

Accounting Handbook

Expenditure Guidelines - State Restrictions on Expenditures Policy

The **State of Texas** expressly forbids the University from using State Appropriated Funds for the following types of expenditures:

1. Support and maintenance of Alumni Organizations or activities.
2. Payment of salaries of any employee who uses alcoholic beverages while on active duty.
3. Purchase of aircraft.
4. Purchase of embossed or engraved printing and stationary except for degrees or diplomas awarded by the University.
5. Rental payments or toll charges on telephones for which numbers are not listed or available from "information operators."
6. Judgments obtained from the State of Texas against the University, except where it is specifically provided in the appropriation bill that funds may be used for the payment of such judgment.
7. Premiums on insurance policies covering claims arising under the Texas Tort Claims Act.
8. Research of any type until the University has adopted and filed with the Legislative Budget Board a policy which clearly establishes and protects the property rights of the State with regard to any patentable product, process, or idea that might result from such research.
9. Acquisition, construction, or operation of television transmitter stations.
10. Fees for outside legal counsel, unless the Attorney General has been requested to perform these services. If the Attorney General cannot provide such services, he will so certify to the University which may then utilize appropriated funds to retain outside legal services.
11. Audit fees.
12. Entertainment expenses.
13. Decorative plants (including anything used to grow or maintain plants).
14. Advance payments are not usually permitted. Exceptions are registration fees, subscriptions, and purchase of library materials.
15. Memberships in Chambers of Commerce.
16. Contribution of money, goods or services to a charitable organization.
17. Purchase and/or mailing of Christmas cards.

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18. Employee service and/or safety awards are limited to \$100.00 per award.
19. In addition to the above restrictions, which relate specifically to State Appropriated Funds, the following restrictions apply to all University funds:
 - 19.1 Employee service and/or safety awards are limited to \$100.00 per award.
 - 19.2 Non-business related gifts and flowers.
 - 19.3 Seasonal decorating items.
 - 19.4 Reimbursement of personal fees or fines accessed by the University regulations.
 - 19.5 Maintenance, repair, or monthly fee on personal equipment with incidental business use.
 - 19.6 Restrictions related to salary payments:

The rate of salary paid an employee for services during a summer session shall not exceed the salary rate paid the employee for the same similar services during the preceding long session.

Full-time employees on twelve (12) month basis may not receive more than \$7,500 for correspondence and/or off-campus teaching and may not be paid additional money for summer school teaching.

Full-time employees on nine (9) month basis may be paid for correspondence and/or off-campus teaching, summer school, or other services during the remaining three months of the fiscal year, but may not receive more than \$7,500 per annum for correspondence and/or off-campus teaching during the regular nine month session.

Payment of salary to any employee is prohibited if such employee receives funding from a grant or consulting contract not subject to administration by the University and who may use the resources of the University in carrying out the provisions of the grant or consulting contract.
20. Political Aid and Legislative Influence as defined in Section V of the Appropriation Bill is prohibited. This shall apply to all University funds.

References:

State of Texas-Restricted Expenditures

<https://fm.xcpa.texas.gov/fm/pubs/purchase/restricted/index.php>

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