary.

- 2.12 The Secretary of State and the State Comptroller of Public Accounts shall be each furnished with an original of the bond. The bond shall be issued in "triplicate originals," with one original to remain with the University Comptroller. A copy of the bond shall be filed in the Office of the Secretary of the Board of Regents.
 - 2.13 The premium for the bond is prorated to the component institutions on the basis of the number of employees covered for which a premium charge is made.
 - 2.14 At the time a loss occurs, the University Comptroller shall be notified by the appropriate Business Manager and shall approve all loss claims and settlements. Any settlement over \$1,000 and under \$10,000 shall be approved by the President as well as by the Comptroller, and shall be reported to the Board of Regents for ratification at the next meeting. Settlements in the amount of \$10,000 or more must have the advance approval of the Board of Regents.
- 2.2 Withholding Exemption Certificate. -- Every employee must execute and file with the institutional business officer an Employees' Withholding Exemption Certificate before compensation can be paid, since the United States Treasury Department, Internal Revenue Service, requires collections of Income Tax on wages at the source. The deductions for taxes withheld authorized by State Law on payroll forms prescribed by the State Comptroller.
- 2.3 Leave for Military Duty.
- 2.31 A leave of absence not to exceed fifteen calendar days in any one calendar year is granted faculty or staff members who, as members of the National Guard or Official Militia of Texas, or members of any of the Reserve Components of the Armed Forces, are engaged in field or coast defense training, parade or encampment as ordered or authorized by proper authority. During such periods, the employee is absent without loss of efficiency rating or vacation time, or salary, and is restored to the position and status he previously held when relieved from military duty.
 - 2.32 The institutional heads may prescribe forms and procedures for such requests.
- 2.4 Overtime.
- 2.41 Classified Personnel.
 - 2.411 The schedule of activities shall be so organized that employees are not required to work in excess of established work periods except when

operating necessities demand it. Equivalent compensatory time off for required overtime of at least one hour or more above established work periods is given employees whose salaries are below the minimum for a full-time instructor at all institutions except the M. D. Anderson Hospital and Tumor Institute and the Southwestern Medical School where definite salary limits are set.

2. 412 Overtime equivalent not to exceed a regular work week may be accumulated and compensatory time taken at a mutually convenient time. Under exceptional circumstances payment may be made to eligible employees on a straight time basis from the budget of the employing department, upon approval of the appropriate administrative officials.

2. 42 Faculty.

2. 421 Full-time faculty members of the rank of Instructor or above are permitted to work a maximum of 10 hours per week additional time in government and other sponsored projects upon recommendation of the chairman and dean of their respective departments, schools, or colleges, and with the approval of the project director and the head of the component institution and to receive extra compensation for such work at a pro rata of their regular full-time teaching salary rate; provided, however, that such additional work does not interfere with the regular full-time duties of the individual.

2. 422 Part-time faculty members of the rank of Instructor or above may be similarly approved for additional work in government and other sponsored projects subject to a maximum combined work load of 50 hours per week, compensation in the sponsored project to be at a pro rata of the regular full-time teaching salary rate.

2. 423 With rare exceptions, full-time employees on a twelve months' salary basis shall not be permitted extra employment on government and other sponsored projects. In the event that such employment is approved, it is governed by the limitations stated above.

2. 5 Student Employment.

2. 51 The employment of students as Teaching Assistants and Assistants at the Main University is effected through the

- appropriate departmental chairman and dean in accordance with the Quantity of Work rule with notification to the Vice-President and Provost.
- 2.52 The employment of students as classified personnel is handled through that office; notices of work available are listed with the Student Employment Bureau.
 - 2.53 The Quantity of Work rule provides that the combined study and work load of an employed student may not exceed sixty hours per week. In arriving at the total combined work load, each class hour of course work carried is valued at three clock hours.
 - 2.54 Exceptions to this rule are rarely made and then shall be made only upon specific recommendation of the student's academic dean.
- 2.6 Patent Policy. -- Where no specific contract to the contrary has been approved by the Board of Regents, the following policy applies to patents obtained by University employees:
- 2.61 The title to the patent for a discovery or invention by a University employee shall belong to the employee subject to the following provisions:
 - 2.611 When total net royalties, or other compensations, are less than \$1,000, no payment to the University is required.
 - 2.612 When net royalties, or other compensations, amount to more than \$1,000 but less than \$5,000, 10 per cent of the excess of such royalties or other compensations over \$1,000 shall be paid to the University.
 - 2.613 When net royalties, or other compensations, amount to more than \$5,000, the royalty or other compensation paid the University will be 10 per cent on the amount above \$1,000 but less than \$5,000, and 20 per cent on all amounts of \$5,000 or more.
 - 2.614 Where contributions have been made to research projects by private donors, nonexclusive licenses on all inventions or discoveries resulting from such research may be issued on a reasonable basis without discrimination in favor of or against those making contributions in aid of the research.

Sec. 3. Other Regulations Concerning Personnel are Reported in the Rules and Regulations of the Board of Regents, Part One, as follows:

Affidavit - Chapter III, Sec. 1.6, page 19.

Political Aid and Legislative Influence - Chapter III, Sec. 1.7, page 20.

Physical Examination - Chapter III, Sec. 1.8, page 20.

Employment of Aliens - Chapter III, Sec. 3, page 21.

Indebtedness to the University or the State - Chapter III, Sec. 27, page 34.

Appointment of Relative (Nepotism Rule) - Chapter III, Sec. 5, page 22.

Holidays - Chapter III, Sec. 14, page 30.

Vacation - Chapter III, Sec. 15, page 30.

Sick Leave - Chapter III, Sec. 18, page 31.

Leave for Jury Duty - Chapter III, Sec. 19, page 31.

Leaves of Absence Without Pay - Chapter III, Sec. 16, page 30.

Absence from Usual and Regular Duties - Chapter III, Sec. 20, page 31.

Office Hours - Chapter III, Sec. 12, page 29.

Outside Employment - Chapter III, Sec. 13, page 29.

Acceptance of Money from Students - Chapter III, Sec. 25, page 33.

Textbooks and Other Materials Prescribed for the Use of Students - Chapter III, Sec. 23, page 32.

Institutional Employees as Students - Chapter III, Sec. 29, page 35.

Power to Authorize Expenditures out of University Funds - Chapter III, Sec. 26, page 34.

Division of Salaries for Staff Engaged in Teaching and Non-teaching Activities - Chapter III, Sec. 17, page 31.

Compensation for Correspondence and Extension Teaching of Full-time Staff Members - Chapter III, Sec. 22, page 32.

Classified Personnel Systems - Chapter III, Sec. 2, page 20.

Code of Ethics - Chapter III, Sec. 4, page 21.

Tenure, Promotion, and Termination of Employment - Chapter III, Sec. 6, page 24.

Modified Service - Chapter III, Sec. 30, page 35.

C H A P T E R V I

STAFF BENEFITS

(Staff benefits may be subject to change by State and Federal Law. Application in specific instances should be verified.)

Sec. 1. Teacher Retirement System.

- 1.1 There are two types of members in the Teacher Retirement System:
 - 1.11 Teacher members - employees occupying positions as teachers, clerks, administrators, supervisors, and related occupations in educational institutions; and
 - 1.12 Auxiliary employees - all other employees of educational institutions otherwise eligible, such as building attendants, carpenters, etc.
- 1.2 All employees of the University employed on a regular, full-time salary are required by law to participate in the Teacher Retirement System, which became effective for teacher members September 1, 1937, and for auxiliary members September 1, 1949, except persons eligible at those times who executed waivers within the period allowed by law and have not revoked such waiver if later permitted, and members of the Employees Retirement System about which information is given later.
- 1.3 Annual membership dues in the Teacher Retirement System are \$3 which amount is deducted from the first salary payment in a fiscal year. Members contribute 6 per cent of their salary up to and including \$8,400 per year, with the maximum contribution of \$504 per year, which amount is deducted from the monthly salary payment. The contributions are sent monthly by the business offices to the Teacher Retirement System. Each year members receive a statement from the Teacher Retirement System, through the business offices, of their total contributions, plus accumulated interest

through August 31 of the preceding year. Within the provisions of the law, the State also contributes to the member's account.

- 1.4 The annuity payable at retirement is based on the salaries earned by the member. Annuity payments for services rendered prior to September 1, 1955, are based on the average annual salary of the member during the five-year period from September 1, 1950, to August 31, 1955. Annuity payments for services rendered subsequent to August 31, 1955, are based on the actual salary earned during each year of such service, not to exceed \$8,400 of salary for any one year.
- 1.5 When a member leaves the employment of the public schools of Texas, he may withdraw the amount of his contribution, plus accumulated interest, upon application, or he may leave the funds at interest for not more than five out of six consecutive years during which period he pays the annual membership dues.
- 1.6 If a member dies before retirement, his beneficiary, depending upon the relationship to the member, will be entitled to death benefit payments or survivor benefit payments, whichever renders the greater advantage to the beneficiary. If there is no beneficiary with an insurable interest, payment will be limited to the accumulated contributions plus interest standing to the account of the member with the Teacher Retirement System.
- 1.7 Eligibility for retirement benefits is as follows:
 - 1.71 With ten years creditable service upon reaching age 65, member is entitled to retire with full benefits based on service rendered and salary earned. A teacher member is entitled to minimum benefits of \$75.00 per month. An auxiliary employee is entitled to minimum benefits of \$50.00 per month.
 - 1.72 With fifteen years creditable service upon reaching age 55, member is entitled to retire at reduced actuarial equivalent of benefit payable at age 65.
 - 1.73 With twenty years creditable service upon reaching age 60, member is entitled to retire with full benefits based on service rendered and salary earned. A teacher member is entitled to minimum benefits of \$100.00 per month. An auxiliary employee is entitled to minimum benefits of \$75.00 per month.
 - 1.74 With 25 years creditable service upon reaching age 55 or with 30 years creditable service at any age, member

is entitled to retire at reduced actuarial equivalent of benefit payable at age 60.

- 1.8 Creditable service consists of prior service, former membership service, and current membership service. For teacher members, prior service is that before September 1, 1937; former membership service is that rendered during the period September 1, 1937, to August 31, 1955; and current membership service is that rendered subsequent to August 31, 1955. For auxiliary employees, prior service is that rendered prior to September 1, 1949, former membership service is that rendered during the period September 1, 1949, to August 31, 1955; and current membership service is that rendered subsequent to August 31, 1955.
- 1.9 Information pertaining to options under which retirement benefits may be drawn and to reciprocal service between the Teacher and Employees Retirement Systems, as well as other information, may be secured from the local institutional business office, the Central Administration Office of Workmen's Compensation Insurance and Other Staff Benefits, or the Teacher Retirement System in Austin.

Sec. 2. Employees Retirement System.

- 2.1 There are relatively few employees of the University who are members of the Employees Retirement System since they are no longer eligible for initial membership in this system. Only those who were eligible between September 1, 1947, and August 31, 1949, and who did not waive membership as of September 1, 1947, are now members. Beginning September 1, 1949, new employees who would previously have been eligible for this plan became eligible for membership in the Teacher Retirement System as auxiliary employees.
- 2.2 Annual membership dues in this system are \$2 which sum is deducted from the first monthly salary payment in a fiscal year. Contributions of employees are 4-1/2 per cent of the total salary earned, which is deducted from monthly salary payments. The University contributes an amount equal to that of employees, payable from the same source as the salary. All contributions are deposited monthly with the Employees Retirement System and by law are deposited by that agency with the State Treasurer.
- 2.3 Member's deposits are handled in the same way as in the Teacher Retirement System.

2. 4 Provisions for membership and retirement requirements and benefits are quite similar to those for the Teacher Retirement System; however, "prior service" in the Employees Retirement System is all creditable service rendered prior to September 1, 1947, and "membership service" is that which has been earned since that date.
2. 5 Further details, including information pertaining to reciprocal service with Teacher Retirement System, may be secured from local institutional business office, the Central Administration Office of Workmen's Compensation Insurance and Other Staff Benefits, or the Employees Retirement System in Austin.

Sec. 3. Group Life Insurance.

3. 1 The University carries a master group life insurance policy, covering all institutions, with the Aetna Life Insurance Company for a "One Year Term Plan." Premiums are payable annually, in advance, increase for each person with each year of age, and are payable entirely by the individual. The program is optional but is available only to full-time employees; new employees are notified of their eligibility by the business offices immediately after employment.
3. 2 The amount of insurance available is equal to the annual salary, or nine months' salary for faculty members on that basis, to the nearest \$100, with a minimum of \$500 and a maximum of \$5,000, renewable annually by the individual. Coverage is adjusted with salary changes, at the option of the employee at the beginning of a fiscal year, but mandatory within the limits above on February 2 of each year, the anniversary date of the policy.
3. 3 No medical examination is required if application is made for insurance within 90 days from the date of employment. After the 90-day period, an "Evidence of Insurability" form, prepared by the company and available through the business offices, is required. No medical examination is required if this form is accepted by the company after review, but, if it is not so accepted, the applicant must have a medical examination at his expense. Coverage is usually the date the application form is accepted by the business office, but is subject to the conditions indicated above.
3. 4 Premiums are collected by the business office according to statements sent to the policyholders from that office. Premiums must be paid before January 31 each year.

- 3.5 Beneficiaries are designated by the policyholders on the application forms and may be changed during the life of the policy upon application to the business offices. Each policyholder receives a certificate issued by the company and transmitted through the business offices.
- 3.6 Policyholders who go on modified service under the Rules and Regulations of the Board of Regents may continue the policy in the amount held at the time of going on modified service or may have it reduced to conform to the modified service salary. The plan selected at that time cannot be changed later.
- 3.7 A policyholder who is less than 60 years of age and who becomes permanently and totally disabled may receive the face amount of the policy in accordance with one of several options. There are no disability benefits after age 60.
- 3.8 Benefits at death are payable according to one of several options. Upon notification of the death of a policyholder, the business office assists in the preparation of the required records to be sent to the company.
- 3.9 Participation in the Group Life Insurance Program automatically terminates when employment terminates unless the policyholder retires under the provisions of the Teacher Retirement System or the Employees Retirement System or unless he converts the group policy into one for regular individual life insurance. This conversion may be made, without a medical examination within 31 days of termination of employment, to any regular individual life insurance policy, except term insurance, customarily issued by the company.

Sec. 4. Group Hospitalization and Medical Benefit Plans.

- 4.1 Group hospitalization and medical benefit plans may be instituted or continued at each of the component institutions subject to approval of the institutional Head, the University Comptroller, the President, and ratification through the Regent's docket.

Sec. 5. Workmen's Compensation Insurance.

- 5.1 The Workmen's Compensation Insurance Program is on a university-wide, self-insuring basis, financed by setting aside not more than 2 per cent of the annual payroll of covered employees, and provides certain benefits for injuries sustained on the job. These benefits include payments for reasonable medical aid, hospitalization, etc.; total or partial incapacity; specific losses; and death.

- 5.2 The Director of Workmen's Compensation Insurance and Other Staff Benefits, in cooperation with other University officials, investigates accidents and injuries, and endeavors to develop, publish, and enforce safety rules and regulations. His office keeps a complete record of all injuries on the job and is responsible for reporting them to the Industrial Accident Board.
- 5.3 All employees whose names appear on the payrolls are eligible except:
 - 5.31 Administrative staff, including officers of the administration;
 - 5.32 Teaching staff, research staff, clerical and office employees and supervisory staffs unless hazardous work is required, such as handling or working in close proximity with dangerous chemicals, materials, machinery, or equipment; working in a dangerous area; performing manual labor; traveling regularly; or being exposed to hazards of occupational disease; and
 - 5.33 Persons paid on a piece-work basis or any basis other than by the hour, day, week, month, or year.
- 5.4 Eligible employees who do not wish coverage may waive all rights to the benefits at the time of appointment. However, the waiver may be revoked at any time during continuous employment and the employee covered by insurance 30 days after the application form is signed, upon taking the necessary physical examination and being certified as physically fit.
- 5.5 A physical examination by a designated physician is required for all persons to be covered and, before the individual's name can be placed on the payroll, the executed original of the examination form must be filed in the Workmen's Compensation Insurance and Other Staff Benefits Office. The Director furnishes a list of physicians for these examinations which is approved by the Board of Regents. A fee of \$5 is paid by the Workmen's Compensation Insurance Office for each examination. Persons who fail to pass the physical examination cannot be covered by the insurance. They may be employed only after signing a waiver of all rights.
- 5.6 A notice of coverage is signed by all employees who are covered, with the original filed in the Director's office before a name is placed on the payroll. All personnel forms and payrolls include pertinent information on Workmen's Compensation Insurance by a symbol or other notation.

5. 7 The percentage of the annual payroll, within the 2 per cent mentioned in Section 5. 1 above is approved by the Board of Regents, and the amount is set aside from available appropriations other than itemized salary appropriations. Each business officer prepares and sends to the Comptroller of the University at Austin a monthly report of covered employees showing the source of their salaries and, if from local funds, enclosing a check for the amount due. The Comptroller of the University deposits these checks in a local depository bank and requests the State Comptroller to transfer the amounts due on payrolls paid from State funds to the Workmen's Compensation Insurance Fund in the State Treasury.
5. 8 Physicians are designated for treatment and care of injured employees upon recommendation of the Director and approval of the President and the Board of Regents and are called for treatment when possible. though other competent physicians may be authorized for treatment at the request of the employee. Emergency treatment, however, may be provided by any available physician and at any hospital, including institutional health centers or hospitals. The insured employee and the physician in charge choose the hospital to be used, except as indicated for emergency treatment. The designated physician authorized to treat injured employees files a Surgeon's Report with the Director when treatment is first given. Fees for services rendered should be reasonable and fair and commensurate with services performed. They are, by law, subject to control of the Industrial Accident Board.
5. 9 The supervisor of a covered employee who is injured during the course of employment must file a complete report with the Director whether or not time is lost from work. If time is lost, a supplemental report is filed when the employee returns to work. When the time lost is over 60 days, this report is filed at the end of each 60- day period. The same form is used if the employee is disabled later due to the original injury. In the event of death of the injured employee, the form is filed immediately.
- 5.(10) The supervisor is also responsible for keeping in close touch with injured employees and their attending physicians and investigating medical attention to see that unnecessary aid and visits are avoided. He approves the statement from the physician as to services rendered although not actual charges for treatment.

- 5.(11) Compensation paid is in lieu of salary and wages, and the employee's name is therefore dropped from the payroll when he is unable to work after injury, and is not returned to the payroll until he is back on the job after certification by the attending physician.
- 5.(12) The compensation for a covered employee injured in the course of his work is equal to 60 per cent of the average weekly earnings for the 12 months immediately preceding injury, though not more than \$35 nor less than \$9 per week. Compensation to an employee on less than a full work day basis is not more than 60 per cent of his average weekly earning, with the same maximum of \$35. Compensation is not paid for incapacity of less than one calendar week unless incapacity continues for 28 days at which time the compensation is paid for the first seven days. Benefits may be paid for no longer than 401 weeks from date of injury for total incapacity and no longer than 300 weeks for partial incapacity for work. For specific injuries, the Director has information available on request concerning benefits for specific injuries such as the loss of a hand or an eye. In case of death, benefits are computed on the basis of 360 weeks from injury.
- 5.(13) Payment for physical examinations, medical aid, hospitalization and compensation is through the Workmen's Compensation Insurance and Other Staff Benefits Office.
- 5.(14) The Workmen's Compensation Insurance and Other Staff Benefits Office shall issue an annual report through proper channels to the President and to the Secretary of the Board of Regents for the information of the members of the Board which shall include at least the following information: The names of all employees receiving workmen's compensation benefits during the preceding year, and for each such employee the number of separate incidents involving loss of time, the total working days lost, and the total compensation received; a list of physicians to whom payments were made and the totals paid to each.

Sec. 6. Social Security (Old-Age and Survivors Insurance).

- 6.1 As an employer, the University complies with the relevant provisions of the Social Security Act. All University employees are required to participate in the Federal Social Security Program as a condition of employment.

C H A P T E R V I I

PHYSICAL PROPERTIES

- Sec. 1. Except as otherwise specifically authorized, University property shall be used only for official business. Only Library books and other items of similar nature of well-established use may be used for the personal benefit or pleasure of employees. A Property Manager is designated at each institution.
- Sec. 2. Use of Physical Facilities of the University by Outside Groups; The University of Texas as a Joint Sponsor. -- Use of University physical facilities, especially auditoriums, gymnasiums, and large rooms, by outside groups shall be subject to the following rules in which the "University" shall mean any component institution:
- 2.1 The University of Texas will not permit the unrestricted use by non-University groups of any of its facilities.
 - 2.2 The University will not enter into joint sponsorship of any project or program that is to result in private gain for the co-operating group or groups.
 - 2.3 The University, established as a public institution without regard to political affiliation or religious faith, cannot be a joint sponsor with any noncampus organization for political or sectarian gatherings. However, the appearance by or on behalf of a candidate for public office may be authorized under conditions prescribed by the Board of Regents.
 - 2.4 Whenever non-University groups share in the use of University buildings, it must be upon the invitation of The University of Texas and under its joint sponsorship, and with the further understanding that all the conditions governing such sponsorship are to be set by the University.
 - 2.5 The University when entering into joint sponsorship of any program or activity assumes full responsibility for all details and reserves the right to approve all copy for advertising, as well as news releases.

- 2.6 The University will not enter into joint sponsorship of any program or activity in which the educational implications are not self-evident and which does not directly supplement the educational purposes of the University.
- 2.7 It shall be understood that the availability of the University's auditorium facilities for functions other than the institution's own activities is strictly subject to the needs and the convenience of the University, which are always to have priority in the scheduling of facilities.
- 2.8 The use of University auditoriums on Sundays will be limited to Sunday afternoons. Authorization for their use at that time will be given only for concerts or other programs appropriate to the day.
- 2.9 In the case of programs for which the University is a joint sponsor with some other group or organization, the fee to be paid by the co-sponsor will be a matter for negotiation in each case and will be specified in the agreement providing for the joint sponsorship.

Sec. 3. Inventories

- 3.1 An actual physical inventory of University property shall be made each fiscal year in accordance with the Law enacted by the 52nd Legislature. The institutional head is responsible for forwarding through administrative channels a statement describing the method of verifying the inventory within 45 days after the inventory date set for the University.
- 3.2 Department heads are initially responsible for all University property in their care and for the taking of the inventory on the prescribed record forms. The report is prepared in the department in triplicate, one copy being kept for departmental files and the original and one copy forwarded to the business office or other designated office.
- 3.3 Inventories as of August 31 include all equipment on hand and vouchered for payment, listed at cost plus freight. All non-consumable property valued at \$5 or more per unit is equipment subject to inventory. Items which are worn out or discarded are listed as charged off in accordance with instructions furnished.

Sec. 4. Motor Vehicles.

- 4.1 Any motor vehicles permitted under State law to be owned and operated by the University shall be used only on official University business. Each vehicle shall carry an inscription on both sides as prescribed by law.
- 4.2 As required by statutes, a daily report shall be prepared by the person using the vehicle on the forms approved by the State Auditor and shall be filed with the office of the institutional head within ten days after use of the vehicle.
- 4.3 The operators of University-owned vehicles must hold, at their expense, an appropriate operator's license for the type of vehicle operated.
- 4.4 University-owned vehicles are subject to the compulsory inspection required by law.
- 4.5 It shall be the obligation of the Business Manager of each of the component institutions to see that all employees who are required to drive University-owned vehicles are fully informed of their personal responsibility and liability for their negligent operation.

Sec. 5. Insurance on University Property.

- 5.1 The following types of insurance coverage, where practicable, shall be maintained on a system-wide basis;
 - Fire and Extended Coverage Insurance
 - Boiler and Machinery Insurance
 - Blanket Position (Fidelity) Bond
 - Money and Securities Insurance
- 5.2 The terms of the policies covering the risks indicated above are negotiated by the University Comptroller in accordance with policies approved by the Office of the President and the Board of Regents. Unless otherwise authorized by the Board, insurance policies shall be purchased on a competitive bid basis.
- 5.3 When it is necessary or advisable to cover risks on a basis that is not system-wide, insurance policies covering such risks shall be approved by the University Comptroller on an individual basis upon recommendation by the Business Manager of the component institution affected.

- 5.4 At the time a loss occurs applicable to either system-wide or individual insurance policies, the University Comptroller shall be notified by the appropriate Business Manager and shall approve all loss claims and settlements. Any settlement over \$1,000 and under \$10,000 shall be approved by the President as well as by the Comptroller, and shall be reported to the Board of Regents for ratification at the next meeting. Settlements in the amount of \$10,000 or more must have the advance approval of the Board of Regents.

Sec. 6. Keys to Buildings, Offices, Etc.

- 6.1 Keys to buildings, offices, and other facilities shall be issued to the employee upon authorization by his chairman or administrative official. The Director of Physical Plant, or some other authorized person, shall have immediate responsibility for handling keys and he shall issue instructions and outline procedures as approved by the business offices and the institutional heads.
- 6.2 A deposit is usually required for keys which sum is in turn deposited in the business office or auditor's office. Department heads shall cooperate in requiring that keys be turned in at the termination of employment. Where a deposit has been required, refund is made to the employee upon turning in the key.

Sec. 7. Safe and Vault Combination. -- The combination to all vaults and safes used by the University are filed under seal with the institutional business officer or other authorized person designated by the institutional head.

Sec. 8. Watchmen and Security Officers.

- 8.1 Watchmen and other security officers are employed at the component institutions to protect and safeguard the property of the University.
- 8.2 At the Main University, the watchmen shall carry clocks which shall be punched periodically each night during the course of their rounds. They shall be assigned specific buildings, with the supervisor cruising by car and checking on outlying buildings and grounds. The watchmen shall check for hazards of all kinds: fire, theft, vandalism, open doors and windows after hours, etc.
- 8.3 Employees will cooperate in the security program by exercising caution to safeguard the equipment and supplies in their offices.

Sec. 9. Telephones.-- The Director of Physical Plant, or the institutional business officer, shall be responsible for the installation of telephones and the administration of all telephone facilities. University telephones shall not be charged for personal toll calls. Charges for telephones and toll calls shall be under the supervision of the persons named above.

Sec. 10. Disposal of University Property.

10.1 Whenever any item of departmental equipment or other University equipment becomes obsolete or useless for the needs and purposes of the department concerned a written report of such fact shall be made to the institutional Business Manager. Upon receipt of such report, it shall be the responsibility of the Business Manager to determine whether or not such item of equipment is needed by any other department and, if so, to transfer and assign the equipment to such department.

10.2 If the Business Manager shall determine that the equipment is not needed for any department and that it is not practicable to store the equipment for possible future use, he shall proceed to sell the item concerned.

10.3 For items of little value or limited use where sale on competitive bids is not practicable, the Business Manager shall have the authority to dispose of the property on the basis of a negotiated bid in amounts under \$500.00.

10.4 Sale of property estimated to bring \$500.00 or more shall be made on a basis of competitive bids.

10.5 Sales in amount of \$1,000.00 or more shall be approved in advance by the Board of Regents.

Sec. 11. Transfer of Property. -- Property may be transferred from one State agency to another when it becomes surplus. Such transfers from one component institution to another, or from a component institution to another state agency, shall have the advance approval of the institutional Business Managers concerned and shall be reported to the executive heads. The purchasing agents shall advise departments and administrative offices as to the procedure to be followed in disposing of or acquiring property by this means.

Sec. 12. Certain Special Provisions in Current Appropriation Bill. -- The rules and regulations of the Board of Regents are subject to and shall comply with the provisions appearing in the current appropriation bill, including the following:

- 12.1 Prohibition against Additional Museums. -- "None of the moneys appropriated in this Article, except bequests and gifts, may be used for establishing additional museums or for the maintenance and operation of museums unless the language of this Act or of other acts and resolutions of the Legislature specifically authorizes such use of appropriated funds. "
- 12.2 TV Stations Prohibited. -- "None of the moneys appropriated in this Article may be expended for the acquisition, construction, or operation of television transmitter station; provided, however, this prohibition shall not be construed so as to prevent the medical schools, dental school, general academic teaching institutions or other agencies of Higher Education named in this Article from using closed-circuit television for purely instructional purposes. "
- 12.3 Parking Lots. -- "It is the intent of this Legislature that no educational and general funds whether from General Revenue Fund or from local sources as appropriated by this Act shall be used for the purpose of constructing, 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. "
- 12.4 Presidents' Homes. -- "No funds appropriated by this Act may be used for the purpose of constructing a home for a president of any of the general academic teaching institutions named herein, without obtaining the approval of the Governor after the advice and consent of the Legislative Budget Board prior to obligating any funds for this purpose. "
- 12.5 Use of Alcoholic Beverages. -- "None of the moneys appropriated under this Act shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. None of the funds appropriated under this Act for travel expenses may be expended for alcoholic beverages. "
- 12.6 Separation from State Employment. -- "No employee of the State shall be granted terminal annual or vacation leave subsequent to the effective date of the employee's resignation, dismissal, or separation from State employment. "

C H A P T E R V I I I

PLANT IMPROVEMENTS

Sec. 1. New Construction.

1. 1 New construction in an amount exceeding \$5,000 per project shall be approved by the Board of Regents upon recommendation of its Buildings and Grounds Committee, the President, the Comptroller, and the institutional head. It is the policy of the Board to employ a consulting architect for major new buildings and campus development plans at all component institutions, and to employ an associate architect for each major new building.

1. 2 The institutional building committees shall study the physical plant needs of their respective institutions and make recommendations through administrative channels as to the priority of buildings, location of buildings, suggestions as to size, style, mechanical equipment, etc. The University Comptroller shall be ex officio a member of all institutional building committees.

1. 3 After the Board of Regents approves the construction of a new building and authorizes the preparation of preliminary plans, the procedures shall be as follows:
 1. 31 The institutional head shall appoint a representative of the department or division concerned to serve as a member of the institutional building committee in planning the building.
 1. 32 The institutional building committee shall prepare an outline of the needs of the building, with the consulting architect or his representative meeting with the group to discuss plans when necessary.
 1. 33 The consulting architect shall prepare preliminary studies, including plans, elevation, exterior design, outline specifications, cost estimates, etc.
 1. 34 Preliminary plans and estimates of costs recommended by the institutional building committee, the department

or division concerned, the institutional head, the Comptroller and the President shall be approved by the Board of Regents. With the advice of the consulting architect and the Comptroller, the Board of Regents shall select an associate architect to prepare final plans and specifications.

- 1.35 The associate architect shall meet with the institutional building committees, the Comptroller and others, the consulting architect or his representative being present on occasion.
 - 1.36 Final plans and specifications, recommended by the Buildings and Grounds Committee, the institutional building committees, the department or division concerned, the consulting architect, the institutional head, Comptroller, and the President shall be approved by the Board of Regents. After such approval the Board shall authorize the Comptroller to advertise for bids. Advertisements for bids for permanent improvements must, under State law, be carried for four consecutive weeks.
 - 1.37 The Comptroller shall receive and open bids, with the consulting architect and associate architect and others, tabulate and study such bids, and make recommendations to the Board of Regents through their Buildings and Grounds Committee.
 - 1.38 The Board of Regents shall award contracts, and the contract documents shall be prepared by the associate architect, checked and approved by the Comptroller and the University Attorney, and signed by all contractors involved and the Chairman of the Board of Regents. Work orders shall then be issued by the associate architect.
 - 1.39 The Comptroller shall approve contractors' estimates, sign change orders, and provide general supervision of all new construction for the University. He shall advise the Board of Regents, through its Buildings and Grounds Committee, if developments during construction require additional funds or other decisions of the Board.
 - 1.3(10) The Board of Regents shall appoint a committee from its membership and/or administrative officials to inspect the completed building and recommend final acceptance.
 - 1.3(11) Final payment shall be made to the contractors only after approval of the above committee, the associate and consulting architects.
- 1.4 New construction which involves a total expenditure of \$5,000.00 or less per project may be handled at the component institution involved without the necessity for approval by the President,

the Comptroller, and the Board of Regents. In each case, however, the appropriation for the project must have been approved by the Director of Physical Plant, the Business Manager, and the Executive Head of the institution involved, and the plans and specifications must be approved by the Institutional Building Committee (on buildings), the head of the department or school primarily concerned, the Director of Physical Plant and/or the Business Manager, and the Executive Head of the institution involved. This shall not include authority, however, to engage outside Architects or Engineers, as such employment must have the prior approval of the Board of Regents.

- Sec. 2. Minor Repairs and Remodeling. --Minor repairs and remodeling of the physical plant involving proposed expenditures of less than \$20,000 per project shall be made under the supervision of the Director of Physical Plant and/or the institutional business officer at the component institutions, with the approval of the institutional head, provided that necessary funds have been approved through proper procedure.
- Sec. 3. Major Repairs and Remodeling.
- 3.1 Any repair or remodeling project of the Physical Plant involving an estimated expenditure of \$20,000 or more shall be deemed a major repair and remodeling project.
 - 3.2 Unless otherwise approved by the Board of Regents, the procedures and regulations pertaining to new construction shall apply to major repair and remodeling projects.
- Sec. 4. Institutional Building Committees. --At each of the component institutions there shall be a building committee.
- 4.1 At institutions regularly offering instruction, this committee shall be appointed from the institutional faculty by the institutional head as other faculty committees are appointed.
 - 4.2 At other institutions, this committee shall be appointed by the institutional head as other institution-wide committees are appointed.
 - 4.3 The composition of the several building committees shall be set forth in the Institutional Supplement of each component institution.
 - 4.4 The Vice-President for Developmental Services and the University Comptroller shall be ex officio members of all institutional building committees.

4. 5 Duties of institutional building committees shall be as follows:
- 4. 51 To hold necessary hearings and to make proper investigations regarding the building needs of the particular component institutions and to report conclusions to the institutional head.
 - 4. 52 To recommend to the institutional head the priority of need and location of specific buildings, with reasons for such recommendations.
 - 4. 53 When approval by the Board of Regents is given for the construction of a particular building, to make suggestions to and through the institutional head to the University Comptroller and the Consulting Architect of the University as to style, size, function, location, mechanical equipment, and general nature of the building, so as to facilitate the preparation of tentative plans and preliminary sketches.
 - 4. 54 To work with the University Comptroller and the Consulting Architect and the associate architect until final plans and specifications for the construction of the building are prepared for presentation to the institutional head, the University Comptroller, the President and the Building Committee of the Board of Regents.
 - 4. 55 To make its reports and recommendations from time to time to the institutional head and the University Comptroller, with summary reports to the President and to each member of the Buildings and Grounds Committee of the Board of Regents.
4. 6 When requested by the institutional head or the Board of Regents (or its Building Committee) an institutional building committee shall confer directly with the Board.
4. 7 The institutional building committee shall be relieved of further direct responsibility whenever a building contract is awarded, but shall be available as the building progresses for consultation as requested by the institutional head, the University Comptroller, or the consulting architect and the associate architect.

Sec. 5. Constitutional and Legislative Restrictions.

- 5. 1 Section 18, Article VII, of the Texas Constitution requires approval by the Legislature, or an agency designated by the Legislature, prior to the construction of physical improvements financed by bonds authorized under this section at the component institutions other than the Main University and Texas Western College.

- 5.2 Under the provisions of the current appropriation bill, none of the funds arising from the issuance of bonds under the authority of Section 18, Article VII, of the Texas Constitution, may be obligated for the construction of buildings until a summary of the proposed building program showing the character and location of buildings, the number of square feet, the type of construction, and estimated cost of each proposed building has been filed with the Legislative Budget Board.

Sec. 6. Modification of Bids.

- 6.1 No bid shall be changed, amended, or modified by telegram or otherwise after it has been submitted or filed in response to an advertisement for bids in connection with the construction or erection of permanent improvements at The University of Texas or any of its component institutions under Article 2593, Revised Civil Statutes of Texas, 1925.
- 6.2 The substance of this requirement shall be stated in the advertisement for such bids; provided, however, that this requirement shall not be construed to prohibit the submission or filing of more than one separate and independent bid by any bidder.

C H A P T E R I X

MATTERS RELATING TO THE ENDOWMENT OFFICE

Sec. 1. Certain Specific Authorizations to the Endowment Officer.

1.1 Permanent University Fund.

1.11 Authority to Effect Purchases and Sales of Securities for the Permanent University Fund. -- Under the Revised Investment Program for the Permanent University Fund of The University of Texas, adopted by the Board of Regents on January 12, 1957, and as subsequently amended, the Endowment Officer of The University of Texas is empowered to effect purchases and sales of securities for the Permanent University Fund within the approved investment policies. Such transactions are subject to prior approval as to timing and specific securities to be purchased by the Staff Investment Committee, comprised of the Vice-President for Fiscal Affairs, the Endowment Officer, the Assistant to the Endowment Officer, and the Senior Security Analyst. (The investment policy for the Permanent University Fund follows as Section 2, page 57 in summarized form. The policy in full detail is on file in the offices of the Secretary of the Board of Regents and in the Endowment Office.)

1.12 Authority to Endorse Securities Held by the Permanent University Fund. -- The Endowment Officer (or the Assistant to the Endowment Officer) and the Treasurer of the State of Texas (or the Acting Treasurer of the State of Texas) are jointly authorized and empowered to sell, assign, and transfer any and all of the bonds, stocks, notes, and other evidences of indebtedness and ownership of any description whatsoever owned by the Permanent University Fund of The University of Texas and registered in the name of "The University of Texas," "The University of Texas for Permanent University Fund, A State Endowment Fund, Austin, Texas," "Permanent University Fund of The University of Texas," or

in any other registration required for securities purchased for the account of the Permanent University Fund.

1.2 Trust and Special Endowment Funds

- 1.21 Authority to Effect Purchases and Sales of Securities for the Trust and Special Endowment Funds. -- Under the general investment policy for the various trust and special endowment funds under the control of the Board of Regents of The University of Texas as trustee, as adopted by the Board of Regents on September 21, 1946, and as amended on May 30, 1958, the Endowment Officer of The University of Texas is empowered to effect purchases and sales of securities for the trust and special endowment funds within the approved investment policy, such transactions being subject to prior approval as to timing and specific securities to be purchased and sold by the Staff Investment Committee, comprised of the Vice-President for Fiscal Affairs, the Endowment Officer, the Assistant to the Endowment Officer, and the Senior Security Analyst. (The investment policy for the trust and special endowment funds follows as Section 3, page 58, in summarized form. The policy in full detail is on file in the office of the Secretary of the Board of Regents and in the Endowment Office.)
- 1.22 Authority to Endorse Securities Held for the Trust and Special Endowment Funds. -- The Endowment Officer (or the Assistant to the Endowment Officer) is authorized and empowered to sell, assign, and transfer any and all of the bonds, stocks, notes, and other evidences of indebtedness and ownership registered in the name of "The University of Texas," "Board of Regents of The University of Texas," or in the name of any of the trust and special endowment funds coming under the control of the Board of Regents of The University of Texas as trustee or which may be assigned thereto.
- 1.23 Authority to Receive and Collect Money and/or Property Due the Trust and Special Endowment Funds. -- The Endowment Officer is designated, authorized, and empowered to ask, demand, collect, recover, and receive any and all sums of money, debts, dues, rights, property, effects or demands whatsoever due, payable, or belonging, or which may at any time be or become due, payable, or belonging to any of the trust and special endowment funds coming under the control of the Board of Regents of The University of Texas as trustee from any person or persons whatsoever and to execute any and all necessary or

proper receipts, releases, and discharges therefor, including the execution of oil and gas division orders and transfer orders covering interests owned in trust and special endowment funds

Sec. 2. Investment Policy for Permanent University Fund. -- Pursuant to the provisions of a Constitutional Amendment approved by a popular majority at the General Election on November 6, 1956, which authorized the Board of Regents of The University of Texas to invest up to 50 per cent of the Permanent University Fund in corporate securities, the following policy in summarized form for the revised investment program for the Permanent University Fund was adopted by the Board of Regents on January 12, 1957, and as subsequently amended, has been in operation since May 7, 1957:

2.1 Purchases of securities are to be limited exclusively to corporate securities until the distribution of the fund is as follows, the percentages to be based on book value, that is, cost or amortized cost, of all securities purchased:

- Government Bonds (United States, State of Texas, and Texas Municipal) 50 per cent
- Corporate bonds (including rail equipment trust certificates) and Preferred Stocks 10 per cent
- Common Stocks 40 per cent

Only new money coming into the Permanent University Fund and proceeds received from bond maturities will be committed to nongovernment securities until the above distribution is achieved.

2.2 To be eligible for purchase, corporate bonds and stocks must meet both the requirements of the Constitutional Amendment and the financial ratio, rating, and price standards as adopted in the policy by the Board of Regents.

2.21 Any corporate bond meeting the Constitutional Amendment requirements and the policy standards may be purchased either on original offering or in the secondary market without prior approval of the Land and Investment Committee.

2.22 Corporate stocks to be eligible for purchase must be issued by corporations which have been formally approved by the Land and Investment Committee and the Board of Regents and may be purchased without prior approval of the Land and Investment Committee as to specific stocks.

2.3 Corporate securities are to be purchased on the dollar cost averaging principle, without any attempt to appraise the short-term market trend, the averaging to be based on industry groupings rather than on individual corporations

- 2. 4 All purchases of securities are to be subject to prior approval as to timing of the purchases and the specific securities to be purchased by the Staff Investment Committee, comprised of the Vice-President for Fiscal Affairs, the Endowment Officer, the Assistant to the Endowment Officer, and the Senior Security Analyst.
- 2. 5 All sales of securities are to be authorized in advance by the Land and Investment Committee and the Board of Regents, with timing of the specific sales subject to the approval of the Staff Investment Committee.
- 2. 6 All purchases and sales of securities are to be reported at the next subsequent meeting of the Land and Investment Committee and the Board of Regents for ratification and approval. (For full details of the Constitutional Amendment requirements and policy standards, copies of the revised investment program for the Permanent University Fund may be obtained from the Endowment Office. A full copy is on file in the Office of the Secretary of the Board of Regents.)

Sec. 3. Investment Policy for Trust and Special Endowment Funds. --A general investment policy for the trust and special endowment funds under the control of the Board of Regents as trustee was adopted by the Board of Regents on September 21, 1946, and amended on May 30, 1958, such policy as summarized below being currently in operation:

- 3. 1 All purchases are to be selected from the following classes of securities:
 - 3. 11 United States Government direct or guaranteed obligations;
 - 3. 12 Texas Municipal Bonds, including revenue bonds;
 - 3. 13 Corporate bonds rated "A" or better by at least one national rating service;
 - 3. 14 Preferred and common stocks which have had continuous net earnings and paid annual common stock dividends for at least ten years prior to purchase.
- 3. 2 Purchases of United States direct or guaranteed obligations and of Texas Municipal and corporate bonds rated "A" or better by at least one national rating service may be purchased without prior approval of the Land and Investment Committee.
- 3. 3 The approved list of corporations for purchases of common and preferred stocks for the Permanent University Fund is approved for purchases of common and preferred stocks for the trust and special endowment funds without prior approval of the Land and Investment Committee.

3. 4 All purchases of securities are to be subject to prior approval as to timing of the purchases and the specific securities to be purchased by the Staff Investment Committee, comprised of the Vice-President for Fiscal Affairs, the Endowment Officer, the Assistant to the Endowment Officer, and the Senior Security Analyst.
3. 5 All sales of securities are to be authorized in advance by the Land and Investment Committee and the Board of Regents.
3. 6 All purchases and sales of securities are to be reported at the next subsequent meeting of the Land and Investment Committee and the Board of Regents for ratification and approval.
3. 7 The Endowment Officer is empowered and authorized to manage the trust and special endowment funds and in turn is authorized to carry out the operational details involved in the purchases and sales of securities for the funds through the Securities Division of the Endowment Office.
3. 8 The Land and Investment Committee is to review all trust and special endowment funds periodically in the light of the size and purpose of each fund and the investment provisions of the instrument establishing the fund. (For full details of the investment policy for trust and special endowment funds, copies of the policy may be obtained from the Endowment Office. A full copy is on file in the Office of the Secretary of the Board of Regents.)

Sec. 4. Investment Policy for Funds Grouped for Investment.

4. 1 A common trust fund, known as "Funds Grouped for Investment," was established by the Board of Regents on February 27, 1948, and amended on July 9, 1948, and is currently in operation for trust and special endowment funds under the control of the Board of Regents as trustee where the size of the fund suggests commingling in order to obtain proper investment diversification and a better rate of return on the endowment.
4. 2 The general provisions of the policy for the "Funds Grouped for Investment" are summarized below:
 4. 21 No fund is to be admitted unless it is under the sole control of the Board of Regents and/or some administrative official of the University in his official capacity, and full discretion as to investments rest therein. No administrative official is to have any direction over the management of the common trust fund other than to request

admittance or withdrawal of any fund under his direction except as he is authorized and empowered to manage the fund under the investment policy adopted by the Board of Regents. No fund is to be admitted which contains a specific provision against commingling or which contains restrictions prohibiting purchase of securities approved for purchase by the Board of Regents as trustee under the adopted investment policy for trust and special endowment funds.

- 4.22 Investments for the "Funds Grouped for Investment" are to be limited to such investments as are eligible under the investment policy for trust and special endowment funds as adopted and amended by the Board of Regents.
- 4.23 The Endowment Officer is empowered and authorized to manage the common trust fund within the adopted policy and in turn is authorized to carry out the operational details involved in the purchases and sales of securities for the fund through the Securities Division of the Endowment Office. (For full details of the investment policy adopted for "Funds Grouped for Investment," copies may be obtained from the Endowment Office. A full copy is on file in the Office of the Secretary of the Board of Regents.)

C H A P T E R X

AUXILIARY ENTERPRISES

- Sec. 1. Auxiliary Enterprises are those operated primarily for service to students and staff which are expected to be self-supporting. Examples are residence halls, dining halls, student hospitals, student unions, and bookstores.
- Sec. 2. Annual budgets for these activities shall be prepared and submitted through regular administrative channels, and expenditures shall be within budgets approved by administrative officials and the Board of Regents. Income of Auxiliary Enterprises is not deposited with the State Treasurer, however, and any balances or deficits at the end of a fiscal year may be reappropriated for the succeeding year.
- Sec. 3. With the exception of intercollegiate athletic departments, to which the general and special provisions of the appropriation bill do not apply, the same regulations and applicable laws shall govern as apply to the budgeting and expenditure of general funds unless otherwise specifically authorized. The Board of Regents, upon recommendation of appropriate administrative officials, approves the regulations for the management and operation of athletic departments.
- Sec. 4. Rentals and related policies and rates for dormitories and housing facilities shall be approved in advance by the institutional head, the President, and the Board of Regents.
- Sec. 5. Rules and regulations for the administration of dormitories, other housing facilities, dining halls, and other eating facilities, shall be promulgated by administrative officials and the institutional head at the institution concerned.
- Sec. 6. The money values of meals, lodging, and other services which employees are authorized to receive in lieu of additional wages or salary, are recommended to the institutional head by the Business Manager and approved by the President and the Board of Regents.

Sec. 7. Statutory Provisions Currently in Effect. -- Auxiliary Budgets shall comply with statutory provisions and rider provisions of current appropriations bill.

C H A P T E R X I

RESEARCH AND TRAINING CONTRACTS, ETC.

- Sec. 1. Research and Training contracts, grants, or agreements with outside agencies shall be recommended by the institutional head, and the University Comptroller, and approved by the President or his designated representative before final ratification by the Board of Regents. Funds shall not be encumbered or expended under any such contract or grant without the approval of the President or his designated representative.
- Sec. 2. Application for research, development and training contracts and grants, whether with government agencies, or industry, or foundations or other private granting agencies, shall be initiated by the faculty member who will direct the work. However, all such applications must be approved by designated administrative officials.
- Sec. 3. Under State law, a copy of all contracts between the University and the Federal Government shall be filed with the Secretary of State except those contracts classified in the interest of national security, in which case only a statement of the research project shall be filed. These copies and statements shall be filed with the Secretary of State through the Office of the Secretary of the Board of Regents.
- Sec. 4. If the work is to be financed by government agencies, the negotiations shall be handled with the advice and assistance of the Office of Government Sponsored Research at the Main University and by the equivalent office at the other component institutions.
- Sec. 5. Information as to overhead rates applicable to the type of contract to be entered into should be secured from the Office of the Comptroller or the Office of Government Sponsored Research if with government agencies and otherwise from the business officers.
- Sec. 6. Before final approval of any sponsored research or training contract or grant, the University Comptroller, or such person as he

may delegate, shall examine and recommend approval of the proposed overhead rate therein contained. Proposals as to overhead rates on cost-reimbursement contracts with the Army, Navy, and Air Force shall be worked out in preliminary form by the Business Manager concerned and shall be reviewed and approved by the University Comptroller before being submitted.