

1. Title

Expenditures for Travel and Entertainment by Chief Administrators

2. Rule and Regulation

Sec. 1 Purpose. The University of Texas System Administration and U. T. System institutions are governed by State law and rules and regulations promulgated under those laws, as well as Systemwide and institutional policies and procedures concerning expenses incurred by officials for travel and entertainment. While recognizing the unique role of the Chief Administrators in representing the U. T. System and the institutions, the Board of Regents also recognizes the importance of oversight and accountability, transparency, and fiscal responsibility. The purpose of this *Rule* is to prescribe, clarify, and provide uniformity in the approval, review, and audit of process for Travel and Entertainment Expenses incurred by the Chief Administrators.

Sec. 2 Prudent Use of Funds. In the performance of their unique roles, the Chief Administrators are frequently called upon to travel on behalf of the U. T. System Administration and the institutions, to extend official hospitality to important visitors, and to entertain guests in conjunction with alumni and development activities, campus events, and other official functions. As a public institution, the U. T. System must make the most efficient and effective use of funds entrusted to it by various constituencies when making expenditures for those purposes and must be able to demonstrate compliance with applicable laws, rules, and policies. Additionally, individuals seeking reimbursement must certify that expenditures support the mission and purpose of the U. T. System and that the expenditures are not made for a private purpose.

Sec. 3 Travel and Entertainment Expenditures. All expenditures for travel and entertainment by a Chief Administrator that are paid or reimbursed by U. T. System Administration or an institution must be for a business purpose of the U. T. System or the institution and must comply with all laws, rules, and policies of the institution and the U. T. System Administration. All Foreign Travel must be approved in advance by the Chairman of the Board of Regents for the Chancellor and spouse and by the appropriate Executive Vice Chancellor for the presidents and spouses. Requests for approval of Foreign Travel must include a specific business purpose and an estimate of funds to be expended by U. T. System Administration or by the institution.

- Sec. 4 Documentation and Review. Each Chief Administrator shall comply with all documentation requirements imposed by law and U. T. System Administration and institutional rules and policies for Travel and Entertainment Expenses, including providing appropriate receipts and documentation of the purpose of the expense and the individuals or groups attending the event. Evidence of review, in all cases, must be documented. Each Chief Administrator shall take all necessary and reasonable steps to ensure that all employees follow applicable procedures for expense reimbursement.
- 4.1 Chancellor Expenses. Reimbursements made directly to the Chancellor for Travel and Entertainment Expenses must be reviewed and approved by the General Counsel to the Board of Regents before payment to assure compliance with applicable laws, rules, and policies. Payments for Travel and Entertainment Expenses made on the Chancellor's behalf in excess of \$100 must also be reviewed but may be reviewed after payment.
- 4.2 President Expenses. Reimbursements made directly to a president of a U. T. System institution for Travel and Entertainment Expenses must be reviewed and approved by the institution's chief business officer before payment to assure compliance with applicable laws, rules, and policies. Payments for Travel and Entertainment Expenses made on the president's behalf in excess of \$100 must also be reviewed but may be reviewed after payment.
- 4.3 Spouse Expenses. Requirements, processes, and guidelines applicable to a Chief Administrator will also apply to his or her spouse.
- Sec. 5 Timeliness of Requests for Reimbursements. A Chief Administrator must request any reimbursement for Travel and Entertainment Expenses within 60 days of the date on which the expense was incurred.
- Sec. 6 Reporting. Each Chief Administrator shall prepare annual reports, based on fiscal year, of Travel and Entertainment Expenses in a standard format. The Chancellor shall file the report with the General Counsel to the Board of Regents for review by the Chairman of the Board of Regents and each president shall file the report with the institution's chief business officer for review. The reports are due not later than the 30th day of October.

- 6.1 Annual Reporting on Travel and Entertainment Expenses. The annual reports must include each expense that exceeds \$1,000 and that is reimbursed to the Chief Administrator during the year or directly paid to a vendor on the Chief Administrator's behalf, except for Entertainment Expenses at which more than 10 individuals are present. The report must include the payee, the date and amount of the expense, the type, and if applicable, the location of the event/expense, the participants if any, the business purpose of the expense, and the account charged for the expense.
- 6.2 Annual Certification. The institution's chief business officer will provide an annual certification to the Executive Vice Chancellor for Academic Affairs or Health Affairs.

Sec. 7 Audits. The System Audit Office shall audit the Travel and Entertainment Expenses reimbursed to and directly paid to a vendor on behalf of the Chief Administrators at a minimum after the first full fiscal year after assuming office and periodically thereafter, based on an assessment of risk factors.

3. Definitions

Chief Administrator – means the Chancellor or the president at each U. T. System institution. An individual serving as interim Chancellor or interim President is included in the definition, for purposes of compliance with this Rule.

Entertainment Expenses – includes all expenses associated with meals and events hosted by a Chief Administrator in furtherance of a business purpose of U. T. System Administration or an institution.

Foreign Travel – travel to, in, or from a destination that is neither in the United States nor a territory of the United States.

Travel Expenses – includes transportation, except for use of the U. T. System plane or a state plane, lodging, meals, and other expenses incurred in connection with travel in furtherance of a business purpose of U. T. System Administration or an institution, but does not include Entertainment Expenses or meals for others.

4. Relevant Federal and State Statutes

Texas Education Code [Section 65.31](#) – General Powers and Duties

Texas Government Code [Section 660.003](#) – Applicability of Travel Expenses

Texas Government Code [Section 660.024](#) – Advance Approval for
Certain International Travel

5. Relevant System Policies, Procedures, and Forms

Regents' *Rules and Regulations*, [Rule 20202](#) – Cash Compensation for
Chief Administrative Officers

Regents' *Rules and Regulations*, [Rule 20203](#) – Compensation for Key
Executives

Regents' *Rules and Regulations*, [Rule 20801](#) – Travel

The University of Texas Systemwide Policy [UTS 120, Spousal Travel Policy](#)

The University of Texas Systemwide Policy [UTS 191, Travel Guidance
for Presidents and Their Spouses](#)

[Request for Payment of Business Expense Form](#)

[Travel Reimbursement Forms](#)

[International Travel Approval Form for Presidents and Spouses](#)

6. Who Should Know

Chancellor
General Counsel to the Board of Regents
Chief Audit Executive
Executive Vice Chancellors
Presidents
Chief Business Officers
Internal Audit Directors

7. System Administration Office(s) Responsible for Rule

Office of the Board of Regents

8. Dates Approved or Amended

[Regents' Rules Revision History](#)

9. Contact Information

Questions or comments regarding this Rule should be directed to:

- bor@utsystem.edu