

## HEALTH SCIENCE CENTER HANDBOOK OF OPERATING PROCEDURES

Chapter 6	Fiscal Policies and Procedures	Effective:	July 2000
Section 6.1	Accounting	Revised:	September 2008
<b>Policy 6.1.7</b>	<b>Discretionary Funds</b>	Responsibility:	Assistant Vice President for Business Affairs

## **DISCRETIONARY FUNDS**

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### **Overview**

Since the goals of the Health Science Center are to educate practicing professionals in the fields of health care; to conduct research in those areas which hold promise of new knowledge and practice in the alleviation of suffering and the maintenance of human well-being; and, to provide, through its resources, health care and public service for the benefit of the health professions and the people of the State of Texas, it has been determined that all expenditures made from any funds of the Health Science Center shall be approved only after evidence of furtherance of these goals has been shown. As such, expenditure of those funds is to be regulated and governed by the following set of guidelines, both general and specific, with which all expenditures from these accounts must be in total conformity.

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### **Policy**

All expenditures shall be made only in the spirit of benefit and after being shown to enhance and support programs of the Health Science Center, consistent with the missions of the University.

#### Expenses

Only those expenses that are properly authorized and fully documented shall be eligible for payment to a vendor or to qualify as a reimbursement of an employee's expenditure.

#### Vouchers

Only those vouchers that actually represent goods or services provided or received shall be eligible for payment or entitled to reimbursement of the employee's expenditure.

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### **Travel**

1. Travel shall not be routine or perfunctory, but shall be made only after the President, or his authorized representative, has carefully examined the purpose and need of each trip.
  2. Travel will only be approved when:
    - a. Such travel is on institutional business and for the benefit of the institution.
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- b. Appropriate provisions are made to carry out the duties and responsibilities of the person in travel during his/her absence without incurring additional expense to the institution.
  - c. Reimbursement for travel expenses incurred when a spouse is also in attendance shall only be made when such attendance is appropriate, and in conformity with provisions of DSRDP and MSRDP Bylaws (MSRDP and DSRDP Bylaws, Appendix A, #11).
3. Travel vouchers must include:
- a. Adequate documentation regarding the nature of the official (institution) business that was performed.
  - b. The name of the person(s) contacted in the recruitment of faculty or staff.
  - c. Evidence that all reimbursement for expenditures incurred will benefit the Health Science Center, consistent with the four missions of the Health Science Center.

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**Membership Fees and Dues**

Membership fees and dues may be paid only for membership in educational, scientific, or other associations in which the President or his designate deem to be appropriate and beneficial to the institution through the performance of his/her duties and responsibilities to the Health Science Center.

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**Fringe Benefits**

All expenditures for individual employees will be made in strict conformity with DSRDP or MSRDP. Those benefits include supplemental retirement (in accordance with University of Texas System Policy), parking fees (not to exceed Internal Revenue Service (IRS) Section 132 limitation), and incentive plans. Authorized fringe benefits may not exceed 30 percent of total compensation.

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**Entertainment**

Expenses for entertaining official guests of the University should be reasonable and appropriate. As a general guideline, the expenses should not exceed \$90 per person. Entertainment expenses incurred shall only be reimbursed for those goods or services obtained which can be shown to be beneficial to the Health Science Center, consistent with the missions of the University. Entertainment expenditures relating to the recruitment of faculty or staff shall only be incurred for those expenses that are related to meeting with bonafide and qualified prospects. See [Section 6.1.6](#) of the *Handbook of Operating Procedures*, "Requirements for Official Functions and Entertainment".

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**Other Expenses**

Authorized expenses other than those specifically categorized herein may include, but are not limited to, equipment and facilities leasing and rentals as appropriate, applicable maintenance and repairs, advertising and related incidental expenses in the promotion of public service, and such other expenses, the nature of which are those typically incurred by other health-related institutions of The University of Texas System. All other expenses shall be approved for payment by the President, or his authorized representative, only when they are shown to have a beneficial impact and are expended to enhance and support the programs of the Health Science Center, consistent with the missions of the University

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