

**1. Title**

Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences

**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, entertainment, and housing. 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 process for Travel and Entertainment Expenses incurred by the Chief Administrators and for Expenses for the Maintenance of University Residences.

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 and rules. 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 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 Maintenance of University Residences. All Expenses for the Maintenance of University Residences that exceed \$10,000 must be approved in advance by a committee composed of the Executive Vice Chancellor for Business Affairs, the Vice Chancellor and General Counsel, and the General Counsel to the Board of Regents. Prior approval by the committee is not required for expenditures made on an emergency basis to prevent damage to property.

Sec. 5 Documentation and Review. Each Chief Administrator shall comply with all documentation requirements imposed by law and U. T. System Administration and institutional policies for Travel and Entertainment Expenses and for Expenses for the Maintenance of University Residences, 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.

5.1 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 be reviewed and approved by the General Counsel to the Board but may be reviewed after payment.

Reimbursements made directly to the Chancellor for Expenses for the Maintenance of a University Residence must be reviewed and approved by the General Counsel to the Board of Regents before payment. Payments for Expenses for the Maintenance of a University Residence made on the Chancellor's behalf in excess of \$1,000 must be reviewed and approved by the General Counsel to the Board of Regents but may be reviewed after payment.

5.2 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 be reviewed and approved by the institution's chief business officer but may be reviewed after payment.

Reimbursements made directly to a president of a U. T. System institution for Expenses for the Maintenance of a University Residence must be reviewed and approved by the institution's chief business officer before payment. Payments for Expenses for the Maintenance of a University Residence made on the president's behalf in excess of \$1,000 must be reviewed and approved by the institution's chief business officer but may be reviewed after payment.

5.3 Spouse Expenses. Requirements, processes, and guidelines applicable to a Chief Administrator will also apply to his or her spouse.

Sec. 6 Timeliness of Requests for Reimbursements. A Chief Administrator must request any reimbursement for Travel and Entertainment Expenses or Expenses for the Maintenance of University Residences within 60 days of the date on which the expense was incurred.

Sec. 7 Reporting. Each Chief Administrator shall prepare annual reports, based on fiscal year, of Travel and Entertainment Expenses and Expenses for the Maintenance of University Residences 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. Each president shall file the report with the institution's chief business officer. The reports are due not later than the 30th day of October and are to be reviewed by the institution's chief business officer for compliance.

7.1 Annual Reporting on Travel and Entertainment Expenses and Expenses for the Maintenance of University Residences. 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.

7.2 Annual Certification. The institution's chief business officer will provide an annual certification to the Executive Vice Chancellor for Academic Affairs or Health Affairs who will forward to the General Counsel to the Board documenting review of the Chief Administrator's annual expense reports. The General Counsel to the Board will confirm receipt of all certifications to the Board.

Sec. 8 Audits. The System Audit Office shall audit the Travel and Entertainment Expenses and Expenses for the Maintenance of University Residences 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.

8.1 The System Audit Office shall submit the results of the audit of the Chancellor and the Chancellor's spouse's expenses to the Chairman of the Board, the Chancellor, and to the General Counsel to the Board of Regents. The System Audit Office shall submit the results of the audit of the president and the president's spouse's expenses to the president and the appropriate Executive Vice Chancellor.

8.2 A summary of the results from the audits shall be submitted to the Audit, Compliance, and Risk Management Committee.

### 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.

Expenses for the Maintenance of University Residences – includes expenses for the furnishing, maintenance, or repair of a residence or its grounds owned by the U. T. System, but does not include the salary supplement described by the Regents' *Rules and Regulations*, [Rule 20202](#).

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, 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

*Texas Government Code* [Section 2203.004](#) – Requirement to Use State Property for State Purposes

**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**

Editorial amendment made to Number 3 on October 4, 2021  
Editorial and substantive amendments made December 17, 2019, per Board action on November 14, 2019  
Editorial amendment to Number 6 made September 25, 2018  
Editorial amendment to Number 5 made May 24, 2018  
Editorial amendments to Section 5.2 made March 22, 2018  
Editorial amendment made May 25, 2017, per Board action on May 9, 2017  
August 25, 2016  
Editorial amendments to Section 5.2 made April 26, 2016  
Editorial amendments to Section 5.2 made February 15, 2016  
Editorial amendment to Number 6 made July 13, 2015  
August 22, 2013  
Editorial amendments made October 24, 2012  
Editorial amendments to Number 1, Sections 1, 4, 5, 6, 7, 8, and Number 3 made on December 8, 2010  
Editorial amendment to Section 5.2 made September 9, 2010  
Editorial amendment to Number 5 made January 8, 2010  
Editorial amendment to Section 8 made March 17, 2008  
May 11, 2006

**9. Contact Information**

Questions or comments regarding this Rule should be directed to:

- [bor@utsystem.edu](mailto:bor@utsystem.edu)