

Section VII: Financial Services

Chapter 1: Audit and Consulting Services

1.1 Office of Auditing and Consulting Services

The Office of Auditing and Consulting Services (OACS) provides the independent, objective assurance and consulting services designed to add value and improve UTEP's operations. It helps the institution accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, operational, and governance processes.

The scope of work of OACS is to determine whether UTEP's network of risk management, control, and processes, as designed and represented by management, is adequate and functioning in a manner to help ensure that risks are appropriately identified and managed; significant financial, managerial, and operating information is accurate, reliable, and timely; employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations; resources are acquired economically, used efficiently, and adequately protected; programs, plans and objectives are achieved; and quality and continuous improvement are fostered in the institution's control process.

Opportunities for improving management control may be identified within OACS's scope of work. These opportunities will be communicated to the appropriate management.

1.2 Accountability

The Director, Auditing and Consulting Services, in the discharge of his/her duties, shall be accountable to the President and Internal Audit Committee to provide assessments on the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work; report significant issues related to the processes for controlling the activities of the organization and its affiliates, including potential improvements to those processes and provide information concerning such issues through resolution; periodically provide information on the status and results of OACS's annual work plan and the sufficiency of department resources; coordinate UTEP's interaction with the State Auditor's Office and other external audit entities.

1.3 Independence

To provide for the independence of the internal auditing activity, the Director of Auditing and Consulting Services reports directly to the UTEP President and must be free of all operational and management responsibilities that would impair his or her ability to review independently all aspects of the institution (per the Texas Internal Auditing Act, Section 2102, Government code). The Director of Auditing and Consulting Services also has an indirect reporting relationship to the University of Texas System (UT System) Director of Audits, who has responsibility for oversight of the internal auditing activity for the UT System and has the reporting responsibility for all components to the Board of Regents.

The Director of Auditing and Consulting Services is designated as the Chief Audit Executive of UTEP, per the Standards for the Professional Practice of Internal Auditing.

1.4 Responsibility

OACS has responsibility to:

- a.** develop a flexible annual work plan using an appropriate risk-based methodology, including any risk or control concerns identified by management, and submit that plan to the UTEP President, Internal Audit Committee, and the Board of Regents for review and approval, as well

as periodic updates;

- b.** implement the annual work plan as approved, including as appropriate any special projects requested by executive management of the institution, UT system officials, or the Board of Regents;
- c.** have and maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter and the Texas Internal Auditing Act;
- d.** evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion;
- e.** issue periodic reports to the President and Internal Audit Committee summarizing results of audit activities;
- f.** assist in the investigation of significant issues within the institution and notify appropriate members of executive management of the results;
- g.** consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the institution;
- h.** conduct quality assurance reviews in accordance with professional Internal Auditing standards and periodically take part in an external peer review;
- i.** provide consulting and advisory services as appropriate;
- j.** guide the institution on control self-assessment by assisting managers with risk self-assessment and conducting self-audits;
- k.** provide information to the UT System Director of Audits as required or requested to fulfill the System-wide audit oversight and reporting responsibilities;
- l.** file internal audit reports and related responses or action plan with the UT System Audit Office, budget division of the Governor's Office, State Auditor, and Legislative Budget Board within two weeks after their presentation to the Internal Audit Committee;
- m.** prepare the annual report required by the Texas Internal Auditing Act (Section 2102, Government Code) and submit the report to the UTEP President, UT System Audit Office, budget division of the Governor's Office, State Auditor, and Legislative Budget Board.

1.5 Authority

OACS staff are authorized to:

- a.** have full, free, and unrestricted access to all functions, activities, records, property, information systems, and personnel;
- b.** allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives;
- c.** obtain the necessary assistance of personnel in units where they perform audits, as well as other specialized services from within or outside the institution.

1.6 Standards of Audit Practice

The activities of OACS will meet or exceed the Standards for the Professional Practice of Internal Auditing or the Institute of Internal Auditors. OACS will also abide by generally accepted government auditing standards, the Texas Internal Auditing Act, and University of Texas System guidelines and applicable Business Procedures Memoranda.

Chapter 2: Fraudulent or Dishonest Activities

2.1 Definition of Terms

The terms embezzlement, misappropriation and other fiscal irregularities include but are not limited to any dishonest, illegal, or fraudulent act involving University property; forgery or alteration of checks, drafts, promissory notes, and securities; forgery or alteration of employee benefit or salary-related items such as time cards, billings, claims, surrenders, assignments, changes in beneficiary, etc.; forgery or alteration of medical-related items such as reports, charts, prescriptions, x-rays, billings, claims, etc.; forgery or alteration by employees, of student-related items such as grades, transcripts, loans, fee or tuition documents, etc.; misappropriation of funds, securities, supplies or any other asset to include use of University assets for private gain (i.e., equipment used for private consulting work, personal telephone calls made on University telephones, etc.); illegal or fraudulent handling or reporting of money transactions; acceptance or solicitation of any gift, favor, or service that might reasonably tend to influence the employee in the discharge of his or her official duties; destruction or disappearance of records, furniture, fixtures, or equipment where theft is suspected;

The Office of Auditing and Consulting Services will supervise all audits of allegations of dishonest or fraudulent activities. When an audit reveals suspected criminal activity, or an audit is initiated due to an allegation of criminal activity, the University Police are to be notified immediately. The Director of Police for the University of Texas System should be made aware of all felony fraud investigations and will be kept current of the progress of investigations conducted by the University Police.

If an audit reveals activity which may constitute a felony offense, the Director of Auditing and Consulting Services is to immediately notify the Vice President for Business Affairs, and then notification will be given to the U.T. System Director of Audits.

In accordance with the Regents' Rules Series 80601 the Vice President for Business Affairs will notify the Executive Vice Chancellor for Business Affairs as soon as it is known that a loss has occurred, for approval of all insurance and fidelity bond claims. It is the responsibility of the Vice President for Business Affairs to notify the President, who advises the Executive Vice Chancellor of criminal activity, as appropriate.

The Office of Auditing and Consulting Services, University Police, the Vice President for Business Affairs and the U.T. System Office of General Counsel will coordinate assistance provided to state, federal and local law enforcement agencies. All reasonable assistance will be given to law enforcement agencies when requested.

All requests for information and assistance related to investigations conducted by auditors of federal or state agencies are to be forwarded immediately to the Office of Auditing and Consulting Services, who will consult with the Vice President for Business Affairs.

The Vice President for Business Affairs is available and receptive to relevant information on a confidential basis, subject to the provisions of the Texas Open Records Act. Employees and students may directly contact the Vice President whenever an activity is suspected to be dishonest or fraudulent. The reporting individual should not attempt to personally conduct investigations or interviews/interviews in order to determine whether or not a suspected activity is improper.

2.2 Audits/Investigations

Audits revealing violations of the Penal Code for which an audit report will be issued should be reduced to final report form only after consultation with the Vice President for Business Affairs and the Office of General Counsel. This ensures that appropriate documentation of the facts has been achieved in order to permit appropriate personnel action, protect innocent persons, support appropriate civil or criminal actions, document claims made pursuant to applicable fidelity bonds, preserve the integrity of the criminal investigation and prosecution, and avoid unnecessary litigation.

In order to avoid the use of investigative techniques that might prevent evidence from being used in a criminal prosecution, the University Police will coordinate the criminal investigation, once probable criminal activity has been detected.

To avoid damaging the reputations of innocent persons initially suspected of wrongful conduct, and to protect the University from potential civil liability, the results of audits/investigations will not be disclosed or discussed with anyone other than authorized representatives of law enforcement and/or regulatory agencies, and only those persons associated with the University who have a legitimate need to know such results in order to perform their duties and responsibilities, subject to the provision of the Open Records Act.

Care must be taken in the investigation of suspected improprieties or irregularities so as to avoid incorrect accusations or alert suspected individuals that an audit is underway. Also, care must be taken to avoid making statements that could provide a basis for a suit for false accusation or other offenses. Accordingly, the reporting individual should:

a. not contact the suspected individual to determine facts or demand restitution;

b. not discuss any facts, suspicions or allegations associated with the case with anyone, unless specifically directed to do so by the Offices of Auditing and Consulting Services, University Police, or the Office of General Counsel.

All inquiries from the suspected individual, his/her representative or attorney are to be directed to the Vice President for Business Affairs. Under no circumstances should there be any reference to "what you did," "the crime," "the fraud," "the forgery," "the misappropriation," etc.

To the extent permitted by the Texas Open Records Act, confidentiality of those reporting dishonest or fraudulent activities will be maintained. However, the confidentiality cannot be maintained if that individual is required to serve as a witness in legal proceedings.

When an audit initiated due to an allegation of criminal activity has failed to detect criminal activity, and when advised by the Office of General Counsel, the Director of Auditing and Consulting Services has the discretion to stop the audit.

2.3 Operational Audit Findings

Each investigation of possible dishonest or fraudulent activities has the potential to provide insight into specific activities and may disclose control weaknesses and other areas that need additional auditing or University Administration attention.

Each investigation will be reviewed by the Office of Auditing and Consulting Services to determine whether additional work needs to be done in order to provide the Internal Audit Committee and University Administration with a basis for taking any corrective action necessary.

Allegations involving scientific misconduct will be handled in accordance with the policies based upon the U.T. System policy entitled "Procedure for Dealing with Allegations of Misconduct in Science".

Chapter 3: University-Owned Property and Equipment

3.1 Standard of Care

Accountable administrative officers must take all necessary precautions to assure that property is used only for official business and that property is secured and maintained in a manner to prevent theft, loss, damage or misuse.

At a minimum, reasonable care for the safekeeping of all institutional property should be exercised. The term "reasonable care" means that steps have been taken to maintain all institutional property in an acceptable manner, to ensure the security of all institutional property; to ensure that all institutional property can be located at any time requested; and to ensure that each person to whom institutional property is assigned is known and is aware of their responsibilities.

Departments must know where all assets are located at all times; should have a method of locating any inventory item whether on-site or off-site under their control; and should be able to locate a given item upon request.

Property that is assigned to employees must be used for state purposes only, and the responsibilities of stewardship and care of the property are maintained at the department level. An employee using equipment off-campus must complete the Removal of Property From University Campus form. Employees assume full responsibility for the equipment they are assigned and can be held liable for loss or damages.

3.2 Reporting Requirements

Those officers designated as responsible for institutional property are also responsible for maintaining their department's institutional property inventory, and this responsibility cannot be delegated to another individual.

All departments are responsible for the accurate and timely reporting of all institutional property in their possession. Departments are also responsible for assuring the accuracy of all statements of financial condition relating to institutional property. The Property Manager will announce the time and provide the procedures for conducting an annual institutional property inventory required by law.

All new institutional property with a value of more than \$500 will be tagged with a UTEP property tag, assigned an inventory number and placed on the official inventory records maintained by the Property Manager. Items valued from \$10.01 through \$500 shall be tagged with a UTEP property tag without an inventory number. Items valued less than \$10.00 will not be tagged.

Each department is responsible for taking all necessary precautions to ensure that assets are secured and that assets are tracked in a manner that prevents the theft, loss, damage, or misuse of assets.

3.3 Valuing Equipment

Equipment values are recorded at the actual cost of the item (including trade-in value) plus all costs required to place it into service, such as freight and other related professional expenditures incurred in the purchase of the item. If the property is acquired through donation, it is recorded at its estimated fair market value on the date of acquisition. Property manufactured at the University or other state facilities will be valued according to labor and materials cost. Departments receiving untagged property with values that are greater than \$500 should contact the Property Manager to arrange for the items to be tagged and recorded on the official institutional property inventory.

3.4 Federal Grant/Contract Assets

The University has special responsibilities to the U.S. Government for movable equipment acquired under grants from Federal sources.

3.5 Equipment Retention/Identification

Federal regulations require that all movable equipment purchased with funds supplied by the Federal government must be retained by the University for the duration of the award for a period of twenty (20) years from the date of acquisition unless the equipment is rendered inoperable through normal use. (See section 3.6 below).

Under most federal awards, within 120 days following the end of the award, title will normally vest with the University, unless specific restrictions are placed within the agreement between the University and the granting agency. In this case, the terms and conditions set forth within the agreement will prevail.

To comply with the identification requirements, it is essential that all vouchers issued in payment for such equipment be labeled clearly as to the source of funds. It will be the responsibility of the Property Manager to see that equipment purchased on such vouchers is placed on property records and specifically identified in the inventory as to the source of funds.

3.6 Restrictions on Use/Disposition

It is imperative that all departments accountable for federally purchased property be aware of this requirement, and it is the responsibility of the administrator of each department to make sure that no federally-funded equipment is used as a trade-in or turned in as a credit toward the purchase of other equipment.

If the equipment becomes unusable or obsolete through normal use within the award period, the Principal Investigator must follow institutional policies to dispose of the equipment. If the equipment becomes worn beyond the point of economical repair, it must be turned in as "surplus property". When the property has been received by the Property Manager, it shall be his or her responsibility to obtain permission from the appropriate federal agency to dispose of the equipment. It is mandatory that sufficient documentation is maintained to support the disposal of any equipment purchased with federal funds while the award period remains open. This documentation demonstrates the University's proper stewardship of the resources granted or awarded to the University by federal agencies by detailing the reasons for disposal.

If such equipment becomes surplus to the department's need after the award has ended, normal institutional procedures should be followed. While the award remains active, federal equipment cannot be surplus and must be retained within the department. If a federal granting agency agrees to the surplus request and documents in writing their authorization, then the equipment may be turned in as surplus equipment, and the Property Manager may accept and dispose of the equipment under existing University Policies and Procedures.

3.7 Maintaining Records

Please refer to the next section

3.7.1 Loan of Property

Departments may temporarily loan equipment to other University departments for the conduct of official business.

Property may be loaned to other State agencies only upon completion of an Inter-Agency Agreement and approval by the Vice President for Business Affairs. State property may not be loaned to private

individuals, corporations or organizations except pursuant to a University approved contract. Please refer such matters to the Office of Sponsored Projects and/or the Vice President for Business Affairs for handling.

Departments loaning property to others do not absolve themselves from the responsibility of assuring stewardship of the property. Loaned property remains on the physical inventory of the loaning department, which must observe the reporting requirements for the property.

3.7.2 Salvage Property

Salvage property is any institutional property, which through use, time, or accident is so depleted, worn out, damaged, consumed, or outdated that it is obsolete and/or can no longer serve the purpose for which it was originally intended. Equipment will be advertised as available to other University departments before it is declared salvage.

Property that meets the above criteria for surplus or salvage property must be processed by the Property Manager according to the prescribed format for deletion of records. This process will automatically request the necessary approval for such deletion from a department's inventory through the State Comptroller.

3.7.3 Missing or Stolen Property

Property that is missing or stolen property must be reported immediately to the University Police department. Upon verification of the loss, it should also be reported to the Institutional Property Manager, who will automatically initiate notification to the Vice President for Business Affairs, and subsequently State Comptroller and State Auditor as required by law.

When State property is lost, damaged or destroyed through the negligence or fault of a state employee, the employee is liable to the State for the loss. The State Auditor and/or the President may investigate such losses and can require written demand be made upon the employee.

3.7.4 Transfer of Property

If a department possesses property that is in excess of its needs and that has additional useful life, such property should be transferred to the Property Manager for reassignment to other University departments. If the Vice President for Business Affairs shall determine that the equipment is not needed for any department, that is not practicable to store the equipment for possible future use, and that the equipment can be used for instructional purposes, it shall be made available to a public school district or school district in accordance with Section 2175.304(b) of the Texas Government Code before disposing of the property in another manner. The instructional equipment may be transferred to the public school or school district for such consideration, or for no consideration, as the Vice President determines appropriate. Ordinarily, departments are not permitted to "sell" or otherwise barter surplus property to another department. In exceptional cases, arrangements for reimbursement of all or a portion of the cost of new or nearly new equipment may be approved upon submission of a written explanation of the circumstances to the Vice President for Business Affairs.

Equipment may be transferred between departments, but the departments involved must complete the proper documents to formally amend the official inventory records to reflect deletion from the transferring department and addition by the receiving department. Departments considering transfer of surplus property should call the Inventory Section of Materials Management department for assistance.

3.7.5 Disposal of Property

Individual departments are not authorized to unilaterally dispose of state property in any manner. Property that is surplus to a department's needs or no longer capable of being used because of age, condition or obsolescence, should be transferred to the Institutional Property Manager for reassignment or disposal by the Inventory Section in accordance with state laws.

Surplus or salvage equipment that is not disposed of in accordance with state laws shall be disposed of in accordance with the following provisions:

- a. for items of little value or limited use where sale on competitive bids is not practicable, the Vice President for Business Affairs shall have the authority to dispose of the property on the basis of negotiated bids or surplus auction in amounts under \$50,000;
- b. sale of property estimated to bring \$50,000 or more shall be made on a basis of competitive bids;
- c. a sale in the amount of \$100,000 or more shall be approved in advance by the Chancellor and ratified by the Board of Regents through the institutional docket;
- d. sales to employees are governed by the provisions of Regents [Rules and Regulations](#) Series 22601.

In those cases where cannibalization of one piece of state property to repair another equipment item is appropriate, authorization can be obtained from the Property Manager, who will initiate removal of the cannibalized item from the inventory records.

If an item of surplus or salvage equipment is not disposed of as provided above, the Vice President for Business Affairs determines that the item is of nominal use or value, and may direct that the item be donated to a civic or charitable organization or destroyed. If donated to a civic or charitable organization, the Vice President shall assure that the donation serves a proper public purpose appropriate to the function of the University, adequate consideration flows to the public, and sufficient controls are in place to ensure the public purpose is achieved.

3.8 Property Ownership

All property physically located on the campus is normally presumed to be State-owned property. Any property that is the personal property of individual employees should be marked accordingly or otherwise documented with the employee's department. The University is not responsible for theft, loss or damage of any employee's personal property, whether used for official business or not.

3.9 Agency Training

The Property Manager shall ensure that appropriate employees are properly trained and knowledgeable in the accounting for and care of the University's institutional property.

3.10 Texas Surplus Property Agency

Please refer to the next section

3.10.1 Acquisitions

The Institutional Property Manager, as the official representative of the University, with the consent and advice of the Vice President for Business Affairs, is the only individual authorized to transact business with the Texas Surplus Property Agency. All parties interested in acquiring property from this agency should contact the Inventory Section of the Materials Management Department.

3.10.2 Deletions

Disposal of institutional property acquired from TSPA requires special handling in addition to the normal disposal procedures. Contact the Property Manager for assistance in such cases.

Chapter 4: Transfer of Capital & Controlled Equipment

The University of Texas at El Paso (UTEP) is committed to the responsible use of and the orderly transfer of equipment to UTEP and from UTEP to external entities. UTEP adheres to University of Texas System guidelines and state and federal regulations regarding the transfer of supplies and equipment. For the purposes of this policy, "equipment" refers only to capital and controlled equipment (refer to UTEP Inventory Management Policies and Procedures for definitions of capital and controlled equipment). UTEP considers transfers of equipment only to other universities and institutions.

Ownership of equipment purchased with state funds, designated funds, or gift and endowment funds vests with UTEP. Ownership of equipment purchased with sponsored project funds may be determined as follows:

- a.** Ownership of equipment purchased with federal grant funds generally vests with UTEP;
- b.** Ownership of equipment purchased with federal contract funds is determined by the terms of the contract;
- c.** Ownership of equipment purchased with private grant or contract funds generally vests with UTEP, unless specifically stated otherwise in the grant guidelines or contract terms;
- d.** Ownership of equipment purchased with sponsored project funds that expired prior to the equipment's transfer to UTEP generally vests with UTEP. The eligibility for transfer of equipment may be determined as follows:
 - e.** Equipment purchased using state funds, designated funds, or gift and endowment funds is eligible for transfer. This transfer may be effected only if the department chair, dean, VP for Research, CFO and President approve the transfer and the receiving institution agrees to purchase the equipment from UTEP at a depreciated cost to be determined by the University's Comptrollers Office then only if it is considered surplus to UTEP.
 - f.** Equipment transferred to UTEP with a faculty member may be transferred with the same faculty member to another university; in such cases, there will be no charge to the receiving university for the equipment.
 - g.** Equipment purchased with active sponsored project funds is eligible for transfer only if the project is being transferred with the Principal Investigator (PI) to another institution. In such cases, there will be no charge to the receiving institution for the equipment.
 - h.** Equipment purchased with sponsored project funds that originated at UTEP and have since expired is eligible for transfer with the PI to another university. This transfer may be effected only if the department chair, dean, VP for Research, CFO and President approve the transfer.
- i.** Any lab or clinic equipment with posted hazard warning sign(s) (e.g., biological, chemical, radiological, UV) must have its safety status verified prior to relocation. The PI must contact the director of Environmental Health and Safety prior to moving such equipment

4.1 Procedure

Please refer to the next section

4.1.1 Transfer of Equipment To or From Another State of Texas Institution

When UTEP departmental personnel become aware of the need for and the willingness to receive certain equipment by a department or employee of another State of Texas-supported agency or institution, the head of the UTEP department possessing the equipment must submit a written request that has been signed by the department chair, dean, Vice President, CFO and President to the Comptroller's Office requesting approval to transfer the equipment. The written request should list the UTEP tag number, property description, and reason for transfer.

If the Comptroller's Office approves the transfer, the Inventory Department must remove the property identification tags before the equipment is removed from UTEP premises and prepare the necessary forms and documents to effect the transfer in the State Property Accounting System (SPA).

When a UTEP department receives equipment from another state institution, the department receiving the equipment must notify the Inventory Department to ensure that the transfer documents were processed by the transferring state agency and received. Once the information is received, the Inventory department will tag those assets that meet the capitalization criteria and enter the property into the property management system.

4.1.2 Transfer of Equipment Purchased with Active Sponsored Project Funds to Another Institution

Procedures for transferring equipment purchased with active sponsored project funds differ depending on the type of contract or grant. The PI must contact the Office of Research and Sponsored Projects (ORSP) to determine the appropriate procedure and obtain the appropriate Grant/Equipment Transfer form. Before completing the Grant/Equipment Transfer form, the PI should contact Inventory to obtain a list of equipment that is eligible for transfer. The PI must submit the completed Grant/Equipment Transfer form to Contracts & Grants Accounting for verification. The form should be completed with the exception of approvals and should list the equipment to be transferred. The list should include the following:

- a. inventory tag number
- b. description
- c. acquisition cost
- d. account number

Contracts & Grants Accounting will forward the request to the department head, who will indicate his or her approval and secure the approval of the dean, ORSP, VP for Research, VP for Business Affairs, and President. Final approval rests with the President. The equipment shall not be removed from UTEP until all approvals have been obtained and the inventory tags have been removed by Inventory.

4.1.3 Transfer of Equipment Purchased with Expired Sponsored Project Funds to Another Institution

The requesting PI must submit a letter to the Comptroller's Office requesting transfer of equipment purchased with expired sponsored project funds. The letter must bear the signatures of the faculty member's department chair and dean, indicating their approval as well as the VP of Research and President. The PI must include with the letter the receiving institution's agreement to purchase the equipment at a depreciated cost, as determined by the Comptroller's Office. Depreciated costs will be determined using industry standards or by obtaining an independent appraisal at the expense of the requesting department.

The equipment shall not be removed from UTEP until all approvals have been obtained and the inventory tags have been removed by Inventory. It is the PI's responsibility to arrange for transport of the equipment with the receiving institution.

4.1.4 Transfer of Equipment Transferred From UTEP to Another Institution

The requesting PI must submit a letter to the Comptroller requesting transfer of equipment that he or she transferred from UTEP. The letter must bear the signatures of the faculty member's department chair, dean and VP of Research indicating their approval. In such cases, there will be no charge to the receiving institution for the equipment. The equipment shall not be removed from UTEP until all approvals have been obtained and the inventory tags have been removed by Inventory. It is the PI's responsibility to arrange for transport of the equipment with the receiving institution.

4.1.5 Transfer of Equipment from a Non-State of Texas Institution

When a UTEP department receives equipment from another institution, the department receiving the equipment must immediately notify the Inventory Department. Documentation supporting transfers of equipment from non-State of Texas institutions shall be forwarded to Inventory and will include the item description, serial number (if available), and the book value of the item. After obtaining this information, Inventory is responsible for tagging equipment considered a capital asset and recording it in the University records.

Chapter 5: Account Review Policy

The University of Texas System Board of Regents (Regents' Rules, Chapter II, Sec. 2.4, 2.6, 2.7) and the University of Texas at El Paso ([Handbook, Subchapter 1.3 Financial Responsibilities](#)) requires all account administrators review accounts for which they have signature authority on a monthly basis. This process assures University administration and external parties that fiscal resources are monitored and maintained in accordance with University Policies and Procedures.

The account administrator may designate another individual to prepare the documentation for the review process as long as there is a separation of duties between the preparation/review and the approval function. Account administrators may not delegate the fiduciary responsibility for University assets to another individual; however, they may delegate the review function to another full-time staff managerial position.

The review is made of supporting documentation to the actual charges against the account. Discrepancies should be resolved within 60 days after their identification. The administrator or their designee should follow up to ensure all the corrections have been made and recorded.

5.1 Review Procedures Documentation

As the department expends funds from their accounts, they will issue different types of documentation. These include purchase orders (PBO or PB4), Purchase Requisitions, PRO Card transactions, vouchers payable (VP2, VP3), appointment documents, etc. These documents are the authorization to charge expenses against the departmental accounts. These documents comprise the bulk of the support documentation required for the account review process.

The first step of the review process is to compare the previous month's ending balance to the current month's beginning balance. This check ensures that the correct balances are reflected from one month to the next. The required support documentation will vary according to the type of account or sub-account that is being reviewed. Listed below are the various types of sub-accounts; a) what can be construed as adequate and appropriate documentation for each and; b) a brief description of the review procedure.

Salaried Accounts (Sub-account number 01,02,03,04,09,10,11)

a. After the beginning of the fiscal year, the accounts will not have any supporting documentation for review. Only a disencumbrance and expenditure will be reflected on the statement of account. The reviewer should not see much activity for "salary" accounts as those are fairly fixed throughout the year and reflected in the budget. However, any changes should be for authorized pay changes and new appointments. When a new position or a new hire for an existing position is filled, the supporting documentation normally includes either the Employment Requisition Form, copy of request and authorization memo, or budget page showing the authorized budget line.

b. The account administrator or designee should review the expenditures for reasonableness. The name of the individuals receiving payments, if they are still employed, if the amounts paid are correct, if someone should be on the statement and his or her name is missing, if additional research is required, etc. The payment of wages is triggered by approved wage rates and hours of work reported in the time sheet. Check for reasonableness.

5.2 Fringe Benefit Accounts (Sub-accounts 14, 15)

a. No supporting documentation required for review. These accounts are centrally controlled, and charges are made monthly based on selections by the individual employee. All fringe benefit expenditures charged to the account are separated by object code and represent a total for all fringe benefits for all employees for the entire month. However, in the rare circumstance that the incorrect fringe benefit account has been assessed, the General Accounting Office must be notified for correction.

b. The account administrator or designee should review for reasonableness. There should be little fluctuation from month to month, unless there are numerous appointment document changes. On a monthly basis, each fringe benefit account will normally have an encumbrance (based on appointment documents) and a disencumbrance processed against the account. These transactions freeze and unfreeze the availability of funds, based on the specified appointment document.

5.3 Wage Accounts (Sub-accounts 12,19,20, and occasionally 51-all expense)

a. Daily Time Record (which is the supporting documentation for the Timesheet that was processed for payment OV1, OV2, etc.)

b. The account administrator or designee should review each wage payment on a one-to-one basis. The charge against the account should match the daily time record for number of hours processed. The account administrator should test the reasonableness of the charge for work-study accounts by performing a calculation to ensure the correct percentage charge.

5.4 Operating Accounts (Sub-accounts 50, 51)

a. Generally, supporting documentation would include copies of purchase requisitions, purchase orders, vouchers payable with receipt copies, IDTV's and associated purchase requisitions and Pro Card transaction logs with receipts.

b. The account administrator or designee should review on a one-to-one basis, identify all reconciling items and follow up to ensure correctness within 60 days or before fiscal year end of 08/31, whichever is sooner

6.1 Introduction

Travel by University employees is governed by the State of Texas Travel Regulations Act, the General Appropriations Act, the [Rules and Regulations](#) of the Board of Regents, official interpretations of the Travel Act, as made by the State Comptroller of Public Accounts, and by the policies of this Handbook.

6.1.1 Employee's Responsibility

All employees are required to be aware of the state laws, and the [Rules and Regulations](#) governing travel by state employees. Failure to comply could result in non-reimbursement of travel expenses. Information regarding travel regulations is available from the University Travel coordinator and from the website maintained by that office.

Stricter guidelines may be imposed by individual departments and, in addition, some sources of funds may impose additional restrictions, (e.g. contract and grant funding).

6.2 Travel Authorization

Prior supervisory approval for all business travel is required for absences from the campus (or other designated headquarters) for periods of half a day or more during the normal working period, whether or not there is a cost to The University.

A Request for Travel Authorization must be completed prior to travel, and approval is delegated to the immediate supervisor. Approved requests must be routed through the department chair or director and forwarded to the appropriate Dean or other administrative officer for approval. The form will then be routed to the appropriate Vice President and to the Travel Coordinator for final approval and distribution, except foreign travel and travel to Washington D.C., which require final approval from the President's Office.

The Request for Travel Authorization must state the traveler's name, dates of travel, destination, purpose and benefit of travel, and the account to be charged. Appropriate arrangements for disposition of duties must be made in advance of the travel. Travel requests by faculty members must contain a statement describing the disposition of work and/or classes missed during the period of travel. If classes are to be missed, a qualified member of the instructional staff shall be identified to and approved by the departmental Chair as a substitute instructor. Under normal circumstances, classes should not be rescheduled.

6.2.1 Student Travel Policy

Refer to the Student Affairs section of the Handbook at <http://admin.utep.edu/hoop>.

6.2.2 Prospective State Employees or Prospective Students

When a prospective employee is requested to travel for an employment interview, he or she may be reimbursed for travel expenses in the same manner as a state employee. A travel advance may not be issued to a prospective employee. Prospective employees are not exempt from hotel occupancy taxes and may be reimbursed for those taxes. A RTA VE5 is not created for prospective state employees or students.

6.2.3 Disabled Officers and Employees

A disabled officer or employee who is required to travel on official state business may be reimbursed for attendant care travel expenses. The attendant travel expenses are subject to the same rules as the employee. First class airfare for disabled employees is allowable only if it is medically necessary.

6.2.4 Special Travel Regulations for Other than Educational and General Funds

Provisions of the preceding general travel regulations apply to all UTEP employees and all funds. However, if applicable, employees may travel under the auspices of contracts, gifts, grants, or designated funds, in which case they may elect to take advantage of the following exceptions:

6.2.5 Travel on Sponsored Project (Grant) Funds, Gifts, and Designated Funds

Travel allowances under other grants or contracts will be in accordance with the terms of the contract. However, if the contract does not specify terms for travel, then the general travel regulations will apply. For travel from, or derived from, federal or state agencies, travel allowances will be those specified in the general travel regulations.

For all gifts, designated funds, and grants, travel allowances will be for expenses involving meals, lodging and airport parking fees, not to exceed rates specified in the general travel regulations per day. This applies for both in-state and out-of-state travel. Lodging receipts must be submitted for reimbursement of claims. The transportation allowances will follow the provisions of the general travel regulations.

The provisions above are subject to the terms and conditions of the particular gift or grant involved, which may supersede the above provisions. When not prohibited by the terms of the contract or grant, employees may be reimbursed for required registration fees or similar expenses incurred while attending meetings of organizations or associations. Receipts for such expenses must be secured and attached to the document if reimbursement is expected.

An employee may be reimbursed for travel expenses from both a non-state agency source and from the State of Texas so long as the total reimbursement from all sources is not greater than actual expenses.

6.2.5.1 Contracts & Grants:

In addition to institutional approval, special written approval from the granting agency may be required if specific authorization is not provided for under the terms of the contract or grant. It is the responsibility of the Principal Investigator to secure all necessary approvals; failure to do so will result in disallowance of the travel expenses.

6.2.6 Dues and Registration Fees

Registration Fees - Reimbursement for registration fees, or similar expenses incurred when attending any type of organization or association meeting, will be made only if the associated membership is directly related to the duties performed by the employee and the type of conference attended. Receipt showing who paid and the form of payment must be submitted.

Meals and lodging may not be claimed in the registration fee except when the meals are included as a non-optional, incidental expense of the fee.

Entertainment or other personal items may not be claimed.

A registration fee can be paid in advance by a state agency, but only if the fee is paid in the same fiscal year as the date of the conference.

EXCEPTION: A registration fee that includes a membership fee may be paid in advance and charged to the current year's appropriation, if the request is made no earlier than six (6) weeks prior to the date of

the conference. Every effort should be made to attend "paid in advance" conferences and, with the approval of the supervisor, one employee may replace another employee at the conference.

6.2.7 Membership Fees and Dues

Memberships in professional organizations must be in the name of the University, not an individual employee, and require written approval from the President or the President's designee prior to payment. Reimbursement for membership fees and dues in professional organizations will be made if there is a direct relationship between the duties performed by the employee and the organization. Receipts are required, with a justification statement explaining the necessity of paying the membership fee.

6.2.8 Packaged Travel Arrangements (Tour Packages)

If meal or lodging expenses are mandatory and included with the registration fee, then they are fully reimbursable. If meal and lodging expenses are not mandatory, then the reimbursement may not exceed the meal and lodging limits.

6.3 Meals and Lodging

Please refer to the next section

6.3.1 General Rules - In-State Travel

Only single occupancy rates can be claimed. If two or more employees share lodging, the expense should be divided equally between the employees, and documented on both reimbursement forms. Excess meal and lodging expenses for one day may not be carried forward or backward to another day. Expenses incurred the day before official business begins or the day after official business ends are reimbursable. Expenses incurred more than one day before official business begins or more than one day after official business ends are reimbursable only if the expenses are incurred to qualify for a discount airfare and results in a savings to the University. Meal and lodging expenses are not reimbursable without an overnight stay.

Expense reimbursement for in-state travel is limited to State of Texas per diem rates.

Employees of The University of Texas are exempt from Texas state hotel occupancy taxes. A traveler must present the hotel with a completed exemption certificate. If a hotel refuses to honor the certificate, the traveler will be reimbursed for the tax, and the state comptroller should be notified of the hotel's refusal. University employees are not exempt from county or municipal hotel occupancy taxes, and these taxes are reimbursable.

When traveling out of state, the meal expense reimbursement rate may be reduced and a corresponding amount used to increase the lodging reimbursement rate. However, lodging expense may not be reduced to increase the meal reimbursement rate.

LODGING RECEIPTS ARE REQUIRED. Employees may not claim lodging for more than actual costs including room taxes. Meal receipts are required if in excess of \$30 per day.

Employers are required to report per diem payments not involving an overnight stay as Other Compensation on the employee's W-2 form.

Travel Status for a Continuous Period of Less than Six (6) Hours: Only transportation expenses will be paid to an employee who is away from designated headquarters for a period of less than six (6) hours.

The above provisions are applied strictly when the cost of travel is to be paid from State Appropriated Funds. For special exceptions, see Special Travel for General Travel [Rules and Regulations](#) of the State of Texas Travel Allowance Guide at web site:

http://www.window.state.tx.us/comptrol/san/fm_manuals/tag_man/02tag_man/pdftravelallowtoc.html

6.3.2 Out-of-State Lodging Rates

Rate schedules, which are effective September 1st of each year, may be accessed at Web site address:

<http://www.window.state.tx.us/comptrol/san/fm.notices.date.html/fm02/oosmealsandlodgingrates02.pdf>

6.3.3 General Rules for Out-of-State Travel Reimbursement

The meals and lodging schedule is to be used for out-of-state travel within the Continental United States by state employees. The rates may be found in *DEFINE using the GG1 command. Employees, who travel to Alaska, Hawaii, Canada, Mexico, Guam or any U.S. possession, may be reimbursed for their actual meals and lodging expenses, provided prior written approval is obtained from the President's Office. If this approval is not received, the rates for meals and for lodging on the website apply, but not to exceed \$350 per day. (Website address listed at the beginning of the Travel Guidelines.)

State accounts and state-funded 18 and 26 accounts are limited by the federal travel regulations. The rates may be found in *DEFINE using the GG1 command. Locality limits are based on key cities within a state. When traveling to a city not listed, the limit is based on the county in which the city is located. If neither the city nor the county is listed, the reimbursement is limited to the median rate.

Local accounts are limited to a combination of actual meal and lodging expenses, not to exceed \$250 per day. If meal expenses exceed \$35 per day, receipts together with an explanation will be required.

If the city traveled to is not listed on the meals and lodging schedule, the employee may contact the Travel Coordinator, who will assist in having the city added. The state schedule can be found at:

http://www.window.state.tx.us/comptrol/san/fm.notices.date.html/fm02/fm02-16_intro.html.

Employees should always list the city and county traveled within on their travel voucher. This will help expedite the processing of the voucher. All travel is based on the actual meals and lodging expenses incurred by an employee, not to exceed the rates set out in the schedule.

LODGING RECEIPTS ARE REQUIRED. Employees may not claim lodging that is more than actual costs including room taxes. Meal receipts are required if in excess of allowed per diem for that locality. Partial meal allowances for the day of return from out-of-state travel are based on the locality meal rate and appropriate percentage rate as shown below:

Local accounts are limited to a combination of actual meal and lodging expenses, not to exceed \$250 per day. If meal expenses exceed \$35 per day, receipts together with an explanation will be required.

6.3.4 Other Reimbursement Guidelines

An employee may not be reimbursed for meals or lodging expenses incurred within the employee's designated headquarters. An employee may be reimbursed if the expenses are mandatory and connected with training, a seminar, or a conference.

Meal and lodging expenses may not be reimbursed for any days the employee is absent from duty for personal reasons. Personal reasons include, but are not limited to, illness, a family emergency, breakdown of a motor vehicle, and any occurrence not connected with official duties.

An employee can only be reimbursed for his or her own expenditures. Employees are not allowed reimbursement for expenditures incurred by other individuals. Alcoholic beverages and tips/gratuities are not reimbursable expenses.

Local Accounts may reimburse tips and gratuities incurred during travel for official business. The amount of the reimbursement may not exceed 15%. The tip or gratuity is separate from the daily meal limit and should be itemized in the comments section of the VP2 voucher.

6.3.5 Hotel Occupancy Taxes

A University employee may be reimbursed for travel outside the State of Texas for the required payment of hotel occupancy or similar taxes. The reimbursement is classified as an incidental expense. The taxes are not classified as a lodging expense for the purpose of the maximum reimbursement rate for those expenses.

6.3.6 Maximum Reimbursement

This section applies only when a University employee is entitled to reimbursement for his payment of hotel occupancy or similar tax. If the tax is calculated as a percentage of the lodging rate, the reimbursement may not exceed the percentage multiplied by the maximum that may be reimbursed to the employee for his lodging expenses at the location.

6.3.7 Lease of an Apartment Or House

If a department anticipates that an employee will be at a duty point for at least one month, the expense of leasing an apartment or house may be reimbursed. The apartment or house must be leased from a commercial establishment. The name of the employee must appear in the lease, and the purpose for leasing must be the conservation of state funds. Any deposit required for the lease of a house or apartment is the sole responsibility of the employee and is not reimbursable.

6.4 Transportation

Please refer to the next section

6.4.1 Travel by Rented or Public Conveyance/Commercial Air

The reimbursement for commercial air transportation may not exceed the cost of the lowest available airfare. First class airfare may be reimbursed if it was the only available airfare.

When an employee combines business and personal air travel, his or her reimbursement may not exceed the amount airfare would have been had he or she not included personal travel. So long as that limit is not exceeded, he or she may be reimbursed for all airfare. Federal taxes on airfare are reimbursable.

6.4.2 Travel by Mass Transit, Taxi, or Limousine

Receipts are not required when traveling within a city by public transportation. However, if public transportation is used for travel between cities, receipts are required. The cost of limousine transportation may be reimbursed only if it is the lowest transportation available.

6.4.3 Rented Vehicle Required Use

University employees are required to use the rental companies under state contract with the General Services Commission.

The names of currently contracted rental car agencies are available from the University Travel Coordinator.

6.4.4 Rental Vehicles and Rental Insurance/ Rental Vehicles

Free Loss/Damage Waiver (LDW) and free primary liability coverage is provided by state contracted Rental Car Agencies. If additional insurance is desired, it must be provided at the employee's expense.

The University of Texas System provides supplemental insurance coverage for University employees conducting University business by rental vehicle. The insurance coverage is, however, secondary to any personal insurance held by the employee or that provided under a rental or lease agreement.

Personal automobile insurance policies will provide excess coverage to long-term leased vehicles and short-term rental vehicles in most cases. Individuals may wish to verify this fact with their personal insurance agent. Collision and comprehensive protection is provided for rental vehicles that are secured through an agency that does not provide such coverage by contract with The University of Texas, or the traveler has inadvertently not selected the insurance coverage offered by the rental car agency.

If an employee should have an accident while in a rental vehicle, regardless of fault, he or she should notify the Assistant to the Vice President for Business Affairs.

6.4.5 Taxes and Fees

If an employee pays for a car rental with any type of individual charge card, he or she will be reimbursed for the cost of the rental including the tax.

6.4.6 Refueling Provisions

Vehicles are provided to travelers with a full tank of gas. Fuel is not included in the rate. If a vehicle is returned with less than a full tank of gas, refueling fees will vary based on the vendor and location. Refueling fees are generally higher than "gas pump" prices and can be as much as 50% above local market price. It is strongly recommended that a prepaid fuel option be chosen at the time of the rental or that the vehicle be returned with a full tank of gas.

When an employee uses a rental vehicle for both personal business and state business, only the portion attributable to state business may be reimbursed. Rental expenses may not be reimbursed if the rental was necessary only because the employee combined personal and state business.

If two or more employees share a rented vehicle, only the employee who paid the cost of renting the vehicle may be reimbursed. The other employees may not be reimbursed for any costs associated with renting the vehicle.

Charges for liability insurance supplements, personal accident insurance, safe trip insurance and personal effects insurance are not reimbursable. The charge for an additional driver is reimbursable only if it is for another state employee. A collision damage waiver or a loss damage waiver is reimbursable unless the waiver is included in the contracted rental rate.

6.4.7 Use of Personal Car on Official University Business

Reimbursement will be limited to the University rate for mileage. A mileage log must be maintained as support for the reimbursement.

6.4.8 Personal Car Mileage

Mileage is determined by "The Official State Mileage Guide.," published by the Office of the State. The distance listed in the mileage guide is the maximum number of miles for which an employee may be reimbursed. However, the distance between two locations as listed in the mileage guide is not the maximum if one or both locations is not listed by the mileage guide as a measuring point, and the mileage claimed is itemized on a point-to-point basis. The current mileage reimbursement rate can be obtained by calling the Accounts Payable Office at 747-5163.

6.4.9 Personal Travel

Personal travel does not require notice, and personal activities and personal activities interspersed with official business travel should be identified on the Travel Request as such, but no itinerary is needed.

6.4.10 Weekend Travel

If official state business temporarily ends on Friday and resumes on Monday, the employee may have the option to stay at the duty point or return to headquarters for the weekend. If the employee chooses to remain at the duty point, expenses for the weekend are subject to the same limitations as weekday travel. If the employee decides to return to headquarters, the travel reimbursement shall be limited to the lesser of the expenses that would have been reimbursed, had the employee stayed at the duty point, and the transportation expenses incurred returning to headquarters and going back to the duty point.

Reimbursable expenses are limited if an employee leaves a duty point and travels for personal reasons to a location other than headquarters for the weekend. Weekend travel expenses may not exceed the average weekday travel cost multiplied by the number of days in the weekend.

6.4.11 Travel While On Personal Leave

If an employee on personal leave at a location outside the designated headquarters is required to travel to a duty point, the travel expenses incurred may be reimbursed. The reimbursement shall not exceed the lesser of the amount of actual travel expenses and the amount that would have been incurred had the employee traveled from his or her headquarters.

When an employee is required to return to headquarters while on personal leave, he or she may be reimbursed for the travel expenses incurred while traveling to headquarters and returning to the place he or she was staying while on personal leave.

6.5 Airline Tickets

All airline tickets for UTEP reimbursed travel, without regard to source of funds, are to be issued by the contract agency.

The agency's services to UTEP include:

- a. daily delivery of airline tickets;
- b. emergency ticket delivery after normal business hours upon request;

- c. guaranteed lowest fares available;
- d. twenty-four (24) hour a day reservation services;
- e. pre-reserved seating and boarding passes on applicable carriers;
- f. booking for non-commissioned hotels;
- g. complete international travel planning, including visa applications and passport forms and securing foreign currency and/or foreign currency travelers checks;
- h. free flight insurance and also will sell default protection insurance at the current rate in effect; and
- i. acceptance of major credit cards for personal travel and the Bank of America Corporate Card or Central Billing Account for University travels.

The University contract travel agency need not be used when the traveler:

- a. uses senior citizen coupon booklets; or
- b. Uses an airline ticket source required as part of an organized conference, meeting, workshop, course, or seminar. The reason(s) for not using a University contract travel agency must be indicated on the travel authorization document and travel reimbursement document.

6.5.1 Travel Agency Contracts

UTEP has contracted a local travel agency to provide travel services for University travelers. The University agreement with this agency includes guaranteed lowest airfare at time of booking.

A service fee will be assessed by the travel agency for each airline ticket issued, refunded, or exchanged. This service fee applies to all travelers regardless of the purpose of the trip (business, combination of business and personal, or only personal). No service fees will be charged by the travel agency for: (a) hotel and car reservations, even if unaccompanied by an airline ticket, (b) voided transactions (for voided transactions there will not be a charge for the issued ticket or the subsequent void), (c) cancellations (d) consolidator-fare tickets and (e) name changes for group athletic travel. Third party charges, such as those charges associated with express mailing and visa processing, are the responsibility of the requesting employee or individual traveler.

6.5.2 Contracted Airfares

The General Services Commission contracts with multiple airlines to provide state contracted airfares. University employees are required to use the state-contracted airfares when University funds are used for the travel costs. First class airfare may be reimbursed if it was the only available airfare.

State contracted airfares are available to employees for business-related travel or to prospective employees where travel is being paid by the state. They are not to be used for leisure, personal or non-state business travel, nor are they available to independent contractors/consultants engaged by the University.

6.5.3 Constructive Airfare

Constructive airfare is the cost comparison between airfare expenses and reimbursement for personal car mileage. If a personal car is used, the lesser of the airfare or mileage rate is reimbursed. It must be

documented that constructive airfare is being used, and an itinerary from the travel agency showing the cost of airfare must be provided. Of course, if mileage incurred is less than the distance listed in the Guide, then a reimbursement for the mileage is limited to the actual mileage incurred.

Coordination of travel must occur when two to four employees, employed by the same department, travel from the same headquarters to the same duty point at the same time.

When coordination of travel is required, only one of the employees may be reimbursed for mileage. However, mileage incurred to travel to a pick up point by other employees may be reimbursed. Coordination of travel is not required if it is determined infeasible for business reasons.

With the exception of tolls and parking expenses, reimbursement of mileage is inclusive of all expenses associated with the operation of a personally owned or leased vehicle.

An employee may be reimbursed mileage for travel between his or her home and the nearest airport. If travel occurs during work hours, reimbursement may not exceed the reimbursement that would be received had the employee traveled from headquarters to the airport. The scheduled departure and arrival times of the employee's flight determine whether the travel to the airport was during work hours. UTEP has standardized and maintains a maximum twenty (20) mile reimbursement for mileage to and from the airport at a rate of .35 cents per mile, totaling \$7.00.

An employee may be reimbursed for the mileage incurred by another person transporting the employee to the airport. The mileage reimbursement may not exceed the reimbursement that would have been paid if the employee had parked at the airport.

6.5.4 Expenses Incurred While Qualifying For Discount Airfare (Free or Discounted Travel)

When an employee stays extra days at a duty point to qualify for a discount airfare, he or she may be reimbursed for the travel expenses incurred if the additional expenses plus the discount airfare are less than or equal to the average coach airfare. It must be in the best interest of the University to allow the employee to be absent for the extra days. The extra days may occur before or after the official state business.

6.5.5 Charging Air Travel - Corporate Card Central Billing Account (CBA)

The Bank of America Central Billing Account (CBA) is a central billing account designed for the charging of business airfare only and only through the contracted travel agency. Use of the CBA eliminates the need to use a traveler's personal credit card or a travel advance to pay for airfare.

The following procedure must be followed every time the CBA is used:

a. The department will contact the designated agencies to make airline reservations for the approved travel, advising the travel agency that a CBA will be used. The agency will accept the employee's reservations and provide him or her pricing, but cannot issue the ticket until they receive a CBA authorization from the responsible departmental office.

b. The airline tickets and, in some cases, boarding passes will be delivered by the designated agency per the employee's instructions.

c. When completing the Travel Reimbursement form, the cost of the airline ticket must be listed and stated as paid by a CBA; the cost of the airline ticket should not be included for reimbursement to the traveler. Any questions regarding the use of the CBA or to request a CBA account are to be addressed to the UTEP Travel Coordinator. NOTE: ALL AIR TRAVEL CHARGES MUST BE PAID WITHIN THIRTY (30) DAYS OR THE UNIVERSITY WILL BE

SUBJECT TO INTEREST PENALTIES AS PRESCRIBED IN THE TEXAS PROMPT PAYMENT ACT.

6.5.6 Corporate Cards

Corporate charge cards are available to UTEP employees who travel on official University business at least five (5) trips per year or spend at least \$1,500 per fiscal year on official University business. The card is available through the University Travel Coordinator at no charge (the annual fee is waived), but is to be used for official business expenditures only.

When obtaining a charge card, the employee accepts the responsibility for paying all charges in a timely manner and agrees that the charge card is intended for University business use only.

A corporate travel charge card issued to an employee of the University of Texas at El Paso by the State of Texas remains the property of the State of Texas and should be used only for official University business travel charges. Use of the corporate travel charge card by an employee for personal business is considered a violation of and University regulations and will be subject to disciplinary action.

The card is issued in the employee's name and the employee is the sole guarantor of payment. The University is not liable for payment of any charges on these cards. The University of Texas at El Paso receives monthly reports of charges made on all charge cards and the status of payments. Charges and payments are reviewed for compliance with guidelines stipulated on the Card Use Agreement signed by the employee at the time of application. Delinquent accounts may be assessed delinquent fees and the accounts may be closed.

It is the responsibility of the University's Vice President for Business Affairs and the University's Travel Coordinator to monitor charges and payment status on all individual corporate charge cards issued to its employees, and to ensure compliance with the regulations and penalties stipulated on the Card Use Agreement.

6.5.7 Air Travel Insurance

Reservations made through the travel agency currently servicing UTEP include automatic flight insurance in the amount of \$100,000 to the traveler at no additional cost to the University or individual. When an employee's airline ticket is charged to a CBA, through the contract travel agency on either the corporate card or personal card, he or she is provided with \$200,000 travel insurance in addition to the insurance provided by the travel agency.

6.5.8 Cancellation or Change Charges

Charges for cancellation or change of travel ticketing is reimbursable only if the charge is incurred for a business-related reason or because of adverse weather conditions or a natural disaster. Charges incurred for personal reasons, such as illness, family emergency, or Non State-contracted airfare cancellations and changes cannot be reimbursed.

6.5.9 Lost or Stolen Tickets

An employee may be reimbursed for a lost or stolen ticket if he or she exercised reasonable care to safeguard the ticket.

6.5.10 Death of an Employee

The University may reimburse the cost of transporting an employee's body back to El Paso if the employee dies while on approved travel. The amount paid may not exceed the amount that would have been reimbursed had the employee not died. The payment must be made to the deceased employee or his/her estate and may not be paid directly to the company transporting the body.

The state will pay for return of the remains and any costs involved in the unused ticket.

6.6 Washington D.C Travel

State law requires state agencies with personnel traveling to Washington D.C., to notify the Office of State-Federal Relations in advance of such travel. The UTEP Travel Coordinator, upon receipt of travel requests for Washington D.C., processes such notifications. The report requires a day-by-day breakdown of the itinerary of the traveler, to include, names of persons, agencies, organizations, and other entities to be visited. Such information must be included on the Travel Request or accepted when forwarded for approval. Acronyms or abbreviations for the names of conferences, agencies or organizations, are not to be used, as they may not be understood by reviewing parties. The guidelines outlined below clarify travel purposes that are subject to the notification requirement.

6.6.1 Travel Requiring Notice

All travel to Washington D.C. that is paid for, or reimbursed from, state funds requires notice. This includes:

- a.** Travel for professional meetings or training, not involving visits to federal agencies or Congress
- b.** Travel where expenses are reimbursed by non-state agencies (e.g. NIH, NSF)
- c.** Travel reimbursed from existing grants or contracts with a federal agency pursuant to the terms of such grants or contracts
- d.** Travel for the purposes of visiting with members of Congress, congressional staff, or federal agencies (other than in connection with an existing contract as described above) that is processed through the state comptroller or institutional accounts (e.g. gift funds, federal funds, practice plan funds).

6.7 Foreign Travel

The President must approve all foreign travel in advance. Foreign travel is defined as all countries outside the 50 states, Mexico, Canada and U.S. possessions.

6.7.1 State Accounts Only:

A request for foreign travel approval should be submitted for approval 30 days in advance, but not less than 10 days in advance of departure.

The U. S. Department of State may issue travel advisories warning against or restricting travel by to specific nations. Should a person request approval to travel to a nation under a travel advisory, the person must include with the Travel Request a signed statement indicating that he or she is aware of the travel advisory and potential risks associated with travel to the nation under the advisory.

6.7.2 Foreign Travel Reimbursement

When properly approved, the University may reimburse an employee for actual meals and lodging expenses when traveling to foreign countries. All travel expenses must be converted to U.S. dollars and each exchange rate used for the conversion specified on the voucher. Appropriate lodging and meal receipts must be attached to the reimbursement vouchers. Expenses eligible for authorized travel reimbursement to foreign countries other than Canada, Mexico and U.S. possessions are:

Lodging and meal expenses, reimbursable for the actual amount incurred. Receipts are required for all reimbursable expenses for a total amount not to exceed \$350.00 per day. If meal expenses exceed \$35 per day, a written explanation is required, and all receipts are required for foreign travel.

6.7.3 Foreign Per Diem Rates

The State of Texas foreign per diem rates can be found at: <http://www.state.gov/m/a/als/prdm/2003/> and are to be used as a guideline only for estimating the costs for foreign travel and not for reimbursement purposes. Employee travelers are allowed a maximum total expense of \$350 per day, and travelers are required to retain all receipts.

Employees, who travel to Alaska, Hawaii, Canada, Mexico, Guam, Puerto Rico or any U.S. possession, may also be reimbursed for actual expenses for meals and lodging, if prior written approval is received from the President or President's designee. The Request for Travel Authorization must state, "*Authorization for actual expenses is requested.*" Lodging and meal receipts are required.

If an Internet fare is secured, it is important to note that most are nonrefundable, cannot be changed once booked, and the routing may change from the time of initial inquiry to final purchase. In addition, customer support services may not be available, and travel agencies cannot intercede on behalf of the traveler. While Internet bookings can result in savings, it is important to be aware of restrictions and to be able to comply with them. It is important to note that if a reservation is not made through a designated travel agency, any restrictions or penalties become the responsibility of the traveler.

Chapter 7: Fair Lending Practices

7.1 Policy and Purpose

It is the policy of The University of Texas at El Paso to commit to and adopt a new code of conduct and standards concerning fair lending practices in connection with student financial aid services.

The purpose of this policy is to exhibit educational leadership and to demonstrate a commitment to a student loan program that best serves the needs of students and parents and enables future generations to reap the numerous benefits afforded by higher education.

7.2 Adoption of Code of Conduct and Standards

The University of Texas at El Paso hereby accepts, adopts and implements, in its entirety, the "Texas Higher Education Fair Lending Practices Agreement", and the code of conduct, standards and requirements contained therein, concerning student financial aid services and fair lending practices. A complete copy of the "Texas Higher Education Fair Lending Practices Agreement" is located at <http://academics.utep.edu/finaid>.

7.3 Training

On a yearly basis every employee of the financial aid office of The University of Texas at El Paso, and other identified officers and employees as determined by the President, shall receive training concerning the Texas Higher Education Fair Lending Practices Agreement and Texas ethics laws relating to their state employment. The annual training module on the Texas Higher Education Fair Lending Practices Agreement and Texas ethics laws will be administered by the Office of Institutional Compliance.