

# **Stephen F. Austin State University**

## **MINUTES OF THE BOARD OF REGENTS**



**Nacogdoches, Texas  
January 24 and 25, 2011  
Meeting 266**

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**MEETING 266**

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**Stephen F. Austin State University  
Minutes of the Meeting of the Board of Regents  
Nacogdoches, Texas  
January 24 and 25, 2011  
Austin Building 307  
Meeting 266**

**Monday, January 24, 2011**

The regular meeting of the Board of Regents was called to order in open session at 9:00 a.m. Monday, January 24, 2011, in the Austin Building Board Room by Chair Melvin White.

**PRESENT:**

Board Members:      Mr. Melvin White, Chair  
                             Mr. Carlos Amaral  
                             Mr. Richard Boyer  
                             Dr. Scott Coleman  
                             Mr. James Dickerson  
                             Ms. Valerie Ertz  
                             Mr. Bob Garrett  
                             Ms. Sydni Mitchell  
                             Mr. Steve McCarty

President:              Dr. Baker Pattillo

Vice-Presidents:      Dr. Richard Berry  
                             Mr. Danny Gallant  
                             Mr. Steve Westbrook

General Counsel:      Mr. Damon Derrick

Other SFA administrators, staff, and visitors

Regent James Thompson joined the meeting at 1:40 p.m.

*The Building and Grounds Committee convened at 9:05 a.m. and adjourned at 10:00 a.m. The Finance and Audit Committee convened at 10:20 a.m. and adjourned at 11:30 a.m. The Academic and Student Affairs Committee convened at 1:40 p.m. and adjourned at 3:28 p.m.*

The chair called for an executive session at 3:45 p.m. to consider the following items:

Deliberations Regarding the Purchase, Exchange, Lease, Sale or Value of Real Property  
(Texas Government Code, Section 551.072)

- Possible Real Estate Purchase

Consultation with Attorney Regarding Legal Advice or Pending and/or Contemplated Litigation or Settlement Offers, including but not limited to, *In Re: Dr. and Mrs. J.E. Watkins Scholarship Trust*, HIPAA and federal immigration law compliance and/or issues (Texas Government Code, Section 551.071)

Consideration of Individual Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of an Officer or Employee, including but not limited to football coaches, vice presidents and the president (Texas Government Code, Section 551.074)

Deliberations Regarding Negotiated Contracts for Prospective Gifts or Donations (Texas Government Code, Section 551.073)

- Possible Naming Opportunity

The executive session ended at 7:15 p.m. and the board meeting was recessed for the evening with no further action.

**Tuesday, January 25, 2011**

The chair reconvened the board meeting in open session at 9:00 a.m. on Tuesday, January 25, 2011.

PRESENT:

Board Members:      Mr. Melvin White, Chair  
                             Mr. Carlos Amaral  
                             Mr. Richard Boyer  
                             Dr. Scott Coleman  
                             Mr. James Dickerson  
                             Ms. Valerie Ertz  
                             Mr. Bob Garrett  
                             Ms. Sydni Mitchell  
                             Mr. Steve McCarty  
                             Mr. James Thompson

President:              Dr. Baker Pattillo

Vice-Presidents:      Dr. Richard Berry  
                             Mr. Danny Gallant  
                             Mr. Steve Westbrook

General Counsel:      Mr. Damon Derrick

Other SFA administrators, staff, and visitors

Regent Boyer led the pledge to the flags and Regent McCarty provided the invocation.

The Finance and Audit Committee reconvened and agreed to recommend Agenda Item 15, State Appropriation Reduction, for approval to the full board.

Reconvening in a committee of the whole, the board provided special recognitions.

## **RECOGNITIONS**

Danny Gallant introduced the HR Access Implementation Team; Ric Berry introduced students from the Rose Bruford College in England and finalists from the National Association of Teachers of Singing in the Texoma Region. Robert Hill introduced the 2010 Lumberjack Football Team.

## **APPROVAL OF MINUTES**

### **BOARD ORDER 11-08**

Upon motion by Regent Coleman, seconded by Regent McCarty, with all members voting aye, it was ordered that the minutes of the October 17 and 18, 2010, regular meeting of the Board of Regents and the December 17, 2010, and January 14, 2011, special meetings of the Board of Regents be approved as presented.

## **PERSONNEL**

### **BOARD ORDER 11-09**

Upon motion by Regent Dickerson, seconded by Regent Boyer, with all members voting aye, it was ordered that the following personnel items be approved.

### **FACULTY APPOINTMENTS FOR 2010 – 2011**

#### **CHEMISTRY**

Darrell Fry, Assistant Professor of Chemistry, Ph.D. (University of Arkansas), at an academic year of \$55,000 for 100 percent time, effective September 1, 2011.

#### **GOVERNMENT**

Wendi Pollock, Assistant Professor of Government, Ph.D. (Sam Houston State University), at an academic year salary of \$46,000 for 100 percent time, effective September 1, 2011.

## LIBRARY

Kyle Ainsworth, Special Collections Librarian II, MLIS (University of Southern Mississippi), at an annual salary of \$45,000 for 100 percent time, effective January 3, 2011.

Gregory Bailey, Librarian I, MLS (Indiana University), at an annual salary of \$40,950 for 100 percent time, effective January 17, 2011.

## STAFF APPOINTMENTS FOR 2010 – 2011

### ATHLETICS

Kurt Corbin, Assistant Football Coach, at a 10.5 month salary of \$58,000 for 100 percent time, effective February 1, 2011.

James Fredenburg, Assistant Football Coach, at a 10.5 month salary of \$30,720 for 100 percent time, effective February 1, 2011.

David Gibbs, Assistant Football Coach, at a 10.5 month salary of \$82,139 for 100 percent time, effective February 1, 2011.

James C. Harper, Head Football Coach, at an annual salary of \$142,000 for 100 percent time, effective February 1, 2011.

Brandon North, Assistant Football Coach, at a 10.5 month salary of \$32,000 for 100 percent time, effective February 1, 2011.

Michael Nesbitt, Assistant Football Coach, at a 10.5 month salary of \$76,000 for 100 percent time, effective February 1, 2011.

Arlington Nunn, Assistant Head Football Coach, at a 10.5 month salary of \$71,843 for 100 percent time, effective February 1, 2011.

Todd Schonhar, Assistant Football Coach, at a 10.5 month salary of \$65,460 for 100 percent time, effective February 1, 2011.

Bruce Erik Slaughter, Assistant Football Coach, at a 10.5 month salary of \$58,000 for 100 percent time, effective February 1, 2011.

Harold Christopher Truax, Assistant Football Coach, at a 10.5 month salary of \$72,176 for 100 percent time, effective February 1, 2011.

Jacob Willingham, Assistant Football Coach, at a 10.5 month salary of \$32,000 for 100 percent time, effective February 1, 2011.



#### CENTER FOR REGIONAL HERITAGE RESEARCH

Angela Ford, Grant Specialist, at an annual salary of \$40,300 for 100 percent time, effective November 29, 2010.

#### FORESTRY

Jason Grogan, Temple Research Specialist, at an annual salary of \$46,000 for 100 percent time, effective December 1, 2010.

#### PHYSICAL PLANT

Allen Singleton, Coordinator of Building Management System, at an annual salary of \$50,000 for 100 percent time, effective October 11, 2010.

#### RESIDENCE LIFE

Bridgit Breslow, Area Coordinator, at an annual salary of \$32,000 for 100 percent time, effective November 15, 2010.

#### STUDENT CENTER

Ralph LaRue, Associate Director for Student Center, at an annual salary of \$53,000 for 100 percent time, effective October 25, 2010.

#### UNIVERSITY POLICE DEPARTMENT

Jane Wilcox, Director of Parking, at an annual salary of \$65,000 for 100 percent time, effective January 1, 2011.

### CHANGES OF STATUS FOR 2010 – 2011

#### LIBERAL AND APPLIED ARTS

Luis Aguerrevere, from Instructor of Psychology at an academic year salary of \$43,000 for 100 percent time, to Assistant Professor of Psychology at an academic year salary of \$46,000 for 100 percent time effective January 1, 2011.

#### SCIENCES AND MATHEMATICS

Linda Boozer, from Administrative Assistant at an annual salary of \$37,720 for 100 percent time, to Stem Center Coordinator at an annual salary of \$48,000 for 100 percent time, effective December 1, 2010.

Robin Sullivan, from Adjunct Faculty at an academic year salary of \$17,000 for 100 percent time, to Lecturer of Mathematics and Statistics at an academic year salary of \$38,500 for 100 percent time, effective January 19, 2011.

#### PUBLIC AFFAIRS

Roni Lias, from Webmaster for Academic Affairs at an annual salary of \$42,435 for 100 percent time, to Web Developer/Designer for Public Affairs at an annual salary of \$38,000 for 100 percent time, effective November 15, 2010.

#### RETIREMENTS

The following retirements were accepted:

Ronnie Barra, Professor of Kinesiology, effective December 17, 2010.

Philip Blackburn, Scientific Equipment Specialist, effective January 31, 2011.

Melane McCuller, Instructional Media Specialist, effective September 30, 2010.

Mary Beth Smith, Associate Director of Admissions, effective February 4, 2011.

### **BUILDING AND GROUNDS**

#### **BOARD ORDER 11-10**

Upon motion by Regent Dickerson, seconded by Regent Boyer, with all members voting aye, it was ordered that the following building and grounds items be approved.

#### CAMPUS MASTER PLAN REQUEST FOR QUALIFICATIONS

WHEREAS, the Board of Regents considered the following: The university has completed many project initiatives in the current campus master plan. It is time to begin the process of developing a new campus master plan. The university would like to submit a request for qualifications (RFQ) to solicit proposals from firms who engage in infrastructure master plans.

THEREFORE, the Board of Regents authorized the university to issue an RFQ for campus master planning purposes, analyze the responses and bring a group of finalists back to the board for a selection.

#### OPERATIONAL RESTORATION SERVICES

WHEREAS, the Board of Regents considered the following: As a part of operational continuity planning, the university solicited proposals for emergency response support services for unexpected events involving chemical emissions, wind, water, fire, smoke, or other types of occurrences. The expectation in the solicitation was that an emergency response firm would be able to respond immediately if emergency support services were

needed. The university's expectation was also that the firm would be on standby if emergency support services were needed.

THEREFORE, it was ordered that the university contract with Mooring Recovery Services to provide restoration in the event of damages to SFA property in the form of chemical emissions, wind, water, fire, or smoke. Mooring Recovery Services has agreed to prioritize the university's needs in an emergency event and will respond immediately to provide restorative services.

President Pattillo introduced special guests, Ray Mize and his children, son Jimmy Mize and his wife Lisa and daughter Lysa Hagan and her husband Bill, who were present to be recognized by the following motion:

### **Board Order 11-11**

Upon motion by Regent McCarty, seconded by Regent Coleman, with all members voting aye, it was ordered that the following building and grounds item be approved:

#### **NAMING OF GAYLA MIZE GARDEN**

WHEREAS, the board considered the following: In accordance with Board Rules and Regulations, buildings and other facilities may be named for persons, both living and deceased, who make a significant donation to the university. The board will consider the appropriate naming of a plot of ground within the SFA Gardens.

THEREFORE, the Board of Regents adopted the appropriate gift agreements to name the eight acre tract of land along University and Starr Avenue, identified in Appendix 5, within the SFA Gardens and the following resolution:

WHEREAS, Ray and the late Gayla Mize, along with their children, Lysa and Jimmy, are among the loyal supporters of the gardens at Stephen F. Austin State University; and

WHEREAS, Ray and the late Gayla Mize worked tirelessly giving of their time, talents and resources to create, grow and improve the gardens at Stephen F. Austin State University; and

WHEREAS, the late Master Gardener Gayla Mize passed away on February 22, 2009; and

WHEREAS, the Mize Family have faithfully served and continue to serve Stephen F. Austin State University with distinction and honor as dedicated friends; and

WHEREAS, in their loyal dedication to Stephen F. Austin State University and their generous spirit of service and standards of excellence, they have set a distinguished example for others;

NOW, THEREFORE, LET IT BE RESOLVED, the Board of Regents expresses its admiration, gratitude and high regard for Ray, Gayla and their children by naming a plot of ground within the gardens located on the campus the Gayla Mize Garden.

## **FINANCIAL AFFAIRS**

### **Board Order 11-12**

Upon motion by Regent Garrett, seconded by Regent Boyer, with all members voting aye, it was ordered that the following financial items be approved:

#### **APPROVAL OF THE FISCAL YEAR 2009-2010 ANNUAL FINANCIAL REPORT**

WHEREAS, the board considered the following: On November 20, 2010, the Stephen F. Austin State University Annual Financial Report for the fiscal year that ended August 31, 2010, was submitted to the Governor, the Comptroller of Public Accounts, the Legislative Budget Board, the Texas Higher Education Coordinating Board, the Legislative Reference Library, the Texas State Library and the Texas State Auditor's Office as required by state law.

THEREFORE, it was ordered that the August 31, 2010, Stephen F. Austin State University Annual Financial Report be approved as submitted.

#### **APPROVAL OF THE SFA CHARTER SCHOOL FISCAL YEAR 2009-2010 ANNUAL FINANCIAL REPORT**

WHEREAS, the board considered the following: The Texas Education Agency requires a separate audit for the SFA Charter School. The SFA Charter School Annual Financial Report for the fiscal year that ended August 31, 2010, will be submitted to the Texas Education Agency by January 31, 2011.

THEREFORE, it was ordered that the August 31, 2010 SFA Charter School Annual Financial Report be approved as presented.

#### **RESOLUTION TO ACKNOWLEDGE REVIEW OF INVESTMENT POLICY AND STRATEGY**

WHEREAS, the board considered the following: In accordance with the Texas Public Funds Investment Act, the university's investment policy and strategy must be annually reviewed by the governing board of the institution. In addition, the law requires the governing body to adopt a written instrument by rule, order, ordinance or resolution stating that it has reviewed the investment policy and strategy. The resolution, included in Appendix 1, acknowledges the board's annual review of Policy C-41, Investments. Policy C-41 is included in the Policy Revisions, Appendix 4.

THEREFORE, the Board of Regents approved the Resolution to Acknowledge Review of Investment Policy and Strategy, as presented in Appendix 1.

#### RESOLUTION TO APPROVE QUALIFIED FINANCIAL INSTITUTIONS AND INVESTMENT BROKERS

WHEREAS, the Board of Regents considered the following: The Texas Public Funds Investment Act requires the university to adopt a resolution by the governing body of the institution that approves qualified investment brokers. The following brokers/investment managers are listed in the resolution, submitted in Appendix 2: Merrill Lynch, Inc.; iShares Russell 1000 Value; Eaton Vance LCV; Jennison LCV; MFS LCV; Schafer Cullen LCV; Aletheia LCV; Neuburger Berman LCG; iShares Russell 1000 Growth; Aletheia LCG; Fayeze LCG; Janus LCG; Fred Alger Smith Growth; TIS Group SCC; iShares Russell 2000; iShares Russell Microcap; CS McKee SCC; Fifth Third Small Cap Value; London Co SCC; iShares MSCI EAFE Index Fund; Neuberger Berman Intl Core; Lazard International w/Emerging Markets; MFS Intl Growth; Cadence SCG-MAA; ING Investment Management; Merrill Lynch Alternative Investments LLC; The Endowment Fund; Citizens 1st Bank; Austin Bank; BancorpSouth; Commercial Bank of Texas NA; First Bank and Trust; Regions Bank; Regions Morgan Keegan Trust; US Bank, Texas Bank; Texpool and Texstar.

THEREFORE, the Board of Regents approved the financial institutions, investment managers and brokers presented in Appendix 2.

#### GRANT AWARDS

WHEREAS, the board members considered the following: Since the fiscal year 2010-2011 budget was approved, the university has received grant awards that total \$ 43,987,320. Those include multi-year awards and represent a total increase of \$3,130,293 since the last report. Total grant awards allocable to fiscal year 2011 are \$17,215,063. That total represents an increase of \$1,583,564 since the last report. The grant awards result from extensive faculty research and service engagement across many academic disciplines. The grants include direct federal, federal pass through, state and private awards.

THEREFORE, the additional fiscal year 2011 grant awards that total \$3,130,293 were approved and ratified. This includes approval of a \$204,471 subaward to the Lone Star College System to coordinate statewide professional development activities for the Advanced Technical Credit project funded through the Texas Education Agency. The grant awards are detailed in Appendix 3.

#### STATE APPROPRIATION REDUCTION

WHEREAS, the Board of Regents considered the following: On December 6, 2010, the governor, lieutenant governor, and speaker of the house sent a joint letter to state agency heads directing each to reduce state appropriations by an additional 2.5% for fiscal year 2010-11. The 2.5% reduction is in addition to a 5% biennial reduction that was directed by the state leadership on January 15, 2010.

On December 22, 2010, the Legislative Budget Board informed the university that its 2.5% state appropriation reduction amount for fiscal year 2010-11 was \$1,025,003. The university proposes to address the reduction by reducing salary and other institutional expenditures. A salary expenditure reduction of \$600,000 will be realized by instituting a four-day staff furlough on the following days: April 21, April 22, May 27, and July 1. Additional savings may be realized by closing the university for these same four days. Leave-eligible employees will be allowed to expend leave time for the required furlough days, or go on leave without pay. The disruption to the academic mission will be minimized as classes are not scheduled on April 21, April 22 and July 1. The MayMester schedule will be adjusted to address the May 27 date.

The remaining \$425,003 will be reduced on a pro-rated divisional basis.

THEREFORE, the Board of Regents approved the state appropriation reduction as presented and authorized the president to close the university and furlough leave-eligible employees on April 21, April 22, May 27, and July 1. Furloughed employees classified by the university as “exempt” shall be allowed to expend vacation time for furlough days, while furloughed employees classified as “non-exempt” shall be allowed to expend vacation and/or compensatory time. Furloughed employees without appropriate leave time accrued, or those who choose not to use leave time, will be placed on leave without pay status. Personnel essential to the operation of the university required to work during the furlough days must expend four days of appropriate leave time prior to August 31, 2011.

## **UNIVERSITY POLICIES AND PROCEDURES**

### **Board Order 11-13**

Upon motion by Regent Garrett, seconded by Regent Dickerson, with all members voting aye, it was ordered that the policy revisions as presented in Appendix 4 be adopted.

### **Board Order 11-14**

Upon motion by Regent Garrett, and seconded by Regent Dickerson, with all members voting aye, it was ordered that the Board of Regents authorize the administration to assign each policy currently contained in the university policy manual to the appropriate committee of the board which oversees that area of operation and to add such designation to each policy.

## **REPORTS**

President Pattillo reported on the following:

- Significant Dates
- January 31 and February 1: visit by Dr. Lynwood Rose for SACS reaccreditation.
- February 16: Nacogdoches/SFA Day in Austin
- March 1-3: SACS Accreditation Team
- Southern Association of Colleges and Schools

- Legislative Session Update
- Vice President Steve Westbrook has been awarded an Ed.D. from Texas A&M at Commerce

Gina Oglesbee, director of audit services, offered a report on the following topics:

- SFA Charter School Financial Audit
- National Collegiate Athletic Association Compliance Review
- Southern Association of Colleges and Schools Financial Review
- American Recovery and Reinvestment Act Audit
- Update on Audit Plan

Dr. Ken Collier, chair of the Faculty Senate, presented a report entitled “Moving Ahead with Smaller Budget.”

Mr. Andy Teel, president of the Student Government Association, presented a report on the following topics:

- SFA Way Update: Spring Promotion Plans
- SFA vs. SHSU Volunteer Project
- Spring Election Dates

## **ELECTION OF BOARD OFFICERS 2011-2012**

Regent Coleman, chair of the Nominating Committee, brought a report from the Nominating Committee. Upon motion by Regent Coleman, seconded by Regent Boyer, with all members voting aye, the following board members were elected as officers for 2011-2012 and will take office on April 19, 2011:

Chair: Bob Garrett  
 Vice Chair: Steve McCarty  
 Secretary: James Dickerson

Outgoing board members Richard Boyer, James Thompson and Melvin White were recognized and thanked for their service.

The meeting was adjourned at 10:55 a.m.

**BOARD OF REGENTS**  
**OF**  
**STEPHEN F. AUSTIN STATE UNIVERSITY**  
Nacogdoches, Texas  
**RESOLUTION TO ACKNOWLEDGE**  
**REVIEW OF INVESTMENT POLICY AND STRATEGY**


**WHEREAS**, The Texas Public Funds Investment Act requires that each university's investment policy and strategy must be annually reviewed by the governing board of the institution; and

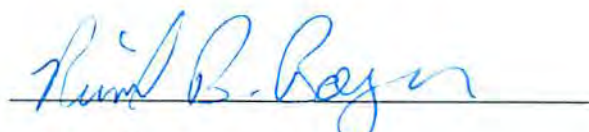
**WHEREAS**, the law also requires the governing body to adopt a written instrument stating that it has reviewed the investment policy and strategy;

**NOW THEREFORE BE IT RESOLVED** that the Stephen F. Austin State University Board of Regents, by the issuance of this resolution, does hereby approve the investment policy and strategy as reviewed on January 25, 2011; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be spread upon the minutes of the January 25, 2011 meeting of the board.

Attest:

  
Melvin R. White, Chair

  
Richard B. Boyer, Secretary



**BOARD OF REGENTS**  
**OF**  
**STEPHEN F. AUSTIN STATE UNIVERSITY**  
Nacogdoches, Texas  
**RESOLUTION APPROVING**  
**FINANCIAL INSTITUTIONS AND BROKERS**  
**FOR INVESTMENT TRANSACTIONS**

**WHEREAS**, The Texas Public Funds Investment Act requires the university to submit a resolution approving a list of qualified investment brokers and financial institutions to the governing body of the institution for adoption and/or review; and

**WHEREAS**, the following firms are approved investment brokers:

Merrill Lynch, Inc.  
iShares Russell 1000 Value  
Eaton Vance LCV  
Jennison LCV  
MFS LCV  
Schafer Cullen LCV  
Aletheia LCV  
Neuburger Berman LCG  
iShares Russell 1000 Growth  
Aletheia LCG  
Fayez LCG  
Janus LCG  
Fred Alger Smith Growth  
TIS Group SCC  
iShares Russell 2000  
iShares Russell Microcap  
CS McKee SCC  
Fifth Third Small Cap Value  
London Co SCC  
iShares MSCI EAFE Index Fund  
Neuberger Berman Intl Core  
Lazard International w/Emerging Markets  
MFS Intl Growth  
Cadence SCG-MAA  
ING Investment Management  
Merrill Lynch Alternative Investments LLC  
The Endowment Fund

**WHEREAS**, the following firms are approved financial institutions:

Citizens 1st Bank  
Austin Bank  
BancorpSouth  
Commercial Bank of Texas NA  
First Bank and Trust  
Regions Bank  
Regions Morgan Keegan Trust  
US Bank  
Texas Bank  
Texpool  
Texstar

**NOW THEREFORE BE IT RESOLVED** that the Stephen F. Austin State University Board of Regents, by the issuance of this resolution, does hereby approve the above listed firms for investment transactions by Stephen F. Austin State University; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be spread upon the minutes of the January 25, 2011 meeting of the board.

  
Melvin R. White, Chair  
Richard B. Boyer, Secretary

Grants awarded September 15, 2010 - December 31, 2010

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<b>Total current year awards</b>	<b>\$ 1,583,564</b>
Subtotal direct federal	283,527
Subtotal federal pass-through	1,188,557
Subtotal state and state pass-through	50,360
Subtotal private and local government	61,120
 <b>Total awards (all years) for new awards (this period)</b>	 <b>\$ 2,457,236</b>
<b>Total awards (all years) for continuing grants (this period)</b>	<b>\$ 673,057</b>

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**Direct Federal Awards*****\*Vocational Rehabilitation Counselor Training***

FY 2011 Award: \$150,000  
 Total Award: \$750,000 (Grant - *renewal*)  
 Sponsor: U.S. Department of Education  
 Term (this action): October 1, 2010 – September 30, 2015  
 Description: *This grant provides funds to significantly increase the supply of master's degree trained, CRC-eligible Rehabilitation Counselors.* PI/PD: Dr. Robert Choate, Department of Human Services

***\*Identification of Selective Cytotoxic Eryngiosides from Eryngium L.***

FY 2011 Award: \$133,527  
 Total Award: \$280,800 (Grant)  
 Sponsor: U.S. Department of Agriculture  
 Term (this action): September 1, 2010 – August 31, 2012  
 Description: *This grant funds a study that will aid in the long-term goal of developing eryngiosides (oleanane-type triterpenoid glycosides or saponins isolated from Eryngium L.) as novel primary and/or adjuvant therapy for cancers.* PI/PD: Dr. Shiyu Li, National Center for Pharmaceutical Crops, College of Forestry and Agriculture

***Subtotal Current Year Awards (this report) = \$283,527***  
***Subtotal Continuing Direct Federal Awards (total award) = \$0***  
***Subtotal New Direct Federal Awards (total award) = \$1,030,800***

**Federal Pass-through Awards*****\*Advanced Technical Credit Professional Development Accountability System***

FY 2011 Award: \$400,000  
 Total Award: \$400,000 (Grant – *renewal*)  
 Sponsor: Texas Education Agency (U.S. Dept. of Education)  
 Term (this action): September 1, 2010 – August 31, 2011  
 Subawards: \$204,471 – A subaward to the Lone Star College System (LSCS) is approved by the sponsor as part of the grant application. LSCS will coordinate statewide professional development activities related to this project.

*\*New awards**Prepared by the Office of Research & Sponsored Programs*

Grants awarded September 15, 2010 - December 31, 2010

Description: *Funds are provided to continue support of the statewide Advanced Technical Credit (ATC) Program by determining and recording the eligibility of secondary teachers to teach courses for articulated college credit and, in partnership with the Lone Star College System, to facilitate secondary-to-postsecondary course alignment and training of secondary subject-area teachers.* PI/PD: Dr. Judy Abbott, College of Education

***\*State Leadership Educational Excellence for CTE in Education & Training, Hospitality & Tourism, and Human Services***

FY 2011 Award: \$300,000  
 Total Award: \$300,000 (Grant - *renewal*)  
 Sponsor: Texas Education Agency (U.S. Department of Education)  
 Term (this action): December 1, 2010 – August 31, 2011  
 Description: *Funds are provided to support the statewide implementation of rigorous TEKS for the Education and Training, Hospitality and Tourism, and Human Services career cluster with professional development opportunities to improve teacher effectiveness.* PI/PD: Dr. Lynda Martin, Department of Human Sciences. Co-PIs/PDs: Dr. Chay Runnels, Department of Human Services; Dr. Mary Olle, Department of Human Services

***\*Pineywoods Area Health Education Center (AHEC)***

FY 2011 Award: \$88,000  
 Total Award: \$88,000 (Subaward - *renewal*)  
 Sponsor: U.T. Medical Branch – Galveston  
 (U.S. Dept. of Health & Human Services)  
 Term (this action): September 1, 2010 – August 31, 2011  
 Description: *The purpose of this project is to build and maintain an integrated, community-based regional organization to effectively and efficiently address and support achievements of East Texas AHEC objectives.* PI/PD: Ms. Janis Ritter, AHEC - College of Science and Mathematics

***\*Avian Community Dynamics in Bottomland Hardwood Forests of East Texas***

FY 2011 Award: \$58,840  
 Total Award: \$452,320 (Interagency Agreement)  
 Sponsor: Texas Parks and Wildlife (U.S. Dept. of the Interior)  
 Term (this action): September 1, 2010 to August 31, 2015  
 Description: *The objectives of this research are to quantify avian and forest community structure, dynamics, and response prior to and after experimental silvicultural treatments at the Old Sabine Bottom Wildlife Management Area and compare those metrics to reference sites at the Little Sandy National Wildlife Refuge.* PI/PD: Dr. Warren Conway, School of Forestry

Grants awarded September 15, 2010 - December 31, 2010

**\*State Fiscal Stabilization Fund (ARRA Stimulus Funds)**

FY 2011 Award: \$33,282  
 Total Award: \$33,282 (Formula Grant)  
 Sponsor: Texas Education Agency (U.S. Dept. of Education)  
 Term (this action): September 1, 2010 – August 31, 2011  
 Description: *These Recovery Act funds are being used to provide reading and mathematics at-risk intervention teachers for the SFA Charter School. PI/PD: Ms. Lysa Hagan, Charter School, Department of Elementary Education*

**\*Expanding an Understanding of Rural Human Services**

FY 2011 Award: \$9,940  
 Total Award: \$9,940 (Subaward)  
 Sponsor: University of Massachusetts Rural Policy Research  
 (U.S. Department of Agriculture)  
 Term (this action): August 25, 2010 – December 18, 2010  
 Description: *Funds are provided for the analysis of qualitative data, collection of outcomes, investigation of child welfare databases, and design of collection baseline data, all of which will help initiate a more comprehensive human services research agenda. PI/PD: Dr. Kathleen Belanger, School of Social Work*

**\*Special Education Recruitment and Retention**

FY 2011 Award: \$8,867  
 Total Award: \$8,867 (Subaward - renewal)  
 Sponsor: Texas A&M – Texarkana (U.S. Department of Education)  
 Term (this action): September 1, 2010 – June 30, 2011  
 Description: *The objective of this agreement is to implement and support work related to the State of Texas special education grant, which may include workshops, scholarships, and stipends. PI/PD: Dr. Carol Harrison, Department of Human Services*

**\*Statewide Longitudinal Data System (SLDS)**

FY 2011 Award: \$2,872  
 Total Award: \$2,872 (Subaward)  
 Sponsor: Texas Higher Education Coordinating Board  
 (U.S. Dept. of Education)  
 Term (this action): September 1, 2010 – November 15, 2011  
 Description: *This grant provides funds to design, develop, and implement statewide, longitudinal data systems to efficiently and accurately manage, analyze, disaggregate, and use individual student data, consistent with the Elementary and Secondary Education Act of 1965 and to facilitate analyses and research to improve student academic achievement. PI/PD: Ms. Karyn Hall, Institutional Research*

**Previously Described Awards*****Mentor Program and Workshops for Area Child Care Providers (ARRA Stimulus Funds)***

FY 2011 Award: \$255,965 (additional award) Total Award: \$372,840  
 PI/PD: Ms. Lori Harkness, Department of Elementary Education

Grants awarded September 15, 2010 - December 31, 2010

***Evaluating the Effectiveness of a NASA-led Effort to Build Climate Literacy among NPS and FWS Educators (NASA Earth to Sky II)***

FY 2011 Award:	\$19,791	Total Award:	\$60,017
PI/PD: Dr. Theresa Coble, School of Forestry			

***Utilities and Districts Mapping (Implementation)***

FY 2011 Award:	\$10,000	Total Award:	\$215,000
PI/PD: Mr. P. R. Blackwell, Forestry - Columbia Regional Geospatial Service Center			

***\*MLK Day of Service***

FY 2011 Award:	\$1,000 (renewal)	Total Award:	\$1,000
PI/PD: PI/PD: Dr. Jamie Bouldin, Student Life			

***Subtotal Current Year Awards (this report) = \$1,188,557******Subtotal Continuing Federal Pass-through Awards (total award) = \$647,857******Subtotal New Federal Pass-through Awards (total award) = \$1,296,281*****State and State Pass-through Awards*****\*Developing a Large Woody Debris for the San Antonio River***

FY 2011 Award:	\$20,000
Total Award:	\$50,000 (Interagency Agreement)
Sponsor:	Texas Water Development Board
Term (this action):	January 1, 2011 – September 30, 2012
Description:	<i>The purpose of this project is to develop a Large Wood Debris (LWD) budget for southern rivers to quantify possible management efforts on LWD dynamics in order to ensure that healthy populations of aquatic life are maintained in Texas rivers.</i>
PI/PD: Dr. Matthew McBroom, School of Forestry, Waters of East Texas (WET) Center	

***\*Student Success Initiative FY 2011***

FY 2011 Award:	\$2,750
Total Award:	\$2,750 (Formula Grant)
Sponsor:	Texas Education Agency
Term (this action):	September 23, 2010 – August 31, 2011
Description:	<i>The purpose of this program is to provide transitional financial assistance to Texas independent school districts and open-enrollment charter schools during the second post-Accelerated Reading Instruction/Accelerated Math Instruction school year.</i>
PI/PD: Ms. Lysa Hagan, Department of Elementary Education	

**Previously Described*****\*JAMP Camp FY 2011***

FY 2011 Award:	\$20,000 (renewal)	Total Award:	\$20,000
PI/PD: Dr. Kevin Langford, Department of Biology			

Grants awarded September 15, 2010 - December 31, 2010

**\*SFA Charter School Technology Allotment FY 2011**

FY 2011 Award: \$7,610 (renewal) Total Award: \$7,610  
 PI/PD: Ms. Lysa Hagan, Department of Elementary Education

*Subtotal Current Year Awards (this report) = \$50,360**Subtotal Continuing State/State Pass-through Awards (total award) = \$0**Subtotal New State/State Pass-through Awards (total award) = \$80,360***Private and Local Government Awards****\*AHEC Special Projects**

FY 2011 Award: \$15,000  
 Total Award: \$15,000 (Grant)  
 Sponsor: U.T. Medical Branch - Galveston  
 Term (this action): November 9, 2010 – August 31, 2015  
 Description: *The purpose of this project is fund projects that will help build and maintain an integrated, community-based regional organization to effectively and efficiently address and support achievements of East Texas AHEC objectives* PI/PD: Ms. Janis Ritter, Piney Woods AHEC, College of Sciences and Mathematics

**\*Houston County Cultural Heritage Map & Interactive Web Application**

FY 2011 Award: \$10,000  
 Total Award: \$10,000 (Interlocal Agreement)  
 Sponsor: Houston County  
 Term (this action): December 17, 2010 – April 30, 2012  
 Description: *The purpose of this project is to create a historic tourism GIS for Houston County including base data such as roads, streams and cities, and annotated historically or culturally significant locations.* PI/PD: Mr. P.R. Blackwell, Columbia Regional Geospatial Service Center

**\*Nacogdoches County Wildfire Protection Plan Assessment**

FY 2011 Award: \$10,000  
 Total Award: \$10,000 (Interlocal Agreement)  
 Sponsor: Nacogdoches County  
 Term (this action): August 17, 2010 – August 31, 2011  
 Description: *This grant provides funds for the development of a Wildfire Protection Plan for Nacogdoches County.* PI/PD: Dr. Brian Oswald, School of Forestry

**\*Stakeholder's Attitudes towards Black Bears in Louisiana**

FY 2011 Award: \$10,000  
 Total Award: \$10,000 (Contract)  
 Sponsor: Louisiana Fish and Wildlife Department  
 Term (this action): September 1, 2010 – August 31, 2011  
 Description: *Funds are provided to assess the general attitudes of the residents of specific Louisiana towns toward black bears by determining residents currently knowledge of, familiarity with, attitude toward and opinion of black bears and black bear*

Grants awarded September 15, 2010 - December 31, 2010

*management in potential and occupied range.* PI/PD: Dr. Pat Stephens-Williams, School of Forestry

**\*Douglass Cemetery Mapping**

FY 2011 Award: \$3,000  
 Total Award: \$3,000 (Contract)  
 Sponsor: Douglas Cemetery Board  
 Term (this action): December 2, 2010 – November 30, 2011  
 Description: *Funds are provided to collect a GPS location for every marked internment, build a geo database of information inscribed on the headstones of each grave, create a plat map locating existing burials and as a general guide for potential spaces available for future burials, and generate a map suitable for display.* PI/PD: Mr. P.R. Blackwell, Columbia Regional Geospatial Service Center

**\*myPLAYBOOK Online Drug Education for SFA Students-Athletes**

FY 2011 Award: \$1,795  
 Total Award: \$1,795  
 Sponsor: NCAA Educational Affairs  
 Term (this action): September 30, 2010 – May 31, 2011  
 Description: *This grant provides funds for the myPlaybook Core Program, an interactive web-based program that provides a new and engaging method to educate student-athletes about drug and alcohol addiction.* PI/PD: Loree McCary, Department of Athletics

**Previously Described**

***Pine Tip Moth Impact Project***

FY 2011 Award:	\$8,925	Total Award:	\$20,400
PI/PD: Dr. Dean Coble, School of Forestry			

***AHEC Apartment Utilities Fund***

FY 2011 Award:	\$2,400	Total Award:	\$4,800
PI/PD: Dr. Dean Coble, School of Forestry			

***Subtotal Current Year Awards (this report) = \$61,120***  
***Subtotal Continuing Private/Local Government Awards (total award) = \$25,200***  
***Subtotal New Private/Local Government Awards (total award) = \$49,795***

***Note:***

- *Amounts are based on award notices as they are received from the funding agency, not expenditures or balances in funds/accounts.*
- *Does not include non-grant financial aid or gift accounts.*



**Policies for Board Review  
January 25, 2011**

<b>Policy Name</b>	<b>Policy Number</b>	<b>Action/Change</b>	<b>Page Number</b>
Academic Chair/Director Appointment	E-6A	Policy title changed. Minor edits.	P-3
Academic Space for Non-Academic Activities	B-2	Policy title changed. Major rewrite.	P-5
Austin Building Conference Rooms	B-3	Minor edits.	P-7
Best Value Procurement	C-7	Removed SFA Charter School and added Equestrian Program to exempt purchases.	P-8
Budget Change and Additional Appropriation	C-4	Increased approval requirement level to \$10,000. Changed process for approval.	P-13
Central Receiving	F-6	Updated processes to reflect Banner changes.	P-14
Compensation Plan for Classified and Non-Classified Staff	E-68	Policy title changed. References updated.	P-17
Faculty Development Leaves	E-23A	Major rewrite.	P-27
Fair Labor Standards	E-70	Minor edits. Updated references.	P-30
Grants and Contracts Administration	A-56	Grants presented to board quarterly. Grant-funded employees subject to board approval. References updated.	P-34
Guarantees Relating to Matters Other Than Termination	E-26A	Policy title changed. Major rewrite.	P-35
Instructor-generated Materials	A-22.1	Major rewrite.	P-38
Insurance and Other Benefits	E-28	Social security information based on 2010 rates. Savings bonds deleted. References updated.	P-40
Investments	C-41	Changed responsibility for collateral documentation. Further defined rate risk and credit risk. Training broadened.	P-47
Investments-Endowment Funds	C-41A	References updated.	P-59
Items Requiring Board of Regents Approval	D-20.5	Removed approval exclusion for employees paid with grant funding. Grants will be submitted to the board quarterly.	P-69
New Employee Orientation	E-33.1	Minor edits.	P-73

<b>Policy Name</b>	<b>Policy Number</b>	<b>Action/Change</b>	<b>Page Number</b>
Part-time Faculty	E-37A	Minor edits.	P-75
Performance Evaluation of Tenured Faculty	A-37.1	Policy title changed. Major rewrite.	P-76
Personnel Action Request	E-39	Policy title changed. Major rewrite.	P-80
Prompt Payment to Vendors and Employees	C-25.1	PAR changed to EPAF process. References updated.	P-82
Proprietary Purchases	C-26	Titles and references updated.	P-84
Purchase of Electronic and Information Resources	C-62	Major rewrite.	P-85
Purchase of Surplus Property	C-28	Updated web addresses and references.	P-87
Retirement Programs	E-43	TRS employer matching contribution changed beginning 1/1/10. References updated.	P-90
Safe and Vault Combinations	D-29	Reviewed with no changes.	P-93
Semester Grades	A-54	Marks of R*, T* and AU defined.	P-94
Student Employment	F-26	Major rewrite.	P-96
Student Media	D-44	Student Publications Committee reduced to nine members.	P-100
Student Service Fee Allocations	F-28	References updated.	P-103
Student Travel	D-48	References updated.	P-104
Teacher Preparation	A-6	Policy title changed. Major rewrite.	P-106
University Awards Programs	A-66	Minor edits.	P-108
Working Hours and Holidays	D-40	Minor edits.	P-109

## Academic *Unit* Chair/Director Appointments (E-6A)

**Original Implementation:** May 23, 1979

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

Academic *unit* chairs/directors under a twelve-month contract are expected to be on duty each working day except when on vacation, sick leave, or other form of leave. Vacation time and sick leave are earned according to the schedule for *Texas* state employees. Academic *unit* chairs/directors are subject to being called upon *to address a task or issue outside the normal working day* when it is judged to be in the best interest of the university. ~~to address a task or /issue outside the normal working day.~~

Academic *unit* chairs/directors under an eleven-month contract are expected to be on duty each working day within that contract period when classes are in session except when on sick leave or other form of leave. In general, the eleven-month contract shall be treated as an academic year appointment plus two summer months. It is the responsibility of academic *unit* chairs/directors to *en*assure that on-going academic unit obligations are met *during* their absence. Vacation time is not accrued under an eleven-month appointment. Sick leave is earned according to the schedule for *Texas* state employees. *Academic unit chairs/directors under an eleven-month contract are also subject to being called upon to address a task or issue outside the normal working day when it is judged to be in the best interest of the university.* ~~Chairs/directors under an eleven-month contract are subject to being called upon at any time when it is judged to be in the best interest of the university to address a task or /issue outside the normal working day.~~

Academic *unit* chairs/directors who are appointed for a period of eleven months should have no *university* duties ~~to the university~~ during the equivalent of one calendar month (*twenty-one working days*) during June, July, and August. ~~(twenty-one working days).~~ These days may be taken at one time or distributed throughout the summer. In any case, the twenty-one days allowed during the summer shall be logged in the academic unit office and approved by the *respective* dean prior to the time of taking leave from duties.

**Cross Reference:** Departmental Administration (E-10A) and Chair Teaching Load (E-70A)

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs

**Forms:** None

| ***Board Committee Assignment:** Academic and Student Affairs*

## **Academic FacilitiesSpace for Non-Academic Activities (B-2)**

**Original Implementation:** 1979

**Last Revision:** ~~January 29, 2008~~January 25, 2011

The provisions of the policy on the Use of University Facilities (B-1) govern the use of all buildings, facilities, equipment, and grounds, hereafter referred to as facilities, under the control of Stephen F. Austin State University. That policy provides that the university may establish additional procedures for the reservation and use of specific facilities; therefore, the following provisions apply to academic ~~facilities~~space for non-academic activities.

~~There are times when facilities are needed by non-academic departments of the university as well as registered student organizations. Non-academic departments of the university and registered student organizations may request the use of campus facilities to conduct activities that further their mission.~~

~~To help achieve the most efficient utilization of university resources, Facademic facilities may be made available for the use of non-academic activities departments of the university and registered student organizations upon their request and approval of to the dean of the college or the facility director, subject to facility director who administers the space desired. The availability and use of such facilities will be subject-established to the regulations and policies. -set forth by the controlling college relating to the use of specific facilities within their delegated purview. Efforts should be made by the colleges to accommodate these requests whenever possible. Extensive or repeated use of the facility may require implementation of a facility use agreement. A statement of proof of responsibility or property damage deposit may be developed and required by the college that administers the space before use of the facilities is authorized. Such statements and/or P~~procedures for requiring property deposits or facility use agreements must be in writing and have the approval of the president, provost and general counsel. Questions relating to contractual conditions should be ~~initially~~ directed to the dean of the college or facility director, who may as necessary, consult with the university attorney. The use of all ~~academic facilities~~space is subject to the permissible assignment ~~and or~~ scheduling of that facility.

**Cross Reference:** Use of University Facilities; Policy (B-1); Turner Auditorium; Policy (B-28)

**Responsible for Implementation:** Provost and Vice President for Academic Affairs;  
Vice President for University Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs, Vice President  
for University Affairs

**Forms:** None

| ***Board Committee Assignment:** Academic and Student Affairs*

## Austin Building Conference Rooms (B-3)

**Original Implementation:** June 10, 1986

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

The provisions of the policy on the Use of University Facilities (B-1) govern the use of all buildings, facilities, equipment, and grounds, hereafter referred to as facilities, under the control of Stephen F. Austin State University. That policy provides that the university may establish additional procedures for the reservation and use of specific facilities; therefore, the following provisions apply to Room 305 and Room 307 in the Austin Building.

Because of the formal nature of these rooms, the university wishes to preserve them for important official and universal functions of the university. They will not be available for scheduling by campus groups for routine meetings. Faculty, staff, and student groups are referred to the coordinator of university reservations and conferences in the Pattillo Student Center for scheduling meetings in that facility.

These conference rooms will be primarily for the use of the Board of Regents and the president of the university in their conduct of the governance and administration of the university, as well as for visits of dignitaries and official university guests.

Beverages and food are prohibited in conference rooms 305 and 307, except as approved by the president or the chair of the Board of Regents.

**Cross Reference:** ~~Policy B-1,~~ Use of University Facilities (*B-1*)

**Responsible for Implementation:** President

**Contact for Revision:** President

**Forms:** None

**Board Committee Assignment:** *Building and Grounds*

## Best Value Procurement (C-7)

**Original Implementation:** January, 1988

**Last Revision:** ~~July 21, 2009~~ January 25, 2010

### PROCUREMENT PROCESSES

Stephen F. Austin State University makes purchases, not otherwise delegated through Policy C-10, Delegated Purchasing Authority, on a best value basis through any of the following processes. All procurement processes require Board of Regents approval as per Policy D-20.5, Items Requiring Board of Regents Approval. HUB Subcontracting Plan requirements apply in accordance with Policy C-16.5, Historically Underutilized Businesses, and state law.

- A. All purchases completed with state appropriated funds must first consider making the purchase from Texas Industries for the Blind and Handicapped (TIBH) as mandated by Education Code 51.9335 to promote the purchase of goods or services from persons with disabilities.
- B. Purchases \$0 - \$5,000 are to be negotiated to achieve the best value for the university.
- C. The university may purchase goods or services through competitive bid procedures with the following minimum bidder requirements. A justification must be included in the order file if these minimums are not met.
  - 1. \$5,000.01 - \$25,000.00 – Minimum three informal bids required; minimum 50% HUB vendors including one woman-owned and one minority-owned
  - 2. Greater than \$25,000.00 – Minimum five formal bids required; minimum 50% HUB vendors including one woman-owned and one minority-owned; Electronic State Business Daily posting required unless Procurement Services determines that no value is added by the posting.

In determining best value for Competitive Sealed Bids, the university shall consider best value factors identified in Education Code 51.9335.

- D. The university may purchase goods or services through the competitive sealed proposal process outlined in the Procurement Department RFP Manual. All competitive sealed proposals shall include an appropriate number of solicitations to be determined by the Procurement Department, including HUB vendors of any gender and ethnicity when identified as providing the good or service sought. Electronic State Business Daily posting is required, unless the Procurement Department determines that no value is added by the posting.



- E. The university may purchase goods or services through the Request For Offer process established in 34 Texas Administrative Code Section 20.391 for the acquisition of automated information systems goods and services.
- F. The university may purchase goods or services through group/cooperative purchasing programs without a solicitation process, when such purchase is deemed to represent the best value to the university.
- G. The university may purchase goods or services through State of Texas Term Contracts, State of Texas Multiple Award Schedules, and DIR/Tex-An Contracts without a solicitation process, when such purchase is deemed to represent the best value to the university.
- H. The university may purchase goods or services through reverse auctions.
- I. The university may purchase goods or services through contracts awarded by other state agencies or institutions of higher education without a solicitation process when such contracts are available and have followed approved purchasing processes, and such purchase is deemed to represent the best value to the university.
- J. The university may purchase goods or services through contracts awarded by the Council on Competitive Government in accordance with Government Code 2162 without a solicitation process, when such contracts are available, and such purchase is deemed to represent the best value to the university.
- K. The university may purchase goods or services on an EMERGENCY basis. An emergency purchase is defined as a situation requiring that a procurement be made more quickly to prevent a hazard to life, health, safety, welfare, or property or to avoid undue additional cost to the university. A procurement may be declared an emergency at the purchaser's discretion in consultation with the end user and upon approval by the director of procurement. Declaration of an emergency supersedes all other best value procurement rules. The university will attempt to obtain bids, price comparisons or proposals when sufficient time exists by utilizing the most effective procurement process, including the Electronic State Business Daily, when value is added by using such processes.

## **EXEMPT PURCHASES**

The following purchases are exempt from best value procurement processes. Submission of a purchase requisition and other rules may apply. Statements included below in quotes are considered to be a part of any purchase order issued for the good or service when the purchase order is identified as an exempt purchase.

- 1. Advertising
- 2. Hotels and meeting rooms for conferences

3. Conference expenses; expenses related to conference room services such as audio/visual/network and food services. (does not include goods purchased for attendees or transportation services)
4. Moving expenses (employee) — See Policy C-21, Moving Expenses
5. Student travel; expenses related to student travel
6. Library materials and services for Stephen F. Austin State University libraries, as defined by Government Code 2155.139(a)(2), when such exemption represents the best value to the university. “Exempt library purchase in accordance with university policy”
7. Membership dues and associated fees
8. Direct publications only available from a single source as defined by Texas Procurement and Support Services (TPASS) in the TPASS Procurement Manual; i.e., hard-copy or electronic subscriptions, books, videos, software and software maintenance direct from the publisher. “Not available from any other source”
9. Freight, including shipping, handling, fuel surcharge, hazardous material fee, postage, and other surcharges
10. Intra-agency payments
11. Rental of exhibit space; i.e., booths for display purposes
12. Items for resale
13. Internal repairs – repairs for which the extent and cost of such cannot be determined until the commodity is disassembled and evaluated. An internal repair must contain labor and may also include parts. “Accurate repair costs cannot be determined until equipment is disassembled.”
14. Purchases from federal agencies
15. Utilities, other than electricity for which SFA chose to opt into deregulation
16. Organized activity purchases – Goods and services for the Early Childhood Lab, ~~SFA Charter School~~, Cole Audiology Lab, Beef Farm, Poultry Farm, *Equestrian Program*, Broiler Houses, and Swine Farm when the purchase directly affects operations and such exemption represents the best value to the university. “Exempt purchase for an organized activity related to an instructional department in accordance with university policy”
17. Group travel; expenses related to group travel when such group travel includes non-university persons and is funded by payment from individual travelers; i.e., Art Tour
18. Gifts, prizes and awards for students, employees and non-university individuals
19. Accreditation Fees
20. Tournament Fees or Game Guarantees
21. Licensing Fees or Permits
22. Employee Registration or Tuition
23. Sponsorships
24. Non-travel-related meals

25. Fees, not otherwise identified herein
26. Notary bonds

## **COMPETITIVE SEALED BID SUBMISSION, BID OPENING, AND TABULATION**

### **Bid Submission**

1. Prospective bidders may request specific bid invitations from the Procurement Department at any time prior to the bid opening;
2. A bidder may withdraw its bid by written request at any time prior to the bid opening date and hour;
3. A bid received after the time and date established by the bid invitation is a late bid and will not be considered;
4. A bid received which does not contain adequate bid identification information on the outside of the envelope will be opened to obtain such information and will then be processed as any other bid. If the incorrect information on the envelope causes the bid not to be considered in making an award, the bid will be considered invalid and rejected;
5. Bids may be submitted by facsimile (fax). The telephone number for fax bid submission will be identified in the solicitation; no other number may be used for bid submission. Bids submitted by fax need not be confirmed in writing, but must comply with all legal requirements applicable to formal bids. If all or any portion of a bid submitted by fax is received late, is illegible, or is otherwise rendered non-responsive due to equipment failure or operator error, the bid or the applicable portion of the bid will not be considered. The university shall not be liable for equipment failure or operator error, nor will such failure or error require other bids to be rejected or the bid invitation to be re-advertised.
6. Bids may be submitted by email when specific instructions regarding email submission are included in the solicitation, or if approved by the purchaser. Bids submitted by email need not be confirmed in writing, but must comply with all legal requirements applicable to formal bids. If all or any portion of a bid submitted by email is received late, is illegible, or is otherwise rendered non-responsive due to equipment failure, operator error or email quarantine, the bid or applicable portion of the bid will not be considered. The university shall not be liable for equipment failure, operator error, or emails directed to email quarantine, nor will such require other bids to be rejected or the bid invitation to be re-advertised. When email submission is allowed, all required signatures must appear on the emailed document via scan or image attachment.
7. An unsigned bid is not valid and will be disqualified;

8. A bidder or department may request, in person at the bid opening, that bids be read aloud. No bid shall be required to be read aloud at any time other than during regular working hours and days;
9. When formal bids are required, bids may not be taken or accepted by telephone;
10. If an error is discovered in a bid invitation, or agency departmental requirements change prior to the opening of a bid, the Procurement Department will transmit an addendum correcting or changing the specifications to all bidders originally listed on the transmission list for that bid invitation. Bids will not be rejected for failure to return the addendum with the bid, unless otherwise noted, if the receipt of the addendum is acknowledged on the face of the bid.

**Bid opening and tabulation.**

1. All bid openings conducted by the Procurement Department shall be open to the public.
2. Bid opening dates may be changed and bid openings rescheduled if bidders are properly notified in advance of the opening date.
3. If a bid opening is canceled, all bids which are being held for opening will be returned to the bidders.
4. All bid tabulation files are available for public inspection. Bid tabulations may be reviewed by any interested person during regular working hours at the offices of the Procurement Department, or a copy may be provided. Employees of the university are not required to give bid tabulation information by telephone.

**Cross References:** Items Requiring Board of Regents Approval (D-20.5); Historically Underutilized Businesses (C-16.5); Delegated Purchasing Authority (C-10); Tex. Educ. Code § 51.9335; 34 Tex. Admin. Code § 20.391; Tex. Gov't Code § ~~Ch.~~ 2162; Tex. Gov't Code § 2155.139(a)(2)

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Procurement and Property Services/HUB Coordinator

**Forms:** Purchase Requisition, Purchase Voucher

**Board Committee Assignment:** Finance and Audit

## Budget Change and Additional Appropriation (C-4)

**Original Implementation:** Unpublished

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

A "~~Budget Change and Additional Appropriation~~" form is used to transfer budgeted funds from one budget category to another within an account, from account to account, used to request funds to supplement existing budgets, and may be used to transfer funds between accounts. In addition, the form may be used to request a budget change *may be requested if an*. If a departmental income account's actual revenue exceeds its revenue estimate. When this occurs a department may request a budget revision to increase its revenue estimate and expenditure budget. All budget changes in excess of ~~\$1,000~~ \$10,000 require approval of the vice president for finance and administration and the president, and budget changes in excess of \$100,000 require approval of the Board of Regents.

The "~~Budget Change and Additional Appropriation~~" form *appropriate document* must be completed by the originator and approved at appropriate division levels. After division approval, the form will be sent to the budget office. The request will be reviewed, and if appropriate, approved and recorded. If additional information is needed, the originating department will be contacted.

Account managers should verify that the transaction has been recorded in the accounting system.

**Cross Reference:** None

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Vice President for Finance and Administration

**Forms:** SFA FormsServer (~~Budget Add/Change Appropriation~~ *Office Transaction Request*)

**Board Committee Assignment:** Finance and Audit

## Central Receiving (F-6)

**Original Implementation:** Unpublished

**Last Revision:** ~~April 22, 2008~~ January 25, 2011

All supplies and equipment purchased for the university are to be delivered through Central Receiving to ensure uniform handling of freight claims, accurate entry of receiving information, and necessary elements of institutional control. The following purchases are excluded from this requirement.

1. items being delivered under delegated purchase authority to the library, Stone Fort Museum, or departments using P-Cards or ~~Phone POs~~ *Rush Orders*;
2. items that require installation by the contractor;
3. items specifically authorized by the ~~Purchasing and Inventory~~ *Procurement and Property Services* Department.

It is the responsibility of the department taking receipt of goods or services to immediately ~~update on-line receiving~~ *complete a Receiving Form for Purchase Orders online for all of any direct* deliveries of goods or services. Timely entry of receiving information is essential to avoid late payment penalties, and to effectively handle freight claims, shortages, or discrepancies.

### Vehicle Delivery

1. All vehicles delivered to Central Receiving will be checked for meeting specifications, and delivered to the transportation manager for identification as a state vehicle and recording State Vehicle Fleet Management Plan information.
2. All vehicles picked up from the dealer (usually long-term leased or lease-purchased vehicles) must be delivered immediately upon pick-up to the transportation manager for identification as a state vehicle and recording State Vehicle Fleet Management Plan information. Vehicle pick-up may be completed by the end user or by the Transportation Department.

### Other Delivery Services

Upon receipt of goods, Central Receiving will:

1. count and examine all cartons for visible damage, create a ~~Receiving Report/Delivery Record~~ *Receiver Document and Delivery Log* in the Banner ~~FRS~~ *Purchasing* System, and note any discrepancies on the Bill of Lading;

2. deliver all ~~material~~ *packages, boxes, crates, etc.*, (except ~~that those~~ requiring inventory ~~property~~ tagging, special equipment or manpower for moving) within 24-48 hours to the requisitioning department; *and*
3. handle the filing of claims with the freight company for any freight damages or shortages; ~~and~~
4. ~~affix property inventory tags if needed.~~

Upon receipt of goods from Central Receiving, the Department will:

1. check contents of shipment against original purchase order; *and complete a Receiving Form for Purchase Orders online* ~~enter line item receiving information into the FRS Purchasing System.~~
2. notify ~~Purchasing within three working days~~ *Central Receiving immediately* of any damages or shortages that could not *be* identified by Central Receiving.

Upon receipt of goods or services directly from the Vendor, the Department will:

1. count and examine all cartons for visible damage and note any discrepancies on the Bill of Lading
2. check contents of shipment against original purchase order and *complete a Receiving Form for Purchase Orders online* ~~enter line item receiving information into the FRS Purchasing System.~~
3. notify ~~Purchasing within three working days~~ *Central Receiving immediately* of any damages or shortages

Failure to promptly *complete a Receiving Form for Purchase Orders online* ~~update on-line receiving information~~ or notify ~~Purchasing~~ *Central Receiving* of damages or shortages may result in delays in 1) the inability to return goods, 2) higher restocking fees, or 3) payment for the goods or services and a liability for late payment penalties. The payment of any such penalties will be made from the account(s) that funded the original purchase.

### **Outgoing Freight**

Outgoing freight should be dispatched through Central Receiving to ensure proper documentation, packing, and labeling. Clear indication of shipment value should always be made on the package or on the accompanying documentation. A special notation should be made when insurance is desired. Contact Central Receiving for additional instructions or assistance in handling outgoing freight.

**Cross Reference:** None

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact For Revision:** Director of ~~Purchasing and Inventory~~ *Procurement and Property Services/HUB Coordinator*

**Forms:** ~~None~~ *Receiving Form for Purchase Orders*

**Board Committee Assignment:** *Finance and Audit*



## **Compensation Plan for ~~Classified-Exempt~~ and Non- ~~Classified-Exempt~~ Staff (E-68)**

**Original Implementation:** February 3, 2005

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

Objective: It is the intent of Stephen F. Austin State University to maintain a compensation program which:

- Considers the external market, while focusing primarily on ensuring internal equity and emphasizing the advantages of a collegial work environment;
- Rewards and retains those individuals who exceed defined performance expectations;
- Provides flexibility in implementation and process to meet the needs of the university;
- Encourages progression and mobility to excellent performers through job enrichment and promotions from within; and
- Encourages and rewards the acquisition of skills.

### Compensation Principles:

- The values of jobs will be based on a blend of SFA values and culture reflected through core factors and external market values.
- Total compensation for all jobs will take into account funding considerations, appropriate internal job relationships and market relationship.
- Compensation plans, including methodologies and practices, will be well communicated to all employees at the university.
- Performance management requires a cooperative effort between employees and supervisors. Employees and supervisors will work together to clarify and meet performance objectives and expectations.
- The Performance Management Plan will provide ongoing performance feedback and reward meritorious performance.

Communicating Pay Information: The Human Resources office will provide information concerning job classification and pay ranges upon request. Furthermore, as a regular part of their jobs, managers and supervisors are responsible for actively and openly communicating the organization's pay program and associated policies to employees on

an ongoing basis. Managers and supervisors should discuss the following areas with new and reclassified employees as they pertain to each individual employee's situation:

- The job description covering the employee's duties and responsibilities
- The employee's potential for progression within his/her pay range
- Job performance and its relation to promotional opportunities and pay increases

Administrative Responsibility: Department heads are responsible for administering pay for employees in their organizational unit in accordance with university policies, procedures, and guidelines and for making recommendations to the Human Resources office. Additionally, they are responsible for:

- Communicating with their employees about program policies and individual compensation issues, to include providing the most current job descriptions to supervisory and managerial personnel;
- Working with the Human Resources office on compensation matters, to include the updating of job descriptions as necessary; and
- Ensuring that salary increase procedures are followed.

4. Issues that are identified by managers and supervisors that are not covered by these guidelines should be referred to the Human Resources office.

The director of Human Resources has ultimate authority and responsibility for the university's compensation objectives, structures and policies. Any exceptions to, or major revisions in, the program must be approved by the director. The director will be responsible for ensuring these duties are completed:

- Drafting/recommending new or revised compensation policies and procedures
- Administering the daily operation of the salary administration function, including the approval of salary actions
- Preparing, maintaining, and approving job descriptions
- Monitoring the evaluation of new jobs and re-evaluation of existing jobs
- Reviewing the pay structure annually to maintain market competitiveness and internal equity
- Reviewing compliance with the Fair Labor Standards Act (FLSA), Equal Employment Opportunity Commission (EEOC), and other governmental regulations as they relate to the compensation function

- Appraising program effectiveness and recommending program revisions as necessary

Exempt/Non-Exempt Designation: The terms and provisions of the Fair Labor Standards Act (FLSA) provide the basis for exempt versus non-exempt status and overtime pay requirements. The exempt or non-exempt status of each employee, with regard to the payment of overtime, is determined by the position to which the employee has been hired, transferred or promoted. The director of human resources is responsible for determining the correct FLSA status when the job is classified in a pay grade. Each manager must ensure that the employee performs job duties as described in the job description and that time worked is reported appropriately to ensure compliance with overtime provisions of the FLSA.

Job Descriptions: All benefits-eligible staff positions covered by this compensation program shall have a generic job description that includes the official SFA job title, a general job summary, a list of essential (major) duties and responsibilities, and job requirements (i.e. minimum education, experience, and other qualification requirements that an individual should have to fill the position).

The official job title on the job description will be used for all personnel records and publications (For internal purposes, however, departments may use a different functional title.) New official job titles may be created only with the prior review and approval by the director of human resources.

Job descriptions are used to:

- Evaluate and classify jobs to determine appropriate internal position relationships.
- Communicate to new or existing employees the fundamental duties and responsibilities of their jobs.
- Provide job information that can be used to determine competitive pay relationships in the labor market.
- Provide job information which can be used in the recruitment and selection process.
- Provide job information which can be used in employee relations matters, such as performance appraisal, employee orientation, grievance resolution, and identification of training and development needs.
- Ensure compliance with government legislation.

Changes in the duties of a job may require re-analysis and re-evaluation of a job. Where changes are judged significant by the supervisor and/or manager, he/she should complete a Job Analysis Questionnaire, which can be obtained from the director of human resources.

Job Evaluation: The job evaluation method of determining the salary ranges for each position is a market pricing and slotting method. Salary ranges are determined on the basis of competitive pay rates for jobs of comparable duties and value to SFA. Extensive studies of compensation in nationwide competitive universities are made to ensure that our salary structure is competitive. The competitive salary survey data become the basis for calculating salary ranges, and, in turn, individual salary targets within the salary ranges. Benchmark jobs are chosen, priced by analysis of survey data and ranked. All other jobs are then slotted in relation to these benchmarks. Benchmark jobs are those with characteristics similar enough to jobs performed in other organizations that they can serve as market anchor points.

Requests for Evaluation or Re-Evaluation of Jobs: New and/or significantly revised positions or jobs must be evaluated by the human resources office in order to assign them to their appropriate grades. Requests for jobs to be evaluated or re-evaluated will be made in writing by the appropriate dean or department head to the director of human resources. The re-evaluation process will take place once per year just before the budget process begins.

Requests may be prompted by the creation of a proposed new job title or by a substantial and permanent change in duties or requirements of an individual position or in the majority of individual positions within a job title. For a change in duties or requirements to merit re-evaluation, it should meet these criteria:

- It is a permanent change in duties; not a special project or short-term assignment;
- The addition, deletion, or change affects a duty that constitutes a significant portion of the job (at least 15%);
- The duty which is added, deleted, or changed is substantially different in level and type from the balance of the job duties so that it seems reasonable that the change in that one duty would affect the evaluation of the job on one or more job evaluation factors; or
- The levels of education or experience required for the job noticeably change. These requirements should reflect minimum standards for satisfactory job performance, not an incumbent's qualifications.
- The steps for submitting and processing a request for evaluation or re-evaluation are as follows:

- The college or department head completes a "Request for Position Evaluation" form. Additionally, if a new classification is requested, a completed Job Analysis Questionnaire (JAQ) must be submitted with the form. If a re-evaluation of an existing position is requested, a copy of the current job description should be attached with the proposed changes indicated.
- Human resources may ask that the Job Analysis Questionnaire be completed to provide more complete information to evaluate the position.

Pay Grade Structures: SFA uses one combined grade structure to establish compensation limits for jobs.

The structure is based on competitive practices and internal equity considerations, and provides the possibility for progression to more responsible jobs with higher and broader pay ranges. The pay structure is intended to:

- Define the competitive pay position of jobs for the university to the relevant external market;
- Establish differential pay levels between jobs to recognize differing demands; and
- Establish lower and upper limits of value for each job.

Midpoints of the pay ranges represent SFA's desired competitive position to the external market and are determined by a statistical calculation based on external salary survey data for benchmark jobs in each pay grade. The minimum and maximum of each pay range represent the minimum and maximum values, respectively, to the university of all jobs assigned to that particular pay range.

In most cases, up to the top of the first quartile is considered the range of value for a newly hired employee who meets the minimum qualifications of the job. Thus, most employees should be hired within the first quartile of the range, but departments have full authority to hire or promote into non-exempt positions up to midpoint. Hiring exempt employees above the first quartile or non-exempt employees above midpoint requires prior approval by the director of human resources.

Hiring employees below the minimum of the pay range is contrary to university policy and is not permitted. Conversely, the maximum of the pay range is the upper limit of pay for a job. An employee's rate of pay may not normally exceed the respective maximum for the job.

Review of Pay Structures: As part the budget process each year, the director of human resources will review the competitiveness of its pay structures. The review will include (1) comparisons of the competitive status of SFA's midpoints to the relevant external market; (2) a review of anticipated average movement of pay structures by peer and comparison organizations.

Based on findings of the review, a recommendation will be prepared for consideration by the director of human resources concerning adjustments to the pay structures. The recommendation will include detailed cost analyses and will be provided to senior management for consideration.

Pay Above Maximum: If, for any reason, an incumbent's base pay exceeds the maximum of the grade, the employee's pay will be "red circled". This means that all base pay rate increases will be given in lump sum form until the employee's base pay rate falls within range, at which time the incumbent will be eligible for future increases. Any exception to this policy requires prior approval by the director of human resources.

New Hire Rates: Employees meeting the minimum qualifications of the job should normally be paid within the first quartile of the pay range. However, pay rates for new employees possessing qualifications in excess of the minimum qualifications may be placed at pay rates above the first quartile, with the appropriate levels of approval.

The hiring department has full discretion for placing a new exempt employee's salary rate within the first quartile and a new non-exempt employee's pay up to midpoint. Hiring rates in the second and third quartiles for exempt employees and the third quartile for non-exempt employees require prior approval by the director of human resources. Hiring rates in the fourth quartile may be established only with the approval of the director of human resources.

In determining hiring rates, consideration will be given to the resulting position in the pay range, whether the rate allows sufficient room for future growth, and relationships to rates paid to similarly qualified or more experienced employees in the job. External salary survey data will also be considered, if it is available.

In establishing new hire rates, SFA will continue to comply with all federal and state rules and regulations, including the Equal Pay Act of 1963, which prohibits pay differentials on jobs that are essentially equal in terms of skill, effort, responsibility and working conditions, except when these are the result of a bona fide seniority or merit system, or any other job-related factor other than gender.

Salary Adjustments: Decisions on all salary adjustments must be implemented in accordance with legislative requirements. Department heads are also responsible for

insuring compliance with all applicable federal and state rules and regulations regarding compensation.

Annual Salary Budget: Each year as part of the budget planning process, SFA will prepare a salary budget that specifies the average increase amount, if any, to be given to employees during the fiscal year. The salary budget will be based on a comparison of the university's pay rates to external salary survey data, as well as the salary budgets projected by other peer and comparison organizations. The salary budget will reflect dollars available to fund general and/or merit increases.

Merit Increases: SFA policies permit the awarding of merit increases on a semi-annual basis to be effective either on September 1 and/or March 1. Only benefits-eligible employees who have completed six months of continuous employment at SFA as of the effective date of the merit program are eligible to receive a merit increase.

Merit increases are based on an employee's documented job performance and are intended to reward individual performance, increased productivity, improved quality, and/or reduced costs. To be eligible for a merit increase, individuals must have a current performance appraisal with a rating of fully acceptable or above on file in the human resources office. Employees receiving an unsatisfactory or needs improvement rating will not be eligible for a merit increase.

Whenever a merit increase program is funded and authorized, the human resources office, in conjunction with the budget office, will prepare and distribute detailed guidelines to department heads. The guidelines will include the authorized merit increase amount, funding requirements, performance level required to be eligible to receive a merit increase, and other program criteria. Merit increases must be approved by the board of regents prior to their implementation.

Equity Pay Adjustments: The human resources office periodically audits pay rates within classifications to identify potential pay problems. It is also the responsibility of the department head to bring to the attention of the director of human resources any significant pay problems that may exist in their department.

A department head may initiate a pay equity adjustment once per year during the planning of the budget whenever he or she determines that the present level of compensation of an employee or group of employees is at a level where:

- It results in an unusual level of turnover of employees in the group; or,
- It results in the affected department experiencing significant difficulty in recruiting candidates to fill vacant positions; or,

- It results in a disparity in current paid rates for similarly classified employees in that unit; or,
- The level of compensation is substantially below the comparable level of compensation for similar employment outside SFA; and,
- The present level of compensation has substantially reduced the university's ability to deliver services.

Individual equity increases shall be based on one or more of the following:

- Internal equity
- External competitiveness
- Longevity
- Quartile within salary range

All equity pay adjustments are subject to review and approval by the appropriate vice president and the director of human resources. Normally, funds for any approved equity pay adjustment must come from the authorized budget of the affected division.

Promotions: When an individual is promoted, his or her pay will normally be adjusted to reflect the new level of responsibility. In isolated situations, when an individual's base pay rate is at a higher level than rates paid to incumbents, an individual may be granted a promotion with no change in pay.

Any promotional increase should raise the employee's pay rate to at least the minimum of the pay range. Conversely, a promotional increase may not increase the employee's pay rate above the maximum of the new pay range.

The hiring department has full discretion for placing the salary rate of an exempt employee within the first quartile and the pay rate of a non-exempt employee up to the midpoint. Recommended promotional increases which fall outside of these parameters are governed by normal university hiring procedures and approval processes. All promotional actions must be reviewed by the director of human resources.

In determining recommended promotional increase amounts, the following factors are considered:

- Rates paid to incumbents in the new position, both within hiring college or division and in other colleges and divisions throughout the university;



- Pay range for the new position and the difference in the number of pay grades between the old position and the new position;
- Qualifications of the individual versus qualifications of incumbents in the same job in the college or division;
- External salary survey data, if it is available; and
- Change in FLSA designation or overtime designation; i.e., a change from non-exempt job to an exempt job.

The affected employee should not be notified of the proposed promotional increase amount until it has been approved by human resources.

Position Re-evaluations: Employees whose jobs are re-evaluated to a higher pay grade may require adjustments to their base pay rates. Calculations of pay adjustments, if any, will normally be handled in the same manner as promotions. Any pay adjustment granted should raise an employee's pay to at least the minimum of the new pay range.

Re-evaluating a classification to a lower pay grade will not normally result in a reduction to an employee's pay. Nonetheless, a downgrade will require that if the current pay of any employee is above the new maximum, the employee's pay will be "red-circled" and all increases will be withheld until the compensation level is equal to or less than the new maximum.

Demotions: New base pay rates of employees who are demoted to jobs assigned to lower pay grades will be based primarily on the base pay rates of incumbents in the new classification. A demotion may or may not result in a reduction in the employee's base pay rate. The new pay rate, however, must fall within the pay range of the new job. If the employee's pay falls above the maximum of the new pay range, the employee's pay must be reduced to at least the maximum of the pay range.

All demotions require prior approval by the director of human resources.

Lateral Reclassifications: Lateral reclassifications occur when job responsibilities have changed, but are similar in scope and responsibilities. The overall job requirements are comparable in the new job with the same pay grade as the old job.

Normally, there will be no change to the base pay rate of an employee who is laterally transferred. Under extraordinary circumstances and in extremely rare situations, an employee may receive a salary increase on a lateral move. Any increase granted on a lateral move requires the approval of the director of human resources.

**Cross Reference:** ~~None~~ *Fair Labor Standards Act, 29 U.S.C. § 201 et. seq.*

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources

**Forms:** Request for Position Evaluation form; Job Analysis Questionnaire (JAQ)

**Board Committee Assignment:** *Finance and Audit*

## Faculty Development Leaves (E-23A)

**Original Implementation:** April 26, 1983

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

~~Traditionally, a respected and successful means~~ A traditional means of enhancing instruction and research in colleges and universities is the faculty developmental leave for additional study or for research and writing. ~~T. In recognition of the importance of such a program, the Texas legislature adopted legislation in 1967 in 1967 adopted legislation~~ permitting such leaves for qualified persons and set forth guidelines for the awarding of developmental leaves ~~to them~~. This policy ~~and procedures set forth herein by the board of regents~~ stipulates the conditions under which such leaves may be granted ~~by the Board of Regents (BOR) for field observations, research, study, writing, or other scholarly/creative activities.~~

*Faculty Development Leaves should not be used as a mechanism to assist faculty in completing work for a terminal degree.*

~~to members of the Stephen F. Austin State University (SFASU) faculty.~~

~~4.~~ This policy applies to full-time faculty whose duties include teaching, research, administration, or the performance of professional services. The definition includes professional librarians but not classified (*non-exempt*) employees.

~~Except for special circumstances, f~~ Faculty members as defined above shall be eligible ~~by reason of service~~ for a developmental leave ~~after at such time as they have served full time for at least three consecutive years, except for special circumstances.~~

~~, at SFASU in an academic position as defined above.~~

Not more than six percent of ~~university~~ SFASU faculty members may be on faculty developmental leave at any one time.

*The recipient of a developmental leave shall be ineligible to receive another until after the expiration of four years following the leave. Recipients of faculty developmental leaves must guarantee the university that they will return to their regular duties, or others that might be assigned, for a period of at least one year following the expiration of the leave, provided they are offered a contract by the university.*

*Applications for faculty developmental leaves shall be reviewed annually by the Faculty Development Leave Committee which shall be elected by the faculty for staggered two-*

*year terms. The committee shall consist of full-time faculty members, one from each academic college and one from the library. When an elected member cannot serve, the college dean shall appoint a substitute.*

*The committee shall determine the required format of applications and evaluate them. An applicant for a developmental leave must provide adequate evidence that the leave activity can be appropriately completed. The committee shall make recommendations to the provost and vice president for academic affairs and the president, who will make the final leave recommendation to the BOR.*

*A faculty developmental leave may be awarded for one long semester at full base salary or for two long semesters at half the base salary. Payment of salary may be made from the funds appropriated by the legislature specifically for that purpose or from such other funds as might be available to the institution.*

~~☐☐ Upon application by an eligible faculty member, the board of regents may grant a developmental leave of absence for field observations, research, study, writing, or other scholarly/creative activities.~~

~~☐☐ Applications for faculty developmental leaves shall be reviewed annually by the Faculty Development Leave Committee, which shall be elected by the faculty. The committee shall consist of elected, full-time faculty members, one from each academic college and the library. The term of election shall be for two years. Terms shall be staggered. The college dean shall appoint an appropriate substitute in situations when the elected member cannot serve. The committee shall determine the required format of applications and shall evaluate them. It shall make recommendations to the provost and vice president for academic affairs and the president for further recommendation to the board of regents.~~

~~☐☐ An applicant for a developmental leave must provide adequate evidence that the leave activity can be appropriately completed.~~

~~☐☐ A faculty developmental leave may be awarded for one long semester at full base salary or for two long semesters at half the base salary. Payment of salary may be made from the funds appropriated by the legislature specifically for that purpose, or from such other funds as might be available to the institution.~~

8. Faculty members on faculty developmental leave, under law, may accept a grant or stipend for study, teaching, research, or travel from any institution of higher education or from a charitable, religious, or educational corporation or foundation, from any business enterprise, or from any federal, state, or local governmental agency. However, they may not accept employment from any other person, corporation, or governmental agency, unless the BOR ~~board of regents~~ determines that it would be in the public interest to do so and expressly approves the employment. An accounting of all leave funds shall be made by faculty members to the ~~board of regents~~ BOR through the provost and vice president for academic affairs and the president.

9. ~~Faculty Development Leaves should not be used as a mechanism to assist faculty in completing work for a terminal degree.~~

~~10.~~The university shall cause to be deducted from the salary of faculty members on developmental leave the deposit and membership dues required to be paid by them to the Teacher Retirement System of Texas or to the Optional Retirement Program or both, the contribution for Old Age and Survivors Insurance, and any other amounts required or authorized to be deducted.

~~11.~~Faculty members on faculty developmental leaves shall continue to participate in the programs and receive the benefits (retirement, insurance, ~~and~~ etc.) made available by or through the university or the state to all other faculty members.

~~12.~~The recipient of a developmental leave shall be ineligible to receive another until after the expiration of four years following the leave.

~~13.~~Recipients of faculty developmental leaves must guarantee the university that they will return to their regular duties or others that might be assigned for a period of at least one year following the expiration of the leave, provided they are offered a contract by the university.

~~14.~~Faculty members on faculty developmental leaves shall be eligible for salary increases, merit pay, and all other fringe benefits awarded for the year following the expiration of the leave.

~~15.~~Within ninety days following completion of a faculty development leave, each recipient will present to the academic *unit* chair/director, dean, and provost and vice president a brief written report on the activities and accomplishments resulting from the leave.

**Cross Reference:** Faculty Handbook; ~~Texas Education Code~~ *Tex. Educ. Code*, §~~see~~ 51.101-.108

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs

**Forms:** Faculty Development Leave Request Form; Faculty Development Leave Proposal Format; and Faculty Professional Development Form

**Board Committee Assignment:** *Academic and Student Affairs*

## Fair Labor Standards (E-70)

**Original Implementation:** February 3, 2005

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

SFA will comply with the Fair Labor Standards Act (FLSA) and related federal and state laws. All faculty, staff, and student employees of SFA are covered by the FLSA, although certain classes of employees are exempt from its overtime pay and minimum wage requirements. An employee's rights under the FLSA may not be waived. No employee may agree, even voluntarily, to work in violation of the FLSA.

### MINIMUM WAGE PROVISIONS

SFA pays all employees, including student workers, at least the federal minimum wage prescribed by the FLSA.

### DETERMINATION OF EXEMPTION STATUS OF EMPLOYEES

Each employee's overtime pay and minimum wage coverage under the FLSA (exempt, nonexempt) must be determined on an individual basis in accordance with the terms of the federal regulations. The director of human resources should be consulted when questions arise concerning an employee's status under the FLSA.

Nonexempt Employees - Nonexempt employees will be paid only for actual hours worked unless they receive benefits under the university's leave policies.

Exempt Employees - Exempt employees are paid on a salary basis and, in general, must be paid their full salary for any week in which they perform work. Their pay may be reduced only under the circumstances described below.

Graduate students that are simultaneously performing research under grants and contracts and are fulfilling the requirements of an advanced degree are exempt from overtime pay and minimum wage requirements.

### OVERTIME

The FLSA and state law govern the handling of overtime work. See SFA Policy and Procedure Manual: Overtime and Additional Compensation (E-36) for more information.

### DEDUCTIONS TO PAY FOR EXEMPT EMPLOYEES

Exempt employees are paid on a salary basis and, in general, must be paid their full salary for any week in which they perform work. Their pay may be reduced only in the following circumstances:

1. Employees who are absent from work at least one or more full days for sickness or disability will not be paid for that day unless they have accrued benefits under SFA's leave policy or disability policy. Their pay will not be reduced if they are absent for less than a full day because of sickness or disability.
2. Employees who take leave under the Family and Medical Leave Act will not be paid for that time unless they have accrued benefits under the university's leave policies. Their pay will be reduced by the hours missed even if it is less than a full day.
3. Employees who are absent from work for at least a full day for personal reasons other than sickness or disability will not be paid for that day unless they have accrued leave available. If an employee is absent for less than a full day for personal reasons, his or her pay will not be reduced.
4. Employees who are absent from work for jury duty, attendance as a witness at a ~~trial~~-trial or temporary military leave will have their pay reduced by the amount of payment they receive in the form of jury fees, witness fees, or military pay. Their pay will not be reduced by the number of hours or days they are absent from work unless they perform no work in a given week.
5. If an employee violates a safety rule of major significance, their pay may be reduced in an amount to be determined by the director of human resources as a penalty for that violation.
6. Employees may be suspended without pay for other types of workplace misconduct, but only in full-day increments. Their pay will be reduced in an amount that is proportionate to the number of days suspended. See the university's policy E-11, Discipline and Discharge.
7. Employees who work less than 40 hours during their first or last week of employment will be paid a proportionate part of their full salary for the time actually worked.

#### IMPROPER DEDUCTIONS FROM PAY

It is SFA's policy to comply with the salary basis requirements of the FLSA. Therefore, ~~we-the university~~ prohibits all supervisors from making improper deductions from salaries of exempt employees. SFA wants employees to be aware of this policy and that the university does not allow deductions that violate the FLSA. If ~~you-an employee~~ believes that an improper deduction has been made to ~~your-his or her~~ salary, ~~you-the employee~~ should immediately report this information to ~~your-his or her~~ direct supervisor or the director of human resources.

## EQUAL PAY FOR EQUAL WORK UNDER THE FLSA

SFA employees are covered by the Equal Pay Act, an amendment to the FLSA, that prohibits gender-based wage differentials between persons employed in the same location on jobs that require equal skill, effort, and responsibility and that are performed under similar working conditions. Jobs need only be substantially equal, not identical, for comparison purposes. The law permits differences in pay based on factors other than gender such as bona fide seniority or merit systems or systems that reward productivity.

## EMPLOYMENT OF MINORS

The FLSA prescribes at what age and in which types of occupations minors can be employed. Federal regulations also limit hours of work for certain age groups. A list of prohibited occupations and other restrictions on employment of minors is available from the director of human resources.

To protect SFA from an unwitting violation of the age restrictions, human resources must obtain and keep on file a Minor's Employment Release form (HR-200) if the person being employed is younger than 18 years of age. In addition, human resources must obtain and keep on file a Federal Certificate of Age issued by the U. S. Department of Labor, a state Certificate of Age issued by the Texas Workforce Commission or other proof of age acceptable to the director of human resources for any person offered employment when there is any reason to believe the person being employed is younger than 19 years of age.

## ADMINISTRATION

The director of human resources is responsible for administering and answering questions on the FLSA. Inquiries as well as requests for special exemptions should be submitted to the director of human resources.

The human resources office is responsible for posting, and keeping posted, notices pertaining to the applicability of the FLSA. These notices, which can be obtained from the Department of Labor, are to be displayed in conspicuous places to facilitate observation by all employees.

The human resources office is also responsible for ensuring that all FLSA- and DOL-required records are maintained.

## APPEAL PROCESS



If an employee feels the university has violated any of the above regulations under the Fair Labor Standards Act the employee may, without prejudice or fear of retaliation, express his/her appeal to their supervisor or the director of human resources with the assurance of timely and thorough consideration. Those regulations include the minimum wage provisions, determination of exemption status of an employee, overtime provisions, deductions to pay for exempt employees, improper deductions from pay, equal pay for equal work provision, and the employment of minors. The complaint will be investigated by human resources and they will render a decision. If the employee is not satisfied with that decision, they can appeal to the vice president for the area involved who shall obtain input from the general counsel before making a final decision. If an investigation results in a determination that improper pay has been awarded, the university will rectify the under awarded pay amounts through this appeal process. Each employee is assured freedom from interference, coercion, discrimination and reprisal in filing appeals.

**Cross Reference:** *Fair Labor Standards Act, 29 U.S.C. § 201 et. seq.*; Overtime and Additional Compensation (~~Policy~~-E-36); Discipline and Discharge (~~Policy~~-E-11)

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources

**Forms:** None

**Board Committee Assignment:** *Finance and Audit*

## Grants and Contracts Administration (A-56)

**Original Implementation:** August 1, 2000

**Last Revision:** ~~July 15, 2008~~ January 25, 2011

The effective administration of contracts and grants is an essential operational function. The provost and vice president for academic affairs establishes and publishes procedures designed to assure that all research and sponsored programs are conducted in accordance with university policies and procedures; with *applicable state and federal laws and regulations*; and with the provisions of the contracts and grants themselves. These procedures for the administration of grants and contracts are outlined in the Technical Assistance Manual (TAM) published by the Office of Research and Sponsored Programs (ORSP).

Deans and academic chairs/directors are responsible for reviewing ~~proposals for grant proposals~~ and contracts and for assuring that the proposed commitments of unit resources are feasible and realistic.

*Details of external grant and contract awards, including subawards and subcontracts in excess of \$100,000, are presented to the Board of Regents for ratification on a quarterly basis. Appointments or changes in position for grant funded employees are subject to the same level of approval as other university employees.*

**Cross Reference:** ~~Policy A-11.5, Conflict of Interest in Sponsored Activities (A-11.5); Policy A-31.5, Misconduct in Research and Scholarly Activity (A-31.5); Policy A-62, Human Research Subjects Protection (A-62); Payments to Human Research Subjects (A-72); Policy E-9, Salary Supplements, Stipends and Additional Compensation (E-9); Indirect Cost Recovery, Distribution and Use (A-51); Policy A-68, Effort Reporting and Certification for Sponsored Activities (A-68); Items Requiring Board of Regents Approval (D-20.5);~~ ORSP Technical Assistance Manual.

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** ~~Provost and Vice President for Academic Affairs;~~ Director, Office of Research and Sponsored Programs

**Forms:** OSRP Proposal Clearance Form, Revision Clearance Form, *Request for Indirect Cost Reduction or Waiver, Cost Share Request Form, Request to Establish Account Banner Fund – External Grants and Contracts, Budget Change Request Form, Additional Compensation Verification Form, Banner Effort Certification Report Form* ~~ss for Faculty and Salaried Employees~~

**Board Committee Assignment:** Academic and Student Affairs

## ***Resolving Faculty Disagreements in Issues Guarantees Relating to Matters Other Than Termination and Non-Renewal of Contracts (E-26A)***

**Original Implementation:** April 3, 1979

**Last Revision:** ~~October 30, 2007~~ January 25, 2011

The resolution of disagreements regarding administrative decisions *or other disputes involving faculty or other personnel*, other than dismissal, ~~is to~~ shall be pursued first initially with the academic unit chair/director. If the matter ~~is not, or cannot be,~~ satisfactorily resolved at that level, the faculty member may put *the disagreement* in writing ~~the disagreement~~ and submit it to the college dean, *along*, with a copy to the academic unit chair/director.

The college dean ~~will~~ shall consult with the faculty member and the academic unit chair/director in an effort to resolve the disagreement. The dean may consult with *any* others deemed to have insight into the matter. If the matter ~~is not, or cannot be,~~ satisfactorily resolved ~~at that level~~ by the dean, the faculty member may ~~request that it be referral of appeal the issue referred~~ to the provost and vice president for academic affairs (VPAA).

The provost and ~~vice president for academic affairs~~ VPAA ~~will~~ shall consult with the faculty member(s), the academic unit chair/director, ~~and~~ the college dean, *and any others with insight into the matter*. ~~in an effort to resolve the disagreement. The provost and vice president may consult with others deemed to have insight into the matter.~~ If the matter ~~is not, or cannot be,~~ satisfactorily resolved ~~at that level~~ by the provost and VPAA, the faculty member may ~~request that it be referred~~ appeal the issue *either to the president to a subcommittee of the University Grievance Panel or directly to the president, depending on the nature of the dispute.*

### ***Employment Disputes***

*The appeal shall be forwarded from the provost and VPAA to the grievance panel at the faculty member's request only if the disagreement involves an allegation that conditions of employment under university policy have been violated. This process shall operate under the following guidelines:*

1. *An advisory subcommittee of the University Grievance Panel shall review the evidence. The subcommittee shall be composed of five members, with two members selected by the faculty member, two by the president or the president's designee, and one selected at random. Each party shall have one challenge without stated cause.*

2. *Once constituted, the subcommittee shall establish its procedures for resolving the dispute.*
3. *When the subcommittee has made its determination, it shall advise the president and the faculty member of its findings in writing.*
4. *The president shall review the subcommittee's report, consult with the faculty member(s) and any others with insight into the matter, and render a decision that shall be final.*

### ***All Other Disputes***

*In situations that do not implicate conditions of employment, an appeal from the provost and VPAA shall be forwarded directly to*

~~The president who will~~ *shall consult with the faculty member(s), the academic unit chair/director, the college dean, and the provost and vice president for academic affairs VPAA and any others with insight into the matter.*

~~in an effort to resolve the disagreement. The president may consult with others deemed to have insight into the matter. In all cases, the decision of the president is final and will~~ *shall be communicated to the faculty member in writing within a reasonable time through appropriate administrative channels.*

~~If the disagreement under review is an allegation that university policy regarding the faculty member's conditions of employment have been violated, the faculty member may request that prior to the president's final determination the matter be heard by a subcommittee of the University Grievance Panel.~~

- ~~1. Advisory subcommittee of the University Grievance Panel to hear the evidence will be composed of five members selected as follows from the University Grievance Panel: two members selected by the faculty member, two by the president or the president's delegate, and one by lot. Each party will have one challenge without stated cause.~~
- ~~2. Once constituted, the advisory subcommittee will organize itself to carry out its responsibilities and establish its procedures.~~
- ~~3. When the advisory subcommittee has made its determination as to whether and to what extent university policy with regard to the faculty member's conditions of employment have been violated, it will advise the president and the faculty member of its findings.~~
- ~~4. The president will review the report of the advisory subcommittee and will consult with the faculty member, the academic chair/director, the college dean, and the provost and vice president for academic affairs in an effort to resolve the issue. The president may consult with others deemed to have insight into the matter. The decision of the president is final and will be communicated to the faculty member in writing within a reasonable time through appropriate administrative channels.~~

**Cross Reference:** Faculty Handbook, *Grievance and Appeals Policy* (E-25N)

**Responsible for Implementation:** President

**Contact for Revision:** President

**Forms:** None

***Board Committee Assignment:*** Academic and Student Affairs

## Instructor-generated Materials (A-22.1)

**Original Implementation:** September, 1990

**Last Revision:** ~~January 30, 2007~~ January 25, 2011

"Instructor-generated materials" ~~generally refers to~~ are coursepacks or other such class materials that are intellectual property compilations *that must be purchased by students, and are intended for sale.* They are not merely handouts, *nor are they copies,* textbooks, or trade books. ~~published by a commercial or university press. Copies of handouts distributed in class are provided to students and paid for by course fees. Published textbooks or trade books must be sold through bookstores.~~ Under no circumstances, may faculty members sell instructor-generated or other academic materials directly to students. ~~I~~ The instructor-generated materials may *only be* ~~then be~~ sold through the university bookstore or off-campus vendors.

~~The University and~~ faculty member(s) *and the university* will negotiate a royalty agreement in advance of the sale of instructor-generated materials in the university bookstore to ~~properly~~ compensate the faculty member(s) ~~for their time, effort, and intellectual property,~~ unless it was a work-made-for hire. ~~See Intellectual Property, Policy D-20.~~ The university shall not be responsible for royalties or other financial benefits on instructor-generated materials sold by off-campus vendors.

The faculty member(s *are responsible for* ) ~~shall retain the right to assemble,~~ editing, and amending ~~their~~ intellectual property *that is suitable for instruction and/or sale, and that may be as necessary,* subject to a department or college review. ~~, to determine whether the general quality of scholarship renders the material suitable for instruction and/or sale.~~ No departmental or college review *should* ~~may~~ infringe upon the academic freedom of the faculty member(s) who created the instructor-generated materials.

The General Fair Use Guidelines as described in Copyrighted Works Reproduction, Policy A-12, are applicable to instructor-generated materials.

~~Copyright notices, appropriate citations and attributions should be included. The faculty staff member who compiles the instructor-generated materials shall be responsible for complying with these guidelines. Permission must be obtained for materials that will be repeatedly used by the same instructor for the same class. Using a commercial copy shop~~

~~does not necessarily relieve the creator of instructor-generated materials of liability, unless the Fair Use Guidelines are followed or the copy shop pays appropriate royalties. Campus copy centers are not permitted to copy such materials, unless these guidelines are followed.~~

**Cross Reference:** Faculty Handbook,; ~~University Policies: D-20, Intellectual Property (D-20);, and A-12, Copyrighted Works Reproduction (A-12);, and Academic Freedom and Responsibility (A-2.5)~~

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs

**Forms:** None

**Board Committee Assignment:** *Academic and Student Affairs*

## Insurance and Other Benefits (E-28)

**Original Implementation:** Unpublished

**Last Revision:** ~~October 12, 2009~~ January 25, 2011

Employee insurance and benefits include the following: Benefits-eligible employees are offered a basic insurance plan, which is fully funded by the state for full-time employees and is funded at one-half of the premium for part-time employees. The basic plan includes hospitalization insurance, \$5,000 term life insurance and \$5,000 accidental death and dismemberment insurance. Enrollment in health insurance coverage may be subject to a 90-day waiting period for employees hired on or after September 1, 2003. The 90-day health coverage waiting period does not apply to:

1. Employees enrolled in COBRA health coverage under the Texas Employee's Group Benefit Program at the time they are hired, if there is no break in coverage.
2. Enrollment in the optional coverage during the first 30 days of employment, including Tex Flex accounts.
3. Direct transfers from one agency to another (employees rehired without a break in coverage), including direct transfers from UT or Texas A&M, if there is no break in coverage.
4. An employee who has health insurance as a dependent of another Group Benefit Plan member when hired.

Each employee must elect to enroll or waive this plan within the first 31 days of employment. If a Multipurpose Form is not completed, the full-time employee will be enrolled in the basic plan, and may be subject to the 90-day waiting period. Part-time employees and graduate assistants are not eligible for automatic enrollment. These employees must complete the Multipurpose Form within thirty-one (31) days of the first active duty date.

An employee does not have to participate in the basic plan to apply for optional coverage(s). There is no waiting period for optional coverage.

### Group Hospitalization Insurance

1. A major medical health/hospitalization plan is provided, based on residency or work zip code, and/or a choice of HMO, (when available).

Employees may select from hospitalization categories shown below:

#### Coverage Category

Employee



Employee & Child/Children  
Employee & Spouse  
Employee & Family

Details on coverage and rates are available from the Benefits Office in Human Resources (HR) or at the web site: [www.ers.state.tx.us](http://www.ers.state.tx.us).

2. Application for coverage for employees and their dependents must be made in the first 31 days of employment. Employees may change their health coverage selection at any time during the 90-day waiting period.
3. Continuation of coverage upon termination of employment is allowed by federal law with specific limitations. All separating employees will be informed of their right to continue coverage during their exit interview in Human Resources. COBRA forms will be mailed by the Employee Retirement System of Texas to the home address of the terminating employee and/or covered dependents for completion. Covered dependents also are eligible for continued coverage following certain qualifying events such as divorce, death of the employee, attainment of maximum age of coverage for children, etc. An employee or the covered dependent must notify the Benefits Office within thirty (30) days of the qualifying event date. Questions concerning procedure and benefits should be directed to the Benefits Office in Human Resources.

#### Group Term Life Insurance

1. Optional Term Life Insurance. Coverage of up to twice the annual salary may be selected within thirty-one (31) days of employment. Evidence of insurability must be provided for Election III or Election IV.

##### Coverage Amount:

Election I - 1 times annual salary  
Election II - 2 times annual salary  
Election III - 3 times annual salary  
Election IV - 4 times annual salary

Coverage is reduced at age 70 for active employees based on the carrier's standard reduction schedule.

Monthly Premium Cost. The monthly premium cost is based on age and salary on September 1 of the current fiscal year.

2. Dependent Life Insurance. Coverage is available to all employees insured under the Texas Employee's Group Benefit Program. Coverage includes the spouse of the employee and each unmarried child from the age of 14 days to 25 years in the

amount of \$5,000 life and \$5,000 AD&D. Application for coverage must be made within thirty-one (31) days from the date of employment, or dependent's eligibility date; otherwise evidence of insurability is required.

### Long-Term Disability

Long-term disability insurance is available to benefits-eligible employees. This benefit will pay 60 percent of the employee's monthly salary (maximum salary \$10,000) after a 90-day waiting period in the event the employee is disabled because of injury or illness. The monthly benefit will be integrated with Workers Compensation, Social Security Disability, Teacher Retirement Disability, and/or any disability benefit. Maximum benefit, if integration is used, is 70 percent of insured monthly salary. Minimum benefit, if integration is used, is 10 percent of monthly salary for one year. The following age and time limits apply:

<u>Age When Disability Starts</u>	<u>Maximum Duration of Benefits</u>
Under age 60	Age 65
Age 60, but less than age 64	60 months
Age 65 - 69	Age 70 or 12 mos. (the greater)

### Short-Term Disability

Short-term disability is available to benefits-eligible employees. This benefit will pay 66 percent of the employee's monthly salary (maximum salary \$10,000) after a thirty (30) day waiting period, for up to five months in the event the employee is disabled because of injury or illness. The monthly premium cost is based on the current rate per \$100 of monthly salary. Application for this coverage must be made within thirty-one (31) days of employment; otherwise evidence of insurability is required during summer enrollment.

### Accidental Death and Dismemberment Benefits

Benefits eligible employees have the option of participating in the AD&D program. This coverage is available starting at \$10,000 in increments of \$5,000 up to \$200,000. After age 70, minimums and maximums are reduced. Double coverage of dependent children will be allowed, if both parents are Group Benefit Plan employees. The monthly premium is based on current rate per \$1,000 of coverage. Application for this coverage must be made within thirty-one (31) days of employment or could be added during the summer enrollment period.

### Dental Insurance

Benefits-eligible employees may elect to participate in either of the two group dental insurance programs. If application for coverage is not made within thirty-one (31) days of employment, dental plan benefits cannot be acquired until the beginning of the next plan year and enrollment forms must be completed during the summer enrollment period.

#### Cancer Care

Benefits eligible employees may elect to participate in cancer-care coverage. Employees should contact the insurance company representative to make an application.

#### Long Term Care

A long term care plan is offered by Employees Retirement System of Texas to active employees and their families through CNA Insurance. The active employee may enroll at the time of employment (or within 31 days), without evidence of insurability. However, any family members must go through evidence of insurability to enroll in the plan. For information, or to sign up, go to [www.ers.state.tx.us](http://www.ers.state.tx.us) or call CNA at (877) 895-6762.

#### Retiree Insurance Coverage

University employees may continue their health insurance coverage providing they have 10 or more years of creditable service, have been covered under the Texas Employee's Group Benefit Program, for at least three years prior to September 1, 2001, or 10 years, after September 1, 2001, and meet the criteria for retirement benefits. Beginning September 1, 2003, the qualification for retiree insurance is age 65, or age plus years of service equals 80. Those who become totally disabled are entitled to participate in retiree insurance coverage, if they meet the criteria (age 65, or age plus years of service equals 80). The state will continue to fund the amount funded prior to retirement toward retiree and dependent coverage. A thirty-one- (31) day enrollment period is provided for persons retiring or qualifying for retiree insurance coverage. If employed at the time of retirement, and eligible for insurance benefits, there will be no waiting period for enrollment in the health plan. However, if the retiring member is not in an active status at the time of reaching eligibility for retiree insurance, (age 65 or age plus years of service equal to 80), there will be a ninety-day (90) waiting period for participation in the health plan.

Complete information will be made available to all qualified retirees by Human Resources prior to their date of retirement.

#### Social Security

All employees of the university are covered by the Federal Insurance Contribution Act (FICA). Currently, the employee contributions are broken down as follows:

~~6.20-4.20 percent~~ % of base salary of \$106,800 ~~for in 2009-2010~~ for Old Age and Survivor's and Disability Insurance (OASDI);

1.45 ~~percent~~ % of base salary for Medicare (MQFE).

This information is based on the Year ~~2009-2010~~ rates and limits.

#### Flexible Benefit Plan

Benefits eligible employees may participate in the Flexible Benefit Plan established in accordance with Section 125 of the Internal Revenue Code. The plan permits employees to pay for certain eligible expenses with pre-tax money.

Through this plan, participants are automatically enrolled in Redirection of Insurance Premiums. Allowable insurance premiums will be paid with pre-tax money, with the exception of Short-Term Disability, Long-Term Disability and Dependent Life.

Through this plan, the employee may choose to participate in one or both of Reimbursement Accounts:

1. Medical Reimbursement Account - The participant may specify an amount of pre-tax money to be deposited in a medical reimbursement account. The participant can then apply for reimbursement when certain allowable out-of-pocket health care expenses are incurred.
2. Dependent Care Reimbursement Account - The participant may specify an amount of pre-tax money to be deposited in a dependent care reimbursement account. The participant can then apply for reimbursement when dependent care expenses are incurred.

Substantial tax savings may be realized through the Flexible Benefit Plan. However, several restrictions are important to keep in mind when enrolling in one or both of the reimbursement accounts.

1. Amounts designated to be tax sheltered cannot be changed during a plan year unless there is a change in family status. Forms must be completed within thirty (30) days of the qualifying life event; otherwise no changes may be made until the next summer enrollment period.

2. Reimbursement accounts are on a use-it-or-lose-it basis. During a plan year, expenses should be incurred for all tax-sheltered money because any amount not reimbursed to the participant reverts to the insurer.

Eligible employees may enroll at the time of employment or during the summer enrollment period prior to the next plan year. To continue to participate, employees may make changes or stop participating each year during the summer enrollment period.

#### State Deferred Compensation Plan/TEXAS\$AVER

This plan is available to all employees. This plan allows employees to allocate a specified amount of their earnings to a tax-sheltered plan purchased by the state of Texas. Employees interested in learning more about this plan should contact the Benefits Office in Human Resources or the web site at [www.ers.state.tx.us](http://www.ers.state.tx.us).

#### Tax Sheltered Annuities

All faculty and staff members are eligible to purchase a supplemental tax sheltered annuity.

Individuals electing to participate in the Tax Sheltered Annuity Plan should contact an authorized company for information and request to complete the proper forms. The employee must complete a written agreement authorizing the deduction from their monthly salary.

The authorization initiating a tax sheltered annuity should be executed before the 25th of the month to be effective the next pay period. This agreement will remain in effect until the employee initiates a change of authorization or the maximum amount has been contributed.

Changes to the salary reduction authorization are permitted. Employees may change carriers at any time. An employee may terminate an authorized reduction in salary by completing the proper forms in Human Resources.

Once an annuity contract has been purchased for an employee, any questions concerning the contract's relation to the income tax laws are strictly between the faculty or staff member and the Internal Revenue Service.

Information on Tax Sheltered Annuities may be obtained from the Benefits Office in Human Resources.

#### U.S. Savings Bonds

~~Employees may purchase savings bonds starting in increments of \$100/month (cost of \$50 for a \$100 bond.)~~

**Cross Reference:** Non-Academic Employee Handbook; Tex. Const. art. 16, § 67; Tex. Gov't Code §§ 821-825; Tex. Gov't Code §§ ~~606.001-.101~~*Ch. 606*; Tex. Ins. Code §§ ~~1131.001-.860~~*Ch. 1131*; Tex. Ins. Code art 3.51-5 (not codified); I.R.C. §§ 102, 106; 29 U.S.C. §§ 1101-1191(c)

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources

**Forms:** None

***Board Committee Assignment:*** *Finance and Audit*

## Investments (C-41)

**Original Implementation:** April 30, 1996

**Last Revision:** ~~January 25, 2010~~ January 25, 2011

### Policy Statement

Stephen F. Austin State University invests the public funds in its custody with primary emphasis on the preservation and safety of the principal amount of the investment. Secondly, investments must be of sufficient liquidity to meet the day to day cash requirements of the university. Finally, the university invests to maximize yield within the two previously indicated standards. All investments within this policy conform to all applicable state statutes and local rules governing the investment of public funds. This policy is promulgated in accord with the Public Funds Investment Act (Government Code, Chapter 2256), and related portions of the Texas Education Code.

### Scope

This policy establishes rules for the investment of all university and agency funds except endowment funds. Endowment funds are invested in accordance with separate policy approved by the Board of Regents and are the responsibility of fund managers selected by the Board of Regents.

### Objectives

The foremost objective of all investment decisions shall be safety of principal. All investments must be undertaken with the fiduciary responsibility associated with that of a reasonable and prudent person. Investments must be in accord with Texas law. Investment maturity must be diversified to match the university's liquidity requirements.

Investments shall incur no unreasonable risk in order to maximize potential income.

Investments shall remain sufficiently liquid to meet all reasonably anticipated operating requirements.

Investments may be diversified in order to respond to changing economic and/or market conditions.

No investments within the portfolio or investment practices conducted to effect investment activities shall violate the terms of this policy.

### Authorized Investments

All university funds and funds held in trust for others may be invested only in the following securities:

- A. obligations, including letters of credit, of the United States of America, or its agencies and instrumentalities;
- B. direct obligations of the state of Texas or its agencies and instrumentalities;
- C. collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States of America, the underlying security for which is guaranteed by an agency or instrumentality of the United States of America;
- D. other obligations, the principal of and interest on, which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas or the United States of America or their agencies and instrumentalities;
- E. obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm of not less than A or its equivalent;
- F. certificates of deposit issued and share certificates by a depository institution that has its main office or a branch office in Texas that is:
  - 1. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
  - 2. secured by obligations that are described in Authorized Investments section A-E listed above, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the following nature:
    - a. obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgaged-backed security collateral and pays no principal;
    - b. obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
    - c. collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
    - d. collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.
  - 3. In addition to the authority to invest funds in certificates of deposit in Section (F), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under Subchapter 2256.010:



- a. the funds are invested by an investing entity through a depository institution that has its main office or a branch office in this state and that is selected by the investing entity.
  - b. the depository institution selected by the investing entity under Subsection (a) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever location, for the account of the investing entity;
  - c. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States;
  - d. the depository institution selected by the investing entity under Subsection (a) acts as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity; and
  - e. at the same time that the funds are deposited and certificates of deposit are issued for the account of the investing entity, the depository institution selected by the investing entity under Subsection (a) receives an amount of deposits from customers of other federally insured depository institutions, wherever located, that is equal to or greater than the amount of the funds invested by the investing entity through the depository institution selected under Subsection (a)
- G. fully collateralized repurchase agreements with a definite termination date, secured by obligations described by Authorized Investments section A-E, requiring the securities being purchased by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state;
- H. bankers acceptances having a stated maturity of 270 days or fewer from the date of issuance, to be liquidated in full at maturity, eligible for collateral for borrowing from a Federal Reserve bank, and accepted by a bank organized and existing under the laws of the United States of America or any state, if the short- term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency;
- I. commercial paper that has a stated maturity of 270 days or fewer from the date of its issuance, and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States of America or any state;
- J. no-load money market mutual funds registered and regulated by the Securities and Exchange Commission, having a dollar-weighted average stated maturity of 90

days or fewer, and including in their investment objectives the maintenance of a stable net asset value of \$1 for each share; and no-load mutual funds that conform to Section 2256.014 of the Government Code;

- K. guaranteed investment contracts conforming to Section 2256.015 of the Government Code;
- L. investment pools conforming to Section 2256.016 of the Government Code;
- M. cash management and fixed income funds sponsored by organizations exempt from federal income taxation under Section 501(f), Internal Revenue Code of 1986 (26 U.S.C. Section 501(f));
- N. negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency;
- O. corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.
- P. assets and/or funds reportable within the scope of the university's annual financial report may not be invested in or used to purchase securities, including obligations, of a private corporation or other private business entity that owns 10% or more of a corporation or business entity which records or produces any song, lyrics or other musical work that explicitly describes, glamorizes or advocates
  - 1. acts of criminal violence, including murder, assault, assault on police officers, sexual assault, and robbery;
  - 2. necrophilia, bestiality, or pedophilia;
  - 3. illegal use of controlled substance;
  - 4. criminal street gang activity;
  - 5. degradation or denigration of females; or
  - 6. violence against a particular sex, race, ethnic group, sexual orientation, or religion.

### **Insurance or Collateral**

All deposits and investments of university funds other than direct purchase of United States Treasury securities or United States Agency securities and in money market funds invested in U. S. Treasury or Agency securities shall be secured by a pledge of collateral with a market value equal to no less than 100% of the deposits or investments less any amount insured by the FDIC or FSLIC and pursuant to Chapter 2257, the Public Funds Collateral Act. Evidence of the pledged collateral associated with bank demand accounts ~~shall be maintained by the university controller. Evidence of the pledged collateral associated with~~ and investments shall be maintained by the director of financial services. Eligible repurchase agreements shall be documented by a specific agreement noting the

collateral pledged in each agreement. Collateral shall be reviewed monthly by the controller and director of financial services to assure the market value of the securities pledged equals or exceeds the related bank and certificates of deposit balances

Pledged collateral shall be maintained for safekeeping by a third party depository.

### **Collateral Defined**

The university shall accept only the following securities as collateral:

- A. AFDIC and FSLIC insurance coverage;
- B. United States Treasury, Agency, or Instrumentality securities;
- C. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the state of Texas or the United States of America
- D. Obligations of states, agencies thereof, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of no less than A or its equivalent.

### **Investment Strategy**

All investments will be made in accordance with the university's investment policy. Investments may be diversified as needed to provide investment suitability to the university's financial requirements. The preservation and safety of principal is the first priority, however, it is recognized that unrealized losses will occur in a rising interest rate environment, just as unrealized gains will occur during periods of falling interest rates. Investments will be of the type to provide sufficient liquidity and marketability for any operating requirements. The investment portfolio may be diversified with authorized securities to accommodate changing market conditions. However, United States Treasury securities are preferable because of their low risk and high liquidity. An investment decision shall consider yield only after the requirements for principal preservation, liquidity, and marketability have been met.

Investments may be categorized and described as:

- A. Short Term - less than 90 days Funds needed to meet short term operating requirements normally will be invested in either the Texpool investment vehicle managed by the state treasurer or overnight sweep accounts established with banking institutions. The benchmark is the average three month Treasury Bill yield.
- B. Intermediate Term - 90 days to one year United States Treasury and Agency securities, United States Agency Discount Notes are the primary investment vehicles. United States Treasury securities are preferable because of their low risk

and the ease with which they are traded. The benchmark is 95 percent of the average one-year Treasury Bill yield.

- C. Long Term - over one year United States Treasury and Agency securities are the primary investment vehicles. Normally, investments are laddered so that most principal is returned over a five year period in increments sufficient to meet anticipated operating and capital needs. The 30 Year Treasury Bond rate is the benchmark for long term funds.
- D. Maturity - The length of time for investments within this policy will vary according to fund type and will be dependent on funding requirements. As a general rule, funds will be invested for the time periods indicated:

Current Unrestricted and Restricted Funds - 2 days to one year

Plant Funds- 3 months to 3 years

### **Delegation of Authority**

The vice president for finance and administration (VPFA) of Stephen F. Austin State University is responsible for investment management decisions and activities. The VPFA delegates the day-to-day management of the investment activities to the director of financial services.

The VPFA shall be ultimately responsible for all transactions undertaken and shall establish a system of controls (Appendix A) to regulate the activities of officials and staff involved in investment transactions.

The VPFA shall develop and maintain written administrative procedures and guidelines for the operation of the investment program which are consistent with and part of this Investment Policy (Appendix B).

The VPFA and director of financial services shall be designated as the university's investment officers and are responsible for the duties outlined herein. The names and titles of the investment officers shall be filed with the Board of Regents. Changes of names and/or titles must be filed with the Board of Regents as they occur.

The maximum stated maturity date of any security may not exceed ten years, and the weighted average duration of the portfolio shall not exceed five years without approval by the VPFA and ratification by the Board of Regents. No officer or designee may engage in an investment transaction except as provided under terms of this policy as approved by the Stephen F. Austin State University Board of Regents.

### **Prudence**

The "prudent person" standard will be used in the investment function and shall be applied in the context of individual transactions as well as management of the overall portfolio.

Accordingly, all investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.

### **Internal Controls**

Stephen F. Austin State University has established a system of written internal controls designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the university. These controls are shown in Appendix A of this investment policy. These controls are subject to the review of and recommendations from the university's Department of Audit Services' office.

### **Investment Authority**

The VPFA or director of financial services shall invest only those funds regulated by this policy and shall purchase only those securities authorized by the Authorized Investments section of this policy.

### **Authorized Financial Dealers and Institutions**

Investment transactions (bids and offers) will occur only between the university and board authorized broker/dealers. A written copy of the investment policy shall be presented to any person offering to engage in an investment transaction with Stephen F. Austin State University. The qualified representative of the business organization offering to engage in an investment transaction with Stephen F. Austin State University shall execute a written instrument substantially to the effect that the business organization has (a) received and reviewed the investment policy of the university and (b) acknowledges that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the university and the organization that are not authorized by Stephen F. Austin State University's investment policy.

Securities may not be bought from any organization whose representative has not provided the university with the acknowledgment required in the above paragraph.

### **External Financial Advisor Contract Renewal or Extension**

Pursuant to Chapter 2256 of the Texas Government Code, a contract with an external investment manager may not exceed two years. A renewal or extension of the contract by the board must be made by order, ordinance, or resolution. Disclosure Requirements for Outside Financial Advisors External financial advisors and service providers shall comply with Texas Government Code Chapter 2263, Ethics and Disclosure Requirements for Outside Financial Advisors and Service providers.

### **Disclosure Requirements for Investment Officers**

Pursuant to Texas Government Code Sec. 2256.005, an investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this subsection, an investment officer has a personal business relationship with a business organization if:

1. the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or
3. the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

### **Diversification**

Investments may be diversified to minimize the risk of loss resulting from unauthorized concentration of assets in a specific maturity, specific issuer, or specific class of securities. The diversification limits by security type and issuer shall be:

Category	Maximum
U. S. Treasury securities and securities having principal and interest guaranteed by the U. S. Government	100%
U. S. Government agencies, instrumentalities and government sponsored enterprises (excluding mortgage backed securities)	50%
Collateral mortgage backed securities	25%
Fully insured or collateralized certificates of deposit	100%

Bankers' acceptances	25%
Commercial paper	25%
Repurchase agreements	100%
Registered money market funds	80%
Local Government Investment Pool	100%
Corporate Bonds	25%

The VPFA may diversify investment maturity *to limit interest rate risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.* To the extent possible, investment maturity will be matched with anticipated cash flow requirements. Matching maturity and cash flow requirements will minimize occasions for sale of securities prior to maturity, thereby reducing market risk. However, no provision of this policy shall be interpreted as prohibiting the sale of any security prior to maturity, provided that it is in the university's financial interest to affect the sale. The weighted average maturity of the entire portfolio shall be maintained at no more than 10 years and shall be reported quarterly to the Board of Regents. Pooled fund groups eligible for university investment shall have a maximum weighted average maturity of 10 years.

*Credit risk is the risk that an issuer or counterparty to the investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. To limit credit risk, this policy limits investments in corporate bonds, debentures or similar debt obligation to the two highest long-term rating categories.*

### **Safekeeping and Collateralization**

All securities transactions, including collateral for repurchase agreements, but excluding mutual funds and investment pools, must be settled on a delivery versus payment basis. Collateral for certificates of deposit shall be held by a third party custodian in the name of the university. The third party custodian shall be required to issue a safekeeping receipt to the university listing the specific instrument, rate, maturity, safekeeping receipt number, and other pertinent information. Any collateral safekeeping receipt shall be clearly marked on its face that the security is "pledged to Stephen F. Austin State University". Collateralization shall be required on certificates of deposit and repurchase agreements. The collateralization level shall be no less than 100% of the market value of the principal and interest due on these instruments. Collateral for certificates of deposit and repurchase agreements shall consist of any of the securities authorized for investment within this policy.

## Performance Evaluation

The VPFA and director of financial services shall submit quarterly reports to the Board of Regents through its finance/audit committee and the president of the university in the format prescribed by the Public Funds Investment Act, within a reasonable time after the end of the quarter. The reports must: (A) describe in detail the investment position of the university on the date of the report; (B) be prepared by the investment officer(s) of the university; (C) be signed by the investment officer(s) of the university; (D) contain a summary statement prepared in compliance with generally accepted accounting principles of each pooled fund group that states the: (1) beginning market value for the reporting period; (2) additions and changes to the market value during the period; (3) ending market value for the period; and (4) fully accrued interest for the reporting period; (E) state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; (F) state the maturity date of each separately invested asset that has a maturity date; (G) state the account or fund or pooled group fund for which each individual investment was acquired; and (H) state the compliance of the investment portfolio of the university as it relates to the relevant provisions of the Public Funds Investment Act.

## Training

~~The VPFA and director of financial services are required by Section 2256.007(a) of the Government Code to attend at least one session of investment training not later than March 1, 1996, and, as appropriate, periodically thereafter. The investment officer(s) will attend training as required by Section 2256.007 of the Texas Government Code. Training for the investment officer(s) will be conducted by an organization or firm that is approved by the Texas Higher Education Coordinating Board.~~

## Audits

In order to comply with the audit requirements of the Texas Public Funds Investment Act, the university's Department of Audit Services shall conduct audits and reviews of the university's investment function and report the findings to the appropriate oversight authorities.

## Investment Policy Adoption and Certification

Upon adoption by the Stephen F. Austin State University Board of Regents, the university's investment policy shall be reviewed annually to ensure current applicability and significant modifications thereto submitted to the Board of Regents for approval.



**Cross Reference:** Tex. Gov't Code §§ ~~Ch. 573~~, 2256-2257, 2263; 26 U.S.C. § ~~Section~~ 501(f); Tex. Educ. Code § 51.0032

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Vice President for Finance and Administration

**Forms:** None

**Board Committee Assignment:** *Finance and Audit*

## APPENDIX A

### INTERNAL CONTROLS

The university has prepared an investment policy as of April 12, 1996. The policy was approved by the Board of Regents April 30, 1996. The investment policy will be reviewed and/or updated no less than annually. All pledged securities shall be held by a third party custodian in the name of the university. A safekeeping receipt will be issued to the university listing the specific instrument, rate, maturity, safekeeping receipt number, and other relevant information. The signature of the president, VPFA or director of financial services is required for release of pledged securities from safekeeping. Only changes in the level of collateralization require approval by the president, VPFA or director of financial services. The controller's office will reconcile the appropriate investment accounts to broker's statements and other supporting documents monthly. All purchases of securities from and deposits of funds to or withdrawals of funds from TexPool require the signature of the VPFA, and either the director of financial services, budget director or the controller.

## APPENDIX B

### ADMINISTRATIVE PROCEDURES

The bursar's office will maintain a daily list of cash balances held in depository bank accounts. All investment transactions and related cash transfer requests, except for investment "rollovers" as defined, will be prepared by the director of financial services and will require an appropriate second signature. "Rollovers" are investment transactions whereby an investment of certain type held by an entity matures and the proceeds are then used to purchase an investment of the same type within the same account within the same entity. The controller's office will record investments in compliance with GASB and state comptroller's reporting requirements and reconcile the appropriate investment

accounts to broker's statements and other supporting documents monthly. Quarterly investment reports are prepared by the director of financial services and approved by the vice president of finance and administration in accordance with the Performance Evaluation section of this investment policy. The market price of securities will be monitored quarterly using industry published data or appropriate financial publications.

## Investments - Endowment Funds (C-41.A)

**Original Implementation:** Unpublished

**Last Revision:** ~~January 25, 2010~~ January 25, 2011

### GENERAL

This Investment Policy Statement (IPS) applies to all Stephen F. Austin State University (the "university") endowment funds. These funds are given to the university by individuals and institutions to promote, encourage and advance education and to improve the degree and non-degree educational functions by establishing scholarships, fellowships, professorships, academic chairs and other academic endeavors at the university, as specified by donors.

As provided in the Texas Education Code, each member of the Board of Regents (board) has the legal responsibilities of a fiduciary in the management of funds under the control of the university. The board recognizes its responsibility to insure that the assets of the endowment funds are managed for the exclusive benefit of the university in accordance with its donors' intentions, effectively and prudently, in full compliance with all applicable laws.

Separate fund balance accounts are maintained for all funds. Funds may be restricted either by the donor or the board. Restricted funds are available primarily for specific purposes considered beneficial to the university.

The investment of the endowment funds is governed by Section 51.0031 of the Texas Education Code. This section states that the university "... with regard to donations, gifts and trusts may establish endowment funds that operate as trusts and are managed under prudent person standards... As used in this section, "prudent person standard" is the standard of care described in Article VII, Section 11b, of the Texas Constitution, and means that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment."

In the management of the university endowment investments, consideration will be given to the need to balance a requirement for current income for present activities with a requirement for growth in principal to compensate for inflation. Consideration will be given to the need for safety of principal, liquidity, diversification, yield and quality.

The overall objective of the IPS is to assure that the university's endowment funds are invested in a manner to achieve as high a level of return as can reasonably be expected to be achieved given the primary objective of safety and preservation of principal. The IPS clearly and concisely states the responsibilities of all parties involved with the endowment funds. The IPS will assist the board, the finance/audit committee ("committee") and the university administration in effectively communicating with and monitoring the investment manager(s) and the investment firm(s) that will be engaged from time to time to facilitate the management of the endowment assets of the university. It states the boards' attitudes, guidelines and objectives in the investment of the endowment assets.

## **RESPONSIBILITIES**

The university acknowledges that the ultimate responsibility for satisfactory investment results rests with the board. The board believes that this responsibility is best discharged by delegating certain authority to the university administration and by appointing one or more investment management organizations to assume certain responsibilities.

The specific responsibilities of the board in the investment process include and are limited to developing a sound and consistent investment policy, developing sound and consistent investment policy guidelines, establishing reasonable investment objectives, allocating the endowment assets between equity and fixed-income investments, and other investment mediums which it may deem appropriate and prudent, communicating clearly the major duties and responsibilities of those accountable for investing the endowment assets and achieving investment results, evaluating performance results, and abiding within all applicable laws, including conflict of interest provisions therein.

The vice president for finance and administration (vice president) and director of financial services are designated as the investment officers for the university. As such, the vice president or designee are responsible for accounting for investments, monitoring and evaluating performance results, and ensuring that policy guidelines are being adhered to and investment objectives are being met. In addition, the vice president is responsible for the purchase, sale, assignment, transfer and management of investments, for communicating with investment managers, brokers and dealers, for compiling performance results, and for determining the proper distribution of investment returns to the various accounts. The vice president is also responsible for determining the appropriate distribution of income in accordance with the distribution policy in the distribution policy section. The vice president, or designee, will submit an annual investment perspective to the Board of Regents.

## **INVESTMENT POLICY**

The board believes that the endowment assets should be managed in a way that reflects the application of sound investment principles.

The board adheres to the traditional capital market theory that maintains that over the long term, the risk of owning equities should be rewarded with a somewhat greater return than available from fixed-income investments. This reward comes at the expense of higher volatility of returns and more exposure to market fluctuations than with fixed-income investments. Fixed-income investments provide a more predictable return and higher current income than do equities. Thus assets should be allocated between fixed-income investments, equities, and alternative investments in such a manner as to provide for current income while providing for maintenance of principal in real terms.

Avoiding large risks is essential. The university is willing to trade off some potential opportunities for gain from high-risk investments (with high loss potential) by assuming a moderate-risk posture in order to have a more stable positive return. This may result in sacrificing some potential opportunities for gain during rising markets in order to avoid large short term declines in market value during falling markets. Since the university is adverse to large downward fluctuations in the value of its investments resulting from volatile market value fluctuations, such year-to-year volatility should be minimized.

## **INVESTMENT POLICY GUIDELINES**

For the purpose of this policy, all securities which use long-term credit ratings must be rated the equivalent of "A" or better by a nationally recognized credit rating service. Securities using short-term credit ratings must be rated at least A-2, P-2, F-2 or the equivalent by a nationally recognized credit rating service.

The following categories of securities are permissible investments:

- a. Direct obligations of the United States government or its direct agencies.
- b. Direct obligations of federally-sponsored agencies in accordance with the above paragraph.
- c. United States dollar denominated bonds, debentures, or commercial paper and convertible securities issued by corporations in accordance with the above paragraph.
- d. Common stock and preferred stock issued by United States domiciled corporations and common stocks of foreign companies listed on the major U.S. or foreign security exchanges.
- e. Certificates of Deposit issued by federally insured state banks, federally insured savings and loan associations and saving banks or federally insured credit unions. Amounts over the insurance limit of the institutions must be secured by pledged securities.

- f. Bankers acceptances accepted by a bank organized and existing under laws of the United States or any state in accordance with the above paragraph.
- g. Money Market Mutual Funds. Funds must be registered with the Securities and Exchange Commission, have a maximum dollar weighted average maturity of no longer than 13 months, and be no-load funds. Funds must have assets consisting of securities described in the paragraphs above and seek to maintain a stable net asset value of \$1.00 per share (or unit).
- h. Direct Security Repurchase Agreements. Direct Repos must be fully secured (collateralized) by securities authorized under the sections (a) through (f) above. Such collateral must be held by a third party. All agreements will be in compliance with Federal Reserve Bank guidelines.
- i. Shares of investment companies as defined by the Investment Company Act of 1940. These companies include both closed-end investment companies and open-end investment companies (mutual funds). Shares in these companies may be purchased if they own securities described in sections (a) through (h) above.
- j. Shares of Exchange Traded Funds, known as ETFs, are permissible investments under this section.
- k. Certain types of transactions and purchase of certain types of securities are specifically prohibited by this policy. Commodity trading including all futures contracts, purchasing of letter stock, short selling, option trading, and margin trading are specifically prohibited. Neither tax-exempt debt of state and local governments, private placements, nor guaranteed investment contracts may be purchased. No investments will be made in derivative products as defined by the Financial Accounting Standards Board in Statements of Financial Accounting Standards, No. 133. Collateralized mortgage obligations that do not pass the Federal Financial Institution's Examination Council test may not be purchased.
- l. Assets and/or funds reportable within the scope of the university's annual financial report may not be invested in or used to purchase securities, including obligations, of a private corporation or other private business entity that owns 10% or more of a corporation or business entity which records or produces any song, lyrics or other musical work that explicitly describes, glamorizes or advocates: (1) acts of criminal violence, including murder, assault, assault on police officers, sexual assault, and robbery; (2) necrophilia, bestiality, or pedophilia; (3) illegal use of controlled substance; (4) criminal street gang activity; (5) degradation or denigration of females; or (6) violence against a particular sex, race, ethnic group, sexual orientation, or religion.
- m. No more than six percent (6%) of the portfolio, including convertible securities, can be invested in any one company. This will be measured on a cost basis. No more than ten percent (10%) of the portfolio can be invested at any time in one company based on the market value of the stock and portfolio. This section is not applicable to investments in U.S. government securities.

- n. No more than fifteen percent (15%) of the portfolio can be invested in any one industry sector, as defined by Standard and Poor's broad categories, based on the cost value of the portfolio. No more than thirty percent (30%) of the portfolio can be invested in any one industry sector based on the market value of the portfolio. The holdings do not have to be invested in industry groups that represent a cross-section of the economy.
- o. Permitted alternative investments in the portfolio may include hedge funds, managed futures funds, private equity funds, or real estate. Investments in other strategies shall be reviewed and recommended by the investment officer prior to purchase. Permitted alternative investments in the Portfolio are limited to diversified commingled trust fund vehicles or limited partnerships offered through a third party distribution channel, such as what is offered through many broker-dealer firms. Any investment vehicles where the portfolio's liability can exceed the value of the portfolio's investment are strictly prohibited. The portfolio shall emphasize investments in fund-of-fund vehicles that are diversified by investment style and typically utilize multiple investment managers within a fund. The portfolio, however, may invest in single manager funds, but these investments shall not comprise the majority of the investment. Permitted alternative investments in the portfolio are limited to investment vehicles that offer the ability for the portfolio to make contributions or receive distributions at least quarterly (but preferably monthly) without restriction or incurring additional fees. The maximum allocation to any one fund shall not exceed 25% of the total investment portfolio. If the allocation to alternative investments exceeds the limit at any point in time, the investment officer shall rebalance the allocation to the fund at the next opportunity when the fund permits liquidation of fund holdings.
- p. All of the equities purchased for the portfolio (based at market value) should have a minimum market capitalization of \$250 million. The allowable range and target asset allocation for the endowment funds is:

<b>Class</b>	<b>Allowable Range</b>	<b>Target</b>
Equities securities	0% - 70%	55%
Fixed income securities	0% - 60%	35%
Cash or cash equivalents	0% - 100%	0%
Alternative Investments	0% - 25%	10%

*For the equity portion of the portfolio, the International Equities should represent at a maximum 30% and minimum 0%.*

For the fixed income portion of the portfolio, the asset mix should be: maximum U.S. government bonds 100%, minimum government bonds 0%, maximum corporate bonds 50%, minimum corporate bonds 0%, maximum cash 100%, minimum cash 0%. Gifts of

individual securities will be liquidated or transferred to an equity fund manager currently employed by the university under the Use of Investment Firms section. The liquidation or transfer will take place as soon as possible. If liquidated, the proceeds will be invested in accordance with the allowable range and target asset allocation set forth in this policy. Exceptions to this policy are securities described by sections (a), (b) and (c) above. Such securities may be held so long as the asset allocation ranges are maintained. The policy in this section can be overridden by a written directive from a donor.

*The university will insure the safety of its invested funds by limiting interest rate, credit and foreign currency risks. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The VPFA may diversify investment maturity to limit interest rate risk. The average weighted duration of the portfolio should not vary from industry benchmarks by more than +/-20%.*

*Credit risk is the risk that an issuer or counterparty to the investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. To limit credit risk, this policy requires investments in US dollar denominated bonds, debentures, or commercial paper and convertible securities issued by corporations to be rated the equivalent of "A" or better using long-term ratings and at least A-2, P-2, F-2 or equivalent using short-term credit ratings.*

*Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of investment. In order to mitigate this risk, foreign investments are limited to a maximum of 30% of the portfolio.*

## **USE OF INVESTMENT FIRMS**

The vice president or designee is responsible for the selection of brokers and dealers for the execution of security transactions and for the safe keeping of securities. Sales, purchases and exchanges will be transacted through well-capitalized, nationally-recognized investment firms which are major participants in the equity and fixed-income markets. Firms should be selected to provide the maximum benefit to the university. The vice president may choose to use a request for proposals to select the firm or firms with which the university deals.

Selection of outside investment managers will follow these guidelines:

- a. The vice president or designee, within statutory and other regulatory authority, may place selected funds of the university with investment managers outside the



university for investment purposes. The investment of such funds will be subject to the provisions of this investment policy statement. The vice president or designee is authorized to negotiate with outside investment managers for the benefit of the university.

- b. Outside investment manager(s) will receive a copy of the IPS and a Letter of Instructions outlining investment instructions and asset allocation parameters expressed in writing by the vice president or designee. The Letter of Instructions will state return objectives that are reasonable and achievable within the guidelines provided herein. These return objectives should be achieved over a reasonable time frame, thus it is not necessary for the outside manager(s) to exceed the return expectations each quarter. In addition, each outside investment manager must execute a written statement to the effect that the registered principal of the organization has received and thoroughly reviewed the investment policy of the university. The statement must also acknowledge that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities.
- c. Consistent with this investment policy statement and their Letter of Instruction, the outside investment manager(s) will be responsible for making decisions on a discretionary basis. This includes buy, hold, sell and timing decisions. The outside manager(s) must make responsible decisions in the selections of specific securities and the general timing of purchases and sales necessary to achieve a satisfactory overall return for the assets.
- d. Outside manager(s) will invest only into the security class(es) for which they were retained to manage. The manager(s) have discretion to place funds into cash, however, their performance will be measured against an index which measures their security class without deducting the cash position.

The overall portfolio and the individual managers will be evaluated on a periodic basis using industry benchmarks.

The annualized Alpha should exceed both individual managers' and total portfolio fees. Alpha measures the excess return for the amount of risk taken. Portfolio turnover will be monitored. If the performance results of the portfolio meet the objectives stated herein, the rate of turnover in the portfolio will not be an evaluative factor. However, a portfolio turnover higher than the average of similar fund managers is considered a negative. Files will be maintained on investment firms with which the university deals. The files will contain information that supports the financial stability of the firms. These files will be updated annually. A list of approved brokers and firms will be maintained and changes will be approved by the Board of Regents.

## **DISTRIBUTION POLICY**

The spending policy should balance the long-term objective of maintaining the purchasing power to the endowment funds with the goal of providing a reasonable, predictable, stable, and sustainable level of income to support current needs. At the end of the investment year, in consultation with the investment manager, the investment officer will review the total return on the endowment accounts and recommend an annual distribution. The target distribution will be between 4% and 5%. The investment officer will recommend an amount up to 5.00% of the average invested balance for the purposes delineated in the endowment memorandum of understanding. If returns permit, an amount equal to the rate of inflation will be added back to each endowment principal balance. If there are positive total returns beyond the inflation rate, then the investment officer will recommend that this amount be added to a contingency reserve that may be distributed during years of poor investment performance as determined by the officer. When the contingency reserve has reached a balance in excess of two years of normal distributions, the investment officer may recommend that additional distributions be made from the contingency reserve.

## **PERFORMANCE EVALUATION**

The vice president will submit quarterly reports to the board on the performance of the investment portfolio. The reports will disclose the book value and market value of the portfolio at the beginning and ending of the reporting period by the type of asset and fund type invested. The reports will disclose the realized and unrealized gains/losses on the portfolio for the reporting period. Additions and changes in the market value of the portfolio during the period will be reported. The reports will show the pooled fund value as well as individual assets by fund type. The reports will state the maturity date of each asset that has a maturity date. The total return on the portfolio, on each asset class and for each manager will be reported.

The performance of the total portfolio, each asset class and each manager will be compared to appropriate benchmarks and included in the quarterly reports to the board. The report will contain sufficient information for the board to determine if actions should be taken to correct any deficiencies that may exist.

## **CONFLICTS OF INTEREST**

Members of the board are frequently persons of wide-ranging business interests. Therefore, a prudent, independent investment decision process may result in investments in firms or organizations with which a member of the board is affiliated. Affiliation shall be interpreted within this section to mean an employee, officer, director, or owner of five percent or more of the voting stock of a firm or organization. The investment staff or an unaffiliated investment manager may invest in such securities. However, the following restrictions shall apply:

- a. a member of the board shall not direct nor participate in the decision to purchase or sell securities of a firm with which such member is affiliated; and
- b. investments will not be purchased from or sold to a member of the board.

## **DISCLOSURE REQUIREMENTS**

### **Disclosure Requirements for Outside Financial Advisors**

External financial advisors and service providers shall comply with Texas Government Code Chapter 2263, Ethics and Disclosure Requirements for Outside Financial Advisors and Service providers.

### **Disclosure Requirements for Investment Officers**

Pursuant to Texas Government Code Sec. 2256.005, an investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this subsection, an investment officer has a personal business relationship with a business organization if:

- 1. the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- 2. funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or
- 3. the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

## **AUDITS**

The Department of Audit Services of the university shall include endowment assets as a component of its annual audit risk assessment. If the department determines that the endowment assets meet its risk assessment criteria, audit services may perform an annual audit of the endowment assets to ensure compliance with the endowment investment policy.

**Cross Reference:** Tex. Educ. Code § 51.0031; Tex. Gov't Code §§ ~~Ch. 573~~, § 2256.005, *Ch. 2263*; 15 U.S.C. §§ 80a-1 – 80a-64

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Vice President for Finance and Administration

**Forms:** None

***Board Committee Assignment:*** *Finance and Audit*

## Items Requiring Board of Regents Approval (D-20.5)

**Original Implementation:** July 5, 1988

**Last Revision:** ~~July 20, 2010~~ January 25, 2011

- A. Items That Require Approval by the Board of Regents
  - 1. Construction/renovation projects if the estimated cost is \$100,000 or more, including:
    - a. Selection of an architect/engineer
    - b. Authority to submit the proposal to the coordinating board if the estimated project cost (includes all cost) is at least \$4,000,000 for new construction, \$4,000,000 for renovation, or as otherwise required under law.
    - c. Construction contract awards. The Guaranteed Maximum Price must be reported to the Buildings and Grounds Committee at the next possible meeting.
    - d. Approval of project budget.
    - e. Change orders that would increase the cost of the project beyond the amount of the Guaranteed Maximum Price. Board approval of change orders would not be required for budgeted construction contingencies within the Guaranteed Maximum Price.
    - f. For projects requiring coordinating board approval, a final project close-out report entailing a post completion evaluation of the project that includes the following elements that must be reported to the Buildings and Grounds Committee: final project cost, summary of change orders, existence of any liquidated damages, final HUB participation percentages and total value, summary of approvals from any state or federal agencies having jurisdiction, survey summary of evaluation by end users, and summary of final inspection punch list for items needing repair. A warranty inspection will be conducted and major warranty repairs summarized for review by the president and chair of the Buildings and Grounds Committee.
  - 2. Actions relating to university employees, including
    - a. Appointment of full-time faculty
    - b. Faculty promotions
    - c. Awarding of faculty tenure
    - d. Appointment of full-time administrative/professional staff (~~non-classified~~~~exempt~~) excluding those requiring student status ~~and those paid with grant funding~~
    - e. Change of position status of full-time faculty and administrative/professional (~~non-classified~~~~exempt~~) staff

- f. Advisement on termination of full-time faculty and administrative/professional (~~non-classified~~*exempt*) staff (executive session only, does not require board action for approval)
  - g. Leaves of absence for faculty and administrative/professional (~~non-classified~~*exempt*) staff for one semester (four and one-half months) or more
  - h. Dual employment (with state agencies) of faculty and administrative/professional (~~non-classified~~*exempt*) staff
- 3. Delegations of administrative authority, including
  - a. Authority to approve travel
  - b. Authority to approve purchases
- 4. Policy statements when the effect will be to change admission, probation, or suspension regulations; establish or alter policies, regulations, or rules relating to employment or property rights; govern the activities of the entire university or a major section of the university, such as rules for admission into teacher education or any other major curriculum; change long standing and well accepted practices or patterns of behavior; or implement rules, regulations or activities established by external authorities
- 5. Contracts, purchases, or agreements in the amount of \$100,000 or more, except those that appear in Item B below
- 6. Any lease of any item (building, equipment, etc.) if the total cost of the lease is expected to be \$100,000 or more without regard to the length of the lease period
- 7. Purchase, sale or exchange of real property (executive session only, does not require board action for approval)
- 8. Depository contract
- 9. Food service (or similar) contracts, including changes in existing contracts
- 10. Contracts and agreements with support or development foundations
- 11. Settlements, consent decrees, authority to enter into litigation (executive session only, does not require board action for approval.)
- 12. Establishment (or change) of mandatory fees
- 13. Curriculum matters, including
  - a. Establishment or elimination of academic programs
  - b. Establishment or elimination of courses
  - c. Major changes in programs or courses
- 14. Designation of a name for university buildings, facilities, streets, etc.
- 15. Annual holiday schedule
- 16. Private, governmental, or foundation grants or agreements if the purpose of the grant, etc. is not designated ("President's Discretion" constitutes a designation)
- 17. Annual operating budget

18. Increases in existing budgets through a "budget adjustment" if over \$100,000, except revolving funds.
  19. Biennial legislative request
  20. Long range master plan
- B. Items That Do Not Require Approval by the Board of Regents
1. Construction or renovation projects under \$100,000
  2. Change orders under \$100,000 as long as the approved budget is not exceeded
  3. Appointment, change-of-status, promotion, termination of ~~classified-non-~~*exempt* employees
  4. Appointment, change-of-status, termination of graduate or student assistants
  5. Resignations
  6. Contracts, purchases, and agreements when the amount is less than \$100,000
  7. Budget transfers that do not increase the board approved budget
  8. Private, governmental, and foundation grants, agreements or sub-awards if the purpose of such is stipulated by the grantor. *New grants, contract, agreements or sub-awards will be submitted to the Board of Regents for ratification on a quarterly basis.*
  9. Materials purchased for resale in auxiliary operations and central stores
  10. Materials purchased for inventory stock of physical plant, residence life, or student center operations, such as custodial cleaning products and paper goods
  11. Materials purchased for inventory stock from operation and maintenance budgets previously approved by the board, such as food purchases for the Early Childhood Lab and Piney Woods Conservation Center
  12. Library subscription services
  13. Recurring printing orders
  14. Contracts and agreements for athletic events, entertainment concerts, fine arts events, and other similar activities
  15. Group travel packages for resale
  16. Materials or services purchased for emergencies resulting from disasters, hazards, or other exigent circumstances
  17. Other items approved by the president of the university which are not listed in Section A of this policy
  18. Specific commodities or service necessary for day-to-day operations of the university:
    - a. Water utility
    - b. Regulated electricity for beef farm, broiler farm and PWCC

- c. Gasoline for university vehicles
- d. Credit card merchant service fees
- e. Maintenance contracts associated with preventive and/or repair work for on-going maintenance or service provided on a scheduled or as-needed basis for equipment or software
- f. Asbestos abatement projects as necessary on an “as needed” basis
- g. Insurance negotiated and/or approved by the State Office of Risk Management
- h. Temporary staffing services
- i. Telecommunications and networking services and fees for land-line phones, cell phones and internet service
- j. Hosted software services and applicable license and maintenance for general business operations such as student bill payment, cashiering and student email

**Cross Reference:** None

**Responsible for Implementation:** President

**Contact for Revision:** President

**Forms:** None

***Board Committee Assignment:*** *Committee of the Whole*



## New Employee Orientation (E-33.1)

**Original Implementation:** September, 1990

**Last Revision:** ~~October 12, 2009~~ January 25, 2011

The purpose of this policy is to ensure that new employees receive sufficient orientation to enable them to perform their assigned duties. It is the responsibility of each department to require new employees to participate in the new employee orientation that consists of four (4) parts. The hiring department is responsible for scheduling the new employee for orientation with Human Resources prior to the new employee's first day of employment. New employee orientation consists of certain federally regulated forms that must be completed by the new employee within the first three (3) days of employment. The new employee must bring documents to the orientation session that verifies their identity and authorization to work. They should also plan to bring relevant information with them to enroll any dependants in health insurance (such as birth dates, social security numbers and addresses). New employee orientation is normally held on Monday mornings in the Human Resources department.

1. The first orientation session is conducted by Human Resources on or before the first day of employment. In this session, the new employee receives detailed information about SFA, completes a new employee orientation packet which includes their benefit selections, payroll information, ~~Federal Immigration and Naturalization~~ *U.S. Citizenship and Immigration Services* forms (I-9), and receives information about training and other benefits.
2. The second orientation session is the departmental employee orientation, conducted within the first six weeks of employment by the employee's immediate supervisor. This session is provided to acquaint the new employee with university policies and procedures, departmental details, and information regarding the expectations for performance of the job duties. The supervisor should use the "New Employee Orientation Checklist" provided by Human Resources to ensure they have covered all the essential information needs of the new employee. The completed checklist should be returned to Human Resources and will become a permanent part of the employee's personnel file. Each department should maintain a copy for their files.
3. The third session is conducted by Human Resources and Safety in a separate, mandatory training normally held within 30 days of employment regarding EEO laws and safety hazards. The employee should receive notice to attend through their immediate supervisor as requested by Human Resources.
4. The fourth session is also mandatory training conducted by Human Resources. The training explains the university's Performance Management and Review Plan

and applies to all non-faculty employees. Human Resources will schedule all new hires affected by this policy to attend the training.

While orientation is required for all new employees, the supervisor should maintain flexibility as to the extent of the orientation sessions, i.e., individuals having previous university employment may not require the in-depth training that would be needed by a first-time employee. At the supervisor's discretion, an employee transferring from one university department to another may be required to participate only in the departmental employee orientation (see No. 2 above).

**Cross Reference:** Performance Management and Review Plan, (E-57) ~~Policy E-57~~

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources

**Forms:** New Employee Orientation Checklist (available in Human Resources)

**Board Committee Assignment:** *Finance and Audit*

## Part-time Faculty (E-37A)

**Original Implementation:** September 19, 1984

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

~~1. A part-time faculty member is one who holds less than a full-time *academic* workload and is not in a tenure-track position. — Regulations on the employment, duties, and privileges of a part-time faculty member follow:~~

~~1. Procedure for Selection~~

Each academic unit shall establish criteria for the selection of part-time faculty members based on accreditation requirements.

~~Academic Rank, Length of Appointment, and Teaching Load~~

Former tenured, full-time *Stephen F. Austin State University (SFA)* faculty members appointed to part-time positions shall hold their previous academic rank except that the rank shall be conditioned by the designation Part-time (Instructor, Assistant Professor, Associate Professor, or Professor). ~~P-~~ Likewise, part-time faculty members not previously holding full teaching employment shall *also be designated as* ~~carry the rank of~~ Part-time, *with the appropriate professorial rank.*

~~(Instructor, Assistant Professor, Associate Professor, Professor, whichever is appropriate).~~

Part-time faculty members may be appointed for no more than one academic year at a time.

~~Stipend~~

The salary of part-time faculty members shall be negotiated with each appointment, subject to the approval of the college dean and the provost and vice president for academic affairs.

~~Duties & Privileges~~

Part-time faculty members shall perform assigned duties and maintain office hours commensurate with the assignment.

Part-time faculty may not serve on search, tenure, promotion and merit pay committees.

**Cross Reference:** None

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs

**Forms:** None

**Board Committee Assignment:** *Academic and Student Affairs*

## **~~Performance-Post-tenure Review~~ ~~Evaluation of Tenured Faculty (A-37.1)~~**

**Original Implementation:** August 26, 1997

**Last Revision:** ~~July 10, 2007~~ January 25, 2011

### **Purpose**

*A faculty member's performance should continue to be evaluated even after receiving tenure. The evaluation of faculty performance at Stephen F. Austin State University is a long-standing practice. The Policy for Performance Evaluation of Tenured Faculty at Stephen F. Austin State University broadens the scope of previous university policies relating to faculty evaluation. This policy increases the available options for addressing the performance measures of tenured faculty. When obtained according to this policy, the results of a tenured faculty member's performance evaluation - the evaluation of a tenured faculty member - may be used to support personnel decisions relating to commendations, suggestions for improvement, and when required, counseling of a faculty member whose evaluation shows the necessity for a professional development plan designed to address deficits in performance. A faculty member who satisfactorily meets the conditions of the professional development plan ends participation in the plan. If after a specified period of time the faculty member has not fulfilled the goals of the plan, dismissal procedures may be initiated in accord with university policy.*

### **Academic Freedom and Responsibility**

*Stephen F. Austin State University (SFA) t*~~Stephen F. Austin State University~~ regards academic freedom as critical to the maintenance of a positive scholastic atmosphere *as articulated* ~~where free exchange of thought is encouraged, where faculty and students alike enjoy the opportunity to broaden their knowledge and where one's full potential can be realized. We therefore adhere to the statement on Academic Freedom and Academic Responsibility as articulated in Policy A-2.5.~~

### **Evaluation & Criteria and Evaluation**

For the purpose of assessing performance of tenured faculty, each academic unit has developed criteria for categories of performance. ~~under the guidelines of Policy E-20A, Evaluation, Merit Pay, Promotion and Tenure.~~ Tenured faculty in each *academic unit* ~~department~~ shall be evaluated annually for *"teaching, scholarly/creative activity, and service. Regardless of the criteria used for assessing performance, each evaluation must*

~~include the designation of either a satisfactory or unsatisfactory rating, teaching, performance/scholarly/creative activity, and service.” Peer review will be included within the evaluation process at least to the extent required by law.~~

~~When~~ If a faculty member receives a satisfactory administrative evaluation, the evaluation process is concluded ~~for that year; the faculty member may for the year~~. The faculty member may then be considered for merit and/or promotion.

~~A~~ One ~~single~~ unsatisfactory administrative evaluation ~~shall~~ results in a consultation with the academic unit chair/director. If a tenured faculty member receives two unsatisfactory administrative evaluations within any three-year period, a comprehensive professional review will be initiated. ~~head. When a tenured faculty member receives two unsatisfactory annual evaluations within any three year period, a comprehensive professional review will be initiated. Regardless of the format used for performance evaluation of tenured faculty, all forms must include a check off as follows:~~

☐ Satisfactory

☐ Unsatisfactory

~~The evaluator must definitively check one of these blanks.~~

### **Professional Review and Development Plan**

The purpose of the professional review is to identify and place on record the deficiencies in performance and to formulate a specific professional development plan aimed at addressing the deficiencies. ~~The~~ The professional review begins with the academic unit chair/director ~~shall notifying the faculty member that a professional review will be initiated, faculty member that he/she is subject to professional review and~~. As part of the process the director will inform the faculty member ~~individual~~ of the procedures for the review. The faculty member can request that the review process be conducted by the academic unit chair/director ~~department director~~ or through peer review.

The reviewer(s) ~~shall~~ will consider the two previous unsatisfactory evaluations of the faculty member and recommend a specific development plan to the academic unit chair/director within sixty days. The development plan will specify the deficiencies that are being addressed and what steps the faculty member needs to take to remediate the performance deficiencies according to a timeline.

*The final development plan should be the collaborative effort of the faculty member, and the academic unit chair/director and dean, and should seek to benefit both the faculty*

~~member and the university. The development plan will be given final review by the unit director, the dean/librarian, and the faculty member. A final plan should be the collaborative effort of the three parties and should seek to benefit both the faculty member and the university. It is expected that all parties involved in the process of implementing a specific development plan will work in good faith. The annual evaluation process prescribed in Evaluation, Merit Pay, Promotion and Tenure, Policy E-20A, is suspended while a faculty member is under professional review.~~

All professional development plans are formed to address specific situations and may vary from one plan to another. However, each professional development plan should include the following:

- *specific deficiencies to be addressed in the plan;*
  - *specific objectives needed to remediate the named deficiencies;*
  - *a list of activities to be carried out to achieve the required outcomes of the professional development plan;*
  - *a schedule of deadlines for completing the activities;*
  - *criteria that will be used to assess progress; and,*
  - *a plan for periodic documented assessment to be conducted at least annually.*
- ~~specific deficiencies to be addressed in the plan; 2) specific objectives needed to remediate the named deficiencies; 3) a list of activities to be carried out to achieve the required outcomes of the professional development plan; 4) a schedule of deadlines for completing the activities; 5) criteria that will be used to assess progress; 6) a plan for periodic documented assessment to be conducted at least annually.~~

Assessment documentation must include a statement of progress prepared by the faculty member and a formal written response by the ~~reviewer~~ evaluator(s). The university will provide reasonable support for the professional development plans within available resources. At the completion of the schedule stated in the plan, the *academic unit chair/director* will make a final report to the faculty member, the review committee, and the dean/~~librarian~~. If the *academic unit chair/director* ~~director~~ and the dean/~~librarian~~ agree that the faculty member has successfully completed the development plan, then the faculty member will be notified of the ~~positive~~ outcome. If the *academic unit chair/director* ~~unit director~~ and dean/~~librarian~~ determine that the faculty member has failed to meet the ~~goals~~ objectives of the professional development plan, dismissal proceedings may be initiated under ~~Tenure~~, Policy E-50A. *Failure to adhere to the professional development plan is considered grounds for dismissal.* ~~Failure to adhere to the professional development plan is considered grounds for dismissal if the deficiencies specified in the plan are of a sufficient magnitude to constitute cause for dismissal under university policy.~~

## **Appeal**

At any point in the process a faculty member may enter an appeal under university grievance procedures ~~if the faculty member feels that the policies are being unfairly applied. In congruence with Policy E-50A, Tenure, the burden of proof is on the university to demonstrate that an annual review of tenured faculty is unsatisfactory by departmental standards.~~

A faculty member subject to termination on the basis of evaluations conducted under this policy will receive specific written reasons for the terminations and have the opportunity for referral of the matter to a non-binding alternative dispute resolution process as described in Chapter 154, Civil Practices and Remedies Code. The opportunity for non-binding alternative dispute resolution will be available only after all internal appeal procedures are exhausted.

**Cross Reference:** *Tex. Educ. Code § 51.942; Tex. Civ. Prac. & Rem. Code Ch. 154; Faculty Handbook;* ~~Academic Freedom and Academic Responsibility; (A-2.5); Evaluation, Merit Pay, Promotion and Tenure~~ *Administrative Evaluation of Faculty Performance and Consideration for Merit Pay; (E-20A); and Tenure; (E-50A).*  
~~Education Code Section 51.942~~

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs

**Forms:** None

**Board Committee Assignment:** *Academic and Student Affairs*

## **~~Personnel Action Request~~ *Electronic Personnel Action Form (E-39)***

**Original Implementation:** Unpublished

**Last Revision:** ~~April 21, 2009~~ January 25, 2011

The ~~Personnel Action Request (PAR) form~~ *Electronic Personnel Action Form (EPAF)* is used to obtain administrative approval and to notify Payroll/Human Resources (HR) of changes in employment status for all employees, including graduate students, ~~but not and~~ undergraduate students. Detailed instructions for the completion of the ~~PAR~~ *EPAF* are available from HR. The ~~PAR is a six-part carbonless~~ *EPAF is an electronic form* and all items on the form are to be completed as explained in the procedures described on the HR Web site. Most of the required information is easily accessible.

*Originators and approvers of EPAFs must be trained and complete authorization forms before they will be allowed to access the EPAF through Self-Service Banner. Further information regarding this training and the proper forms can be obtained from HR.*

~~PAR's~~ *EPAFs* should be prepared for the following reasons:

1. Employment of a ~~classified~~ *exempt* or ~~non-classified~~ *non-exempt* positions including graduate students, ~~but excluding and~~ undergraduate students-;
2. A change in the employee's title, salary (outside of the annual budget process), FTE percentage, account number or department or if an employee is being reappointed, has an overload, or is receiving a salary supplement-;
3. Whenever an employee is going on leave without pay, a return to work *from leave without pay*, or a faculty development leave-; ~~and/or~~
4. Whenever an employee is separating from employment with the university including retirements, voluntary and involuntary terminations, and at the end of an assignment when the employee will not be returning the next semester.

~~PARs~~ *EPAFs* should be completed, ~~electronically signed-approved~~, and routed to ~~Human Resources~~ *HR* before the employee starts to work, immediately at the time of the change of status, or immediately at the end of the assignment. An employee who has questions regarding the procedures may contact ~~Human Resources~~ *HR* for assistance.

**Cross Reference:** None

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources



**Forms:** ~~Personnel Action Request (Available on line through MySFA under myServices. NCR paper is available in University Printing Services.)~~ *Electronic Personnel Action Form available through Self Service Banner*

***Board Committee Assignment: Finance and Audit***

## Prompt Payment to Vendors and Employees (C-25.1)

**Original Implementation:** April 21, 1998

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

It is the intention of Stephen F. Austin State University to comply with the state's Prompt Payment Act and make prompt payments to both vendors and employees. It is also the intention of the university to process these payments using the most efficient means available.

### Payment to Vendors

Three requirements must be met before a disbursement can be made to a vendor:

1. There must be an approved order for goods or services that has been signed/authorized by the account manager or his designee.
2. The goods or services must have been received. Acknowledging the receipt of goods or services is the responsibility of the department which placed the order.
3. The vendor must provide an itemized invoice to accounts payable. If an invoice is received by the department, it should be date stamped and immediately forwarded to accounts payable.

The controller's office is responsible for processing payments in a manner which ensures compliance with the Prompt Payment Act once these three requirements have been met. In certain instances, interest will be paid to a vendor if payment is not made within 30 days of the later of:

1. the date the university receives the goods
2. the date the service is completed
3. the date the university receives an invoice for the goods or services.

Such interest payment will be charged to the department if it caused the late payment.

### Payment to Employees

Two requirements must be met before a payroll disbursement can be made to an employee:

1. The employment must be approved via ~~a signed Personnel Action Request (or a signed Student Employment Card if the employee is an undergraduate student assistant)~~ *an Electronic Personnel Action Form (EPAF)*.

2. There must be appropriate documentation that the employee performed services during the pay period. This usually requires employee time-keeping records and may include the data entry of a specified number of hours for hourly-paid employees.

The controller's office will process payroll checks for employees in compliance with the State of Texas payroll calendar, or as approved by the university president.

If a department requests the controller's office to process a payment outside its normal operating procedures for any reason, the department shall be assessed a special processing fee of \$50.

**Cross Reference:** ~~None~~ *Tex. Gov't Code Ch. 2251*

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Controller

**Forms:** None

**Board Committee Assignment:** *Finance and Audit*

## Proprietary Purchases (C-26)

**Original Implementation:** September, 1979

**Last Revision:** ~~January 29, 2008~~ *January 25, 2011*

A proprietary situation occurs when competition is not available. When the specification requirement limits consideration to one manufacturer, one product, or one service provider, a written justification must be provided.

A sole product may be available from more than one source and is subject to best value procurement rules.

A sole source is a specific item that is available from only one source.

Along with the Purchase Requisition the department must submit a Sole Source/Product Justification Form. On the form only the applicable items must be answered and must provide sufficient explanation to address the following:

1. an explanation of the need for the proprietary specifications; i.e. which part or parts of the stated specification restricts the requisition to one manufacturer or provider; and
2. the reason competing products are not satisfactory.

Justification for proprietary purchases must be signed by the director of ~~purchasing inventory~~ *procurement and property services*/HUB coordinator. ~~Purchasing~~ *Procurement* will research the market to determine if the proprietary request is appropriate.

**Cross Reference:** Purchase Requisition ~~Policy~~, (C-30)

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of ~~Purchasing and Inventory~~ *Procurement and Property Services*/HUB Coordinator

**Forms:** Purchase Requisition, Sole Source/Product Justification

**Board Committee Assignment:** *Finance and Audit*

## Purchase of Electronic and Information Resources (C-62)

**Original Implementation:** July 21, 2009

**Last Revision:** ~~None~~ January 25, 2011

All electronic and information resources (EIR) developed, procured or changed by an institution of higher education shall comply with the standards and specifications of Chapter 206 and/or Chapter 213 of 1 TAC, Part 10 unless an exception is approved by the university president in accordance with 1 TAC, Part 10, Chapter 213, Subchapter C.

*This policy does not apply to information technology that is acquired by a contractor or grantee incidental to a contract or grant, provided the technology does not become SFA property upon the completion of the contract. Nothing in this policy is intended to prevent the use of designs or technologies as alternatives to “electronic and information resources” defined herein, provided such alternative results in substantially equivalent or greater access to and use of a product for people with disabilities.*

The term "electronic and information resources" as used in this policy refers to the definition in 1 TAC Part 10, Chapter 213, Subchapter A: “information technology and any equipment or interconnected system or subsystem of equipment, that is used in the creation, conversion, duplication, or delivery of data or information. The term electronic and information resources includes, but is not limited to, telecommunications products (such as telephones), information kiosks and transaction machines, websites, multimedia, and office equipment such as copiers and fax machines. The term does not include any equipment that contains embedded information technology that is used as an integral part of the product, but the principal function of which is not the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. For example, HVAC (heating, ventilation, and air conditioning) equipment such as thermostats or temperature control devices, and medical equipment where information technology is integral to its operation, ~~is~~ are not information technology.”

To comply with this requirement, the university will include ~~the following an appropriate statement on~~ in all purchase orders ~~terms and conditions~~ and in contracts for the electronic and information resources: ~~Contractor represents and warrants (the “Electronic and Information Resources (EIR) Accessibility Warranty”) that the electronic and information resources and all associated information, documentation and support that it provides to the university under the agreement (collectively, the “EIRs”) comply with the applicable requirements set forth in Title 1, Chapter 213 of the Texas Administrative Code and Title 1, Chapter 206, Rule §206.70 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code). To the~~

~~extent contractor becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then contractor represents and warrants that it will, at no cost to the university, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event the contractor fails or is unable to do so, then the university may terminate the agreement and contractor will refund to the university all amounts the university has paid under the agreement within thirty (30) days after the termination date.~~

If a vendor is unable to comply with ~~this~~ *the* statement, and no other vendor is available to provide the EIR, and the department has a need that cannot be met with a different EIR, then the department and the procurement office will complete an “Electronic and Information Resources (EIR) Accessibility Exception Request” for review by the university general counsel and approval by the president.

**Cross Reference:** Tex. Gov’t Code §§ 2054.451-465; 1 Tex. Admin. Code § 206; 1 Tex. Admin. Code § 213; ; *Electronic Accessibility (F-44)*

**Responsible for Implementation:** President

**Contact for Revision:** Director of Procurement and Property Services/HUB Coordinator

**Forms:** Electronic and Information Resources (EIR) Accessibility Exception Request

***Board Committee Assignment:*** Finance and Audit

## Purchase of Surplus Property (C-28)

**Original Implementation:** September, 1987

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

The Texas Facilities Commission (TFC) disposes of salvage and surplus personal property from Texas state agencies and manages the disposition of surplus and salvage donated to the state by federal programs. The State Comptroller advertises surplus property exclusively to state agencies, political subdivisions and assistance organizations. Surplus property not transferred within 10 days of posting is turned over to the Texas Facilities Commission for sale to state agencies, political subdivisions and assistance organizations as well as the general public. Federal surplus property is available only to eligible organizations, not private citizens or the general public. Available property can be viewed at the following URLs:

State Surplus (State Comptroller's listing) <http://www.window.state.tx.us/lga/surplus>

State Surplus (available at store fronts; TFC listing)

<http://portal.tfc.state.tx.us/surplus/state/>

~~Federal Surplus~~ Federal Surplus

<https://web7.incircuit.com/eams/f?p=1012:1500:465218480301898>

A requisition must be submitted to initiate the purchase of surplus property. Your purchaser is available to research the availability, condition and cost of surplus property.

### STATE SURPLUS

The agency offering the surplus equipment is to be contacted directly to determine a price and make arrangements for transfer. The requisition submitted to the purchasing office should state on the requisition 'STATE SURPLUS PROPERTY'. The name of the state agency, the agreed price and arrangements for transfer should also be shown.

### FEDERAL SURPLUS

The ~~buyer~~ purchaser may make a written request for Federal Surplus to be held for SFA if it becomes available.

Visitation to and shopping at a Federal Surplus Warehouse is allowed only by a certified agent of the university. The item(s) may be picked up at the time of purchase or arrangements can be made for pick up at a later date. The individual(s) picking up the merchandise do not have to be certified, but they must have the receipt in hand when

arriving at the distribution center. If the SFA Transportation Department picks up the item(s), the department will be IDT'd for travel and labor costs.

When the merchandise is received the itemized receipt and/or invoice should be returned to the ~~purchasing~~*procurement* department.

Restrictions on the Use of Federal Surplus Property – Participating organizations (“donees”) are required to use the property obtained through the program for a specific amount of time before the property can be sold or transferred. Purchases of Federal Surplus Property are subject to the Single Audit Act of 1984 as required by OMB Circular A-133 and amended in 1996.

1. Property must be used for the program approved for participation in the Federal Surplus Property Program.
2. Property valued at less than \$5,000 in original cost must be used for 12 months from the date put into use.
3. All vehicles and property valued at \$5,000 or more in original cost must be used for 18 months from the date put into use.
4. Donee organizations do not obtain title or ownership to property designated “perpetual use” by the federal government. The period of use is considered to be “perpetual” or ongoing on these items.
5. All property must be placed into use within the first year of possession.
6. State and federal program staff perform scheduled and unscheduled onsite property compliance visits to ensure the property is being used as represented.
7. If the property is not paid for in full or is not being used or handled as required, the donee will be required, at its expense, to return the property to TFC or another donee, as instructed by TFC.
8. The property may not be sold, transferred or otherwise disposed of during the required period of use. If property is sold, transferred or otherwise disposed of during the required period of use, the donee may be subject to penalties and fines, as well as possible state or federal prosecution.
9. Program participants are required to complete reports regarding property use as a condition of participating in the program.

Required Notice for Participants In The Federal Surplus Property Program:

### **IT IS THE LAW**

In accordance with federal law and the General Services Administration's (GSA) regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, and disability.



To learn more about GSA's Nondiscrimination in Federal Financial Assistance Programs or to file a complaint, you may contact GSA's Office of Civil Rights, as follows:

Write to the Office of Civil Rights, U. S. General Services Administration, 1800 F Street, NW, Suite 5127, Washington, DC 20405; or

Call (202) 501-0767 or 1-800-662-6376 (voice); FAX (202) 219-3369.

Individuals with hearing impairments: TDD 1-888-267-7660 or the Federal Relay Service at 1-800-877-8339.

**Cross Reference:** 41 C.F.R. §§ 101, 102,; *OMB Circular A-133*; Purchase Requisition Policy-(C-30 )

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of ~~Purchasing and Inventory~~*Procurement and Property Services*/HUB Coordinator

**Forms:** Purchase Requisition, TFC Eligibility Application Form, TFC Update Form, TFC Authorized Representative Form

**Board Committee Assignment:** *Finance and Audit*

## Retirement Programs (E-43)

**Original Implementation:** September 1, 1983

**Last Revision:** ~~October 12, 2009~~ January 25, 2011

Employees of the university working 20 hours per week (50 percent time) or more for a period of at least four and one-half months must participate in either the Teacher Retirement System of Texas (TRS) or an Optional Retirement Program (ORP). This excludes students employed in positions requiring student status as a condition of employment.

Contribution amounts for the employee, and the employer matching monies, are determined by the Texas State Legislature. These amounts are subject to change with any legislative session. The amounts listed are those in effect at the time of publication of this policy and in no way reflect a contract between Stephen F. Austin State University and any employee.

1. ~~1-Teacher Retirement System.~~ Employees who participate in the Teacher Retirement System of Texas are required to contribute 6.4% ~~percent~~ of their gross annual salary to the Retirement System. The employer matching contribution is ~~6.4 percent~~ 6.44% of the gross annual salary beginning ~~9-1-2009~~ 2010. Contributions are obtained through monthly payroll deductions.
2. Optional Retirement Program

⊖ ~~ELIGIBILITY~~—An Optional Retirement Program is available to the following employees of the university: full-time members of the faculty whose duties include teaching or research; administrators responsible for teaching and research faculty; professional librarians; and the president, vice presidents, or other professional staff members whose national mobility requirements are similar to those of faculty members and who fill a position that is the subject of nationwide searches in the academic community. Eligibility to participate is also subject to rules adopted by the Texas Higher Education Coordinating Board. Positions listed as ~~classified-non-exempt~~ are ineligible to participate. Eligibility in ORP is in lieu of present or future active membership in the Teacher Retirement System of Texas.

The university Board of Regents utilizes the following definitions, promulgated by the Texas Higher Education Coordinating Board, for determining eligibility for participation in the Optional Retirement Program:

1. "a member of the faculty whose duties include teaching or research" shall mean: all persons whose specific assignments are made for the purpose of conducting instruction or research as a principal activity (or activities), and who hold titles of

professor, associate professor, assistant professor, instructor, lecturer, or equivalent faculty title;

2. "an administrator responsible for teaching and research faculty" shall mean: deans, directors, associate deans, assistant deans, chairpersons or heads of academic departments if their principal activity is planning, organizing and directing the activities of faculty as defined in subsection (1) of this section;
3. "professional librarian" shall mean: a librarian with a degree in library science;
4. "other professional staff person" shall mean: administrative and professional positions customarily recruited by advertising in national publications such as The Chronicle of Higher Education or in newsletters of national professional associations or at meetings of such associations. In addition, each administrative or professional position must be at a salary rate equivalent to the rate for faculty for the institution.
  - a. administrative positions shall normally report to the office of the president, vice president or dean. Incumbents in such positions serve as director or other administrative head of a major department or budget entity. Incumbents of such positions must be:
    - i. appointed by the governing board or the chief administrative officer of the institution, or his/her delegate; and
    - ii. responsible for the preparation and administration of the budget, policies and programs of the department or entity.
  - b. professional positions shall include positions in nationally recognized fields, which require advanced degrees and/or specialized professional and artistic training, experience and achievement. These would include titles such as physicians, athletic coaches, engineers and lawyers.
  - c. TIME LIMIT FOR ELECTION OF ORP--Eligible new employees have 90 days after employment by the university in an ORP-eligible position to elect to participate in ORP. An employee who elects to participate in ORP must complete the Form TRS 28 and the proper payroll forms. The employee will complete Form TRS 29 to withdraw all contributions they made to TRS prior to election ORP.
  - d. CONTRIBUTIONS TO ORP--Contributions of participants in ORP shall be 6.65% ~~percent~~ of gross annual salary. The employer matching contribution is 8.5% of the gross annual salary for grandfathered employees (ORP participants prior to 9-1-95.) New employees hired on or after 9-1-95 and before 8-31-2007, received a 6.0% ~~percent~~ employer matching contribution. Beginning 9-1-2009, the state has changed the amount for employees hired on or after 9-1-1995 from 6.58% ~~percent~~ to 6.4% ~~percent~~ and all new employees receive 6.4% ~~percent~~ employer matching contributions.
5. Federal, Private and other Non-Education and General Contributions to Retirement Programs. As a result of House Bill 2083 passed by the Texas 66th Legislature, and Senate Bill 745 passed by the Texas 69th Legislature, matching

contributions into both ORP and TRS based on salaries and wages paid from these sources will be direct fringe benefit charges against these sources.

A listing of authorized vendors and agents is available in Human Resources.

**Cross Reference:** Tex. Gov't Code §§~~821-830~~; *19 Tex. Admin. Code § 25*

**Responsible for Implementation:** President

**Contact for Revision:** Director of Human Resources

**Forms:** Form TRS 28 and the ORP-1, (both forms are available in Human Resources)

***Board Committee Assignment:*** *Finance and Audit*

## Safe and Vault Combinations (D-29)

**Original Implementation:** Unpublished

**Date of Last Revision:** ~~January 29, 2008~~ January 25, 2011

Current combinations for safes or vaults holding cash, checks, or other valuable documents must be on file in the office of the vice president for finance and administration.

The department head must submit a memorandum indicating the location of the safe or vault, combination, date of last combination change, if known, and signature of the property custodian. The memorandum must be delivered to the vice president for finance and administration in a manner such that no unauthorized person is able to access the confidential information.

The vice president for finance and administration must be notified when changes are made to safe or vault combinations, when the safe or vault is moved or transferred to another department, or when the safe or vault is removed from university property records. Safe and vault combinations must be changed anytime an employee who knows the combination terminates employment.

Annually, the vice president for finance and administration will request the safe or vault custodian in each department to verify the information on file.

**Cross Reference:** None

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Vice President for Finance and Administration

**Forms:** None

**Board Committee Assignment:** *Finance and Audit*

## Semester Grades (A-54)

**Original Implementation:** January 25, 2000

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

*Faculty members may use a variety of factors including assignments, oral and written quizzes, examinations, class attendance, and other course activities to determine course grades as listed in their course syllabi.*

### Recorded Grades

~~Faculty members may use a variety of factors including assignments, oral and written quizzes, examinations, class attendance, and other course activities to determine course grades. Students' grades are based on assignments, oral and written quizzes, examinations and other course activities. Faculty members may use a variety of factors including class attendance to determine course grades. (See policy A-10).~~ A grade of A indicates excellent performance; B, above average performance; C, average performance; D, below average performance; F, failure; QF, quit failure; WH, incomplete or grade withheld; WF, withdrew failing; WP, withdrew passing. Marks of R\*, T\*, and AU appearing on a transcript indicate remedial grades, transfer grades, and audit grades, respectively, that are not entered into calculation of the GPA. WP and WF are assigned only when a student has withdrawn from the university after mid-semester or with special approval of the student's academic dean. Some courses are graded on a pass (P)/fail (F) system with no other grades awarded.

### Withheld Grades

~~Ordinarily,~~ At the discretion of the instructor of record and with the approval of the academic chair/director, a grade of WH will be assigned only if the student cannot complete the course work because of unavoidable circumstances. Students must complete the work within one calendar year from the end of the semester in which they receive a WH, or the grade automatically becomes an F. If students register for the same course in future ~~semesters, terms~~ the WH will automatically become an F and will be counted as a repeated course for the purpose of computing the grade point average.

### ~~III.~~ Grade Point Average

Only grades earned at *Stephen F. Austin State University (SFA)* ~~SFA~~ will be used for calculating GPA. A grade of A gives the student four grade points per semester hour; B, three grade points; C, two grade points; D, one grade point; and F, QF, W, WH, WF, and WP, no grade points. The grade point average (GPA) is determined by dividing the sum of the grade points earned at SFA by the total number of hours attempted at SFA, subject to the following exceptions: grades of W, WH, P, and WP are not counted. In addition,

~~repeating the repetition of a course may affect the grade point calculation, as explained in Section IV, Repeat Grades.~~

#### **~~IV. Repeat Grades~~**

~~Students who make an F in a course can get credit only by repeating the coursework.~~

~~Undergraduate students who desire to repeat courses in order to improve their GPA at Stephen F. Austin State University (SFA) must repeat those courses at SFA. A. For any course that is repeated once at SFA, the higher of the two grades will be used to determine the GPA. B. If a course is repeated more than once at SFA, all grades earned for that course will be averaged and used to determine the GPA. Credit hours for courses taken at other institutions to replace credit hours earned at SFA may be used to meet graduation credit hour requirements, but not for GPA calculation.~~

~~V. Once a grade has been posted it can only be changed by submitting a WH and Grade Change Form with the appropriate approval signatures. Grades should only be changed in cases of error or, in the case of WH, when the course requirements have been completed.~~

**Cross Reference:** General and Graduate Bulletins,; Class Attendance and Excused Absences, policy (A-10)

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** Provost and Vice President for Academic Affairs

**Forms:** WH and Grade Change Form

**Board Committee Assignment:** Academic and Student Affairs

## Student Employment (F-26)

**Original Implementation:** June 18, 1987

**Last Revision:** ~~July 20, 2010~~ January 25, 2011

1. Students seeking on-campus employment may view on-line jobs at <https://careers.sfasu.edu>. Students must apply on-line and the hiring department will arrange an interview.
2. All students employed by the university are required to attend an orientation session provided by Human Resources (*HR*) on or before their first day of employment. It is the employing department's responsibility to ensure that all new student workers report to new student employee orientation for paperwork processing before they begin work. *If students have not worked on campus previously, they should attend training provided by Career Services in the Rusk Building. It is the responsibility of the department to make sure the student workers attend this training.* Once the necessary employment forms and trainings have been completed ~~and a picture I.D. provided~~, the student may be authorized to work on campus. Students working in College Work-Study positions must obtain a College Work Study Permit from the Financial Aid Office **each** semester they intend to work. International Students must also provide Forms I-20 and I-94 as part of their student employment paperwork process.
  - The hiring department will complete *an EPAF to set up the student's job assignments in the Oracle based on-line student card system for all new hires*. Rate changes and new account assignments ~~may~~ **must** also be completed ~~within the on-line system~~ *on the EPAF*. ~~The check of approval levels 1 & 2 in the on-line student card system verifies that the supervisor or department head has determined that sufficient funds are available for payment of wages.~~ *Terminations from employment with the university and the ending of a job assignment are also documented through completion of the proper EPAF. Departments must also complete the ~~are made~~ using the Disable Administrative Account Disablement Request form when a student terminates their assignment or employment.*
3. In the fall and spring semesters, student employees of the university will be restricted to no more than twenty (20) hours of work per week, unless approved by the provost and vice president for academic affairs or his/her designee, as indicated on the Departmental Approval to Work More Than 20 Hours form. This form may be found on the Student Employment page of the Human Resources Web site. To be eligible for on-campus employment during the fall or spring semesters as a student worker, a student must carry six (6) or more semester hours. It is the employing department's responsibility to ensure that student employees are enrolled for the



required number of semester hours. SFA student workers enrolled for 1-5 academic hours must be approved by the dean of student affairs, as indicated on the Departmental Approval to Work While Enrolled for Fewer Than 6 Hours form. This form may be found on the Student Employment page of the Human Resources Web site.

4. During the summer, students employed as either student assistants or work study employees, and are enrolled for three (3) or more hours of coursework, may not work more than twenty (20) hours per week, unless they receive proper authorization as instructed in section 4.3. ~~It is the employing department's responsibility to ensure that student employees are enrolled for the required number of semester hours.~~

Those students who do not attend school in the summer but have a reasonable expectation of being enrolled as SFA students in the upcoming fall semester are eligible for student assistant employment up to forty (40) hours per week in the summer. Reasonable expectation for a new student would include being accepted by the Office of Admissions.

5. Departments should contact Human Resources *if they have questions concerning the appropriate pay rate. Students should be paid no less than minimum wage and no more than \$15.00 per hour. If a department wants to set up an internal pay structure for their department, they may contact Human Resources for assistance.* ~~to help determine the appropriate pay rate for student assistants.~~
6. Job vacancies requiring services of SFA students should be posted on the Careers at SFA website for at least three days before the employing department recommends appointment of a candidate to fill the opening. In order to be considered an applicant for a student position, students must apply online. ~~Departments cannot hire a student unless the student has applied for the position online.~~ It is the employing department's responsibility to notify Human Resources immediately when the job is filled. Under no circumstances will a student position be filled without completing the job vacancy and posting requirements.
7. College Work-Study (CWS) is a federally-funded program designed to provide financial aid to those students choosing to earn a portion of their educational expenses. The Student Financial Aid Office determines the student's eligibility for CWS employment in accordance with established federal guidelines. Departments allocated CWS funds should be aware of the following procedures:
  - A. The College Work-Study Program is a form of student employment and is subject to the conditions outlined above.
  - B. To be eligible for the CWS program, the student must first complete the financial aid application for need-based aid by the established deadline. If the results of the need analysis indicate the student is eligible for CWS, and the

student expresses an interest in the program, the Financial Aid Office will make the award accordingly.

- C. The student must reapply for CWS each academic year. If the student wishes to be employed through the CWS program in the summer, he/she must request that the Financial Aid Office review his/her file for eligibility in the preceding spring semester.
- D. Before beginning employment, each student must present to the employing department a ~~"Work Study Permit" secured from the Financial Aid Office~~ *copy of their current year award notification from their MySFA account. The permit* This notification will indicate the maximum amount of money the student may earn *during a for a given semester(s) period* of employment by the university on a college work-study account. It is important to note that this amount is the maximum amount that can be paid from a CWS budget. It is the employing department's responsibility to control the hours worked by the CWS personnel to be absolutely certain that the student does not earn more than the amount of money allowed from CWS funds. *The student must accept the work study award before he/she can accept a work study position.*

Once the student has earned the amount of his/her CWS award, the department must terminate the student from their CWS account. At that time the department may choose to either pay the student worker out of their departmental account as a "student assistant" or terminate the student worker *and must complete an EPAF to make this change.*

It is recommended that departments do not employ CWS students on their CWS and department accounts simultaneously. They should first exhaust their CWS allotment funds and then appoint the student to their departmental account.

- E. A fall ~~"Work Study Permit"~~ *award notification* allows the student to work from August through December. A spring ~~"Work Study Permit"~~ *award notification* allows the student to work from January through May. A summer ~~"Work Study Permit"~~ *award notification* allows the student to work from May through August. (The division between the summer sessions is determined by the university's summer calendar.) Exact dates vary from year to year and are determined by the Student Financial Aid Office.
- F. ~~All time sheets for CWS employees must be signed by the student and the employing department head or authorized personnel.~~
- G.F. If questions arise concerning the College Work-Study Program, call the Financial Aid Office at 936-468-2403.

Foreign Students:

The Department of Homeland Security permits foreign students to be employed under the same regulations as students who are US citizens. Questions about documentation and identification requirements may be answered by Human Resources.

Graduate Assistantships:

Employment authorization and processing *of graduate assistants* goes through the Human Resources office and the Graduate Office.

Nepotism:

University policy regarding nepotism applies to student employment. See Nepotism (E-33).

**Cross Reference:** Nepotism (E-33); Immigration Reform and Control Act of 1986, Pub. L. No. 99-603, 100 Stat. 3359; 42 U.S.C. §§ 2751-2756(b)

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources

**Forms:** ~~Oracle On-line Student Employment Authorization Form~~, College Work Study Permit (issued by Financial Aid), Departmental Approval to Work More Than 20 Hours (online), Departmental Approval to Work While Enrolled for Fewer than 6 hours (online), I-9 Form, I-20 Form, I-94, W-4 Form (Human Resources).

**Board Committee Assignment:** *Finance and Audit*

## Student Media (D-44)

**Original Implementation:** October 26, 1999

**Last Revision:** ~~April 20, 2010~~ January 25, 2011

Stephen F. Austin State University has long recognized the importance of providing for the establishment of student media on campus. These media are the chief means of communicating campus news, providing student entertainment, and expressing student opinion. They also provide experience for students who are working toward a career in the mass media.

### Student Publications

*The Pine Log*, which is the student newspaper, and the *Stone Fort*, which is the yearbook, were the first student media to be established. They have existed virtually from the founding of Stephen F. Austin. *The Pine Log* publishes campus news, letters to the editor, local advertising, and editorials.

The Office of Student Publications, housed in the Division of University Affairs, is the unit which governs the operation of both the *Stone Fort* and *The Pine Log*. These publications are intended to be primarily self-supporting. Income is derived from the sale of yearbooks, and, in the case of *The Pine Log*, advertising. The director of student publications is the administrative leader of both publications and reports to the vice president for university affairs. The director shall be responsible for all managerial aspects of student publications. This shall include fiscal management, office staff management and student staff management. The student publications director shall also provide editorial counsel to the student staffs of *The Pine Log* and *Stone Fort* regarding customary news and advertising practices as well as applicable legal issues.

The Student Publications Committee shall serve as an advisory body to student publications. The committee shall recommend editorial policy and provide advice in the appointment of *The Pine Log* and *Stone Fort* editors. In addition, the committee shall:

- a. foster and preserve the American tradition of free expression
- b. act as an appeals body on editorial, advertising, and business contracts related to student publications
- c. require compliance with applicable laws in such areas as libel, obscenity, privacy, and false and misleading advertising

The Student Publications Committee shall consist of ~~eleven~~ nine members:

1. The director of the Division of Communication and Contemporary Culture (committee chair)
2. The director of student publications
3. ~~Two~~ *One Communication and Contemporary Culture Journalism* faculty representatives
4. ~~One Representative from the Business Office~~
- 5.4. One representative from the Office of Public Affairs
- 6.5. Two faculty members at large
- 7.6. Three students at large (not already holding paid positions on the *Stone Fort* or *The Pine Log*)

### **Broadcast Media**

Stephen F. Austin State University has also provided for the operation of a radio station, KSAU-FM, and a cable-connected television facility. These facilities shall serve the primary role of laboratories to support the academic program in radio/television and shall be operated by the Division of Communication and Contemporary Culture, housed in the College of Liberal and Applied Arts, Division of Academic Affairs. Two departmental faculty members shall be designated as directors of radio and television respectively. These two faculty members shall have one-course teaching load reductions to accommodate their responsibilities as directors of the radio and television operations.

Both of these facilities are primarily supported by institutional funds and receive no money from student service fees. Programming and production staffs shall consist primarily of students enrolled in various communication production courses including the required practicum courses. Faculty who teach the production courses shall supervise the student staffs and serve as the first level of appeal for any issues which might arise.

Programming content for the radio station shall be in compliance with all licensing requirements of the Federal Communications Commission. In addition, the Division of Communication and Contemporary Culture shall enforce programming guidelines which:

- a. comply with any relevant and established university policies
- b. to the extent possible reflect current mainstream professional broadcast practice
- c. serve a local audience with programming not already readily available
- d. serve local informational and cultural needs

The Division of Communication and Contemporary Culture shall enforce television programming guidelines for the local cable channel which:

- a. comply with any relevant and established university policies

- b. to the extent possible reflect current mainstream professional broadcast practice
- c. serve local informational, educational, and cultural needs

**Cross Reference:** U.S. Const. amend. I

**Responsible for Implementation:** Provost and Vice President for Academic Affairs,  
Vice President for University Affairs

**Contact for Revision:** Director of the Division of Communication and Contemporary  
Culture and Director of Student Publications

**Forms:** None

***Board Committee Assignment:*** Academic and Student Affairs

## Student Service Fee Allocations (F-28)

**Original Implementation:** Unpublished

**Last Revision:** ~~January 29, 2008~~ January 25, 2010

Student Activity Fees are distributed to various student organizations and student service operations based on the allocation process utilized by the Student Service Fee Committee. In the spring semester prior to the fiscal year of the allocations, the committee receives requests from various student service operations (i.e. Health Center, Intercollegiate Athletics, Fine Arts Programs, etc.) and university sponsored student organizations (i.e. Student Government Association, etc.). Requests are evaluated and recommendations for allocations to these groups for the coming year are submitted to the president who may accept or modify the committee's decision. If the president's recommendations are substantially different from that of the advisory committee, the president will notify the advisory committee and provide an opportunity for the chair of the committee to comment on the committee's recommendations. Upon approval of the Board of Regents, the funds are made available for the coming fiscal year.

**Cross Reference:** ~~Tex. Education~~ *Tex. Educ. Code*, Section § 54.503

**Responsible for Implementation:** Vice President for University Affairs

**Contact for Revision:** Dean of Student Affairs

**Forms:** None

**Board Committee Assignment:** *Academic and Student Affairs*

## Student Travel (D-48)

**Original Implementation:** October 23, 2001

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

This policy governs student travel undertaken by one or more SFA students presently enrolled at the university to reach an activity or event that has been organized and sponsored by the university and is located more than 25 miles from the university.

This policy shall apply if the travel is funded by the university; the travel is undertaken using a vehicle owned or leased by the university; or if the travel is required by a registered SFA student organization to an event that has been organized and sponsored by the university.

- I. Travel funded by the university and/or using university owned or leased vehicles University Policy B-30, University Vehicles, governs the use of university owned vehicles and vehicles rented using university funds from a non-university fleet. All of the requirements of that policy, such as driver qualifications and passenger capacity, apply to student travel as addressed in this policy.

Other specific requirements of this policy include:

- a. All occupants must use seats belts, as provided in the vehicle, in the manner recommended by the vehicle manufacturer.
  - b. Passengers are limited to the number that can be safely restrained using the available number of seat belts. For travel by van, refer to University Policy B-30 for passenger limitations.
  - c. Drivers should continually assess their state of alertness and not begin to drive, or not continue driving, if they are fatigued. There are many factors that impact driver fatigue, all affecting drivers differently; but conditions such as hours without sleep, time of the day, road conditions, etc., should be all considered and monitored.
  - d. Only drivers meeting the qualifications set forth in Policy B-30 may drive the vehicle. All drivers must be appropriately licensed to drive the vehicle
- II. Travel by personal vehicle or privately leased vehicle

While the university may not be made aware of trips undertaken by students using their private vehicles, or vehicles privately leased by them, the university will publish the requirements of this policy in publications used by registered student organizations at SFA and will encourage their use in all travel undertaken by students for any trip governed by this policy. All drivers ~~must~~ *are encouraged to be*



appropriately licensed and the owner of the vehicle(s) ~~must~~ *is encouraged to* maintain appropriate vehicle insurance as required by law.

**Cross Reference:** ~~Section 51.950—Texas Education Code~~ *Tex. Educ. Code § 51.950*;  
University Vehicles (Rental & 15-Passenger Vans); ~~Policy (B-30)~~

**Responsible for Implementation:** Vice President for University Affairs

**Contact for Revision:** Dean of Student Affairs

**Forms:** Student Travel Request Addendum

**Board Committee Assignment:** *Academic and Student Affairs*

## ***Professional Educators' Council***~~Teacher Preparation~~ (A-6)

**Original Implementation:** September 1, 1987

**Last Revision:** ~~April 24, 2007~~ January 25, 2011

*Since its establishment in 1923 as a teachers' college, Stephen F. Austin State University (SFA) has played a leading role in preparing professional personnel for the public schools of Texas. The preparation of highly competent teachers, principals, superintendents, and other school personnel to staff the schools of the state continues to be a major function of the university.*

~~Since its establishment in 1923 as a teachers college, Stephen F. Austin State University has played a leading role in preparing professional personnel for the public schools of Texas. The preparation of highly competent teachers, principals, superintendents, and other school personnel to staff the schools of the State continues to be a major function of the university.~~

~~P~~*Teacher preparation of teachers and other professional educators is a university-wide function governed by policies developed by the university's Professional Educators' Council*~~Teacher Education Council~~. In developing and executing policies, the council gives due consideration to:

- ~~r~~*relevant state and federal law;*
- ~~, to u~~*University p*Policies and *p*Procedures;
- ~~, to r~~*recommendations from appropriate advisory committees;*
- ~~g, to g~~*uidelines of the Texas Higher Education Coordinating Board (THECB);*
- ~~r, to r~~*ules of the Texas Education Agency (TEA)/State Board for Educator Certification (SBEC); and,*
- *program standards of the National Council for Accreditation of Teacher Education (NCATE), and professional standards of organizations affiliated with NCATE and with other national accreditation organizations, and to the program standards of the National Council for Accreditation of Teacher Education (NCATE) and its professional organization affiliates.*

*The council's responsibilities include:*

- *maintaining a*Accreditation by SBEC, NCATE, and other national organizations *to ensure*~~assures~~ program quality;-

- *r*

~~The Council reviews~~ proposals for changes in teaching field programs and in professional education programs to *enassure* appropriate curricula; *and*,

- ~~e. Also, it establisheings~~ criteria for program admission *and* ~~and~~ retention, and for recommendation for educator certification or licensing.

The council is chaired by the dean of the James I. Perkins College of Education and is composed of faculty members appointed by the provost and vice president for academic affairs (VPAA) from nominees submitted by the dean ~~of Education~~ after consultation with the deans of other colleges offering the various teaching fields. Other members of the council include the associate dean of *the College of Education*, who serves as council secretary, ~~and~~ *and two student representatives appointed by the dean.* ~~two representatives of the Texas Student Education Association appointed by its president.~~

**Cross Reference:** General Bulletin, Graduate Bulletin, ~~Texas Education Code, Title II, Sub Title D, Chapter 21, Subchapter B, sec. 21.044~~ *Tex. Educ. Code § 21.044*

**Responsible for Implementation:** Provost and Vice President for Academic Affairs

**Contact for Revision:** ~~Provost and Vice President for Academic Affairs~~ *Dean of the James I. Perkins College of Education*

**Forms:** None

**Board Committee Assignment:** *Academic and Student Affairs*

## University Awards Programs (A-66)

**Original Implementation:** January 29, 2008

**Last Revision:** ~~None~~ January 25, 2011

Cash awards may be given to employees as part of award programs established by the university in recognition of outstanding teaching, research, service, or performance, ~~as defined by this policy.~~

~~Award program criteria should be established and published in advance and the selection of awardees should be conducted by the appropriate selection committee or the president.~~ Employee cash award payments must be based on the published criteria and award process and approved in writing in advance by the provost and vice president for academic affairs for faculty, or the president for staff. Award programs within a college are approved by the dean and the provost and vice president for academic affairs.

University-sponsored, campus-wide awards programs include: Teaching Excellence Awards, Bright Ideas Conference Awards, Regents Professorships ~~(policy A-38)~~, and the president's staff awards ~~(policy E-45)~~.

These awards are paid as stipends ~~(refer to policy E-9)~~ and are not considered part of an employee's base appointment salary.

**Cross Reference:** Regents Professors (A-38); Salary Supplements, Stipends and Additional Compensation (E-9); Service Awards (E-45)

**Responsible for Implementation:** Provost and Vice President for Academic Affairs and Vice President for Finance and Administration

**Contact for Revision:** Provost and Vice President for Academic Affairs and Director of Human Resources

**Forms:** Stipend Authorization Form

**Board Committee Assignment:** *Academic and Student Affairs*

## Working Hours and Holidays (D-40)

**Original Implementation:** Unpublished

**Last Revision:** ~~January 29, 2008~~ January 25, 2011

University employees shall work a minimum of forty (40) hours per week. ~~except Sundays and university holidays~~ *University holidays, paid time off and sick leave taken may substitute for hours worked.* Non-academic offices and departments shall be open during the hours 8:00 a.m. to 5:00 p.m., Monday through Friday, and certain selected offices 8:00 a.m. to 12:00 noon on Saturday, except university holidays. Changes to the work schedule ~~for summer months may be necessary and will be~~ made by the president of the university when such changes are in the best interest of the university.

Instructional personnel shall be exempt from standard hours and shall in turn function as necessary to meet classes and maintain related academic duties.

Employees must, during normal working hours, conduct university business only at their regular place of business or assigned duty point unless they are on travel status or have received prior written authorization from the president. An employee's home may not be considered his or her regular place of business without the written approval of the president.

Holidays shall be those established by the Board of Regents of the university, in accordance with state law.

Only regular employees shall be eligible for paid holidays. A regular employee is defined as one who is employed to work at least 20 hours per week for a period of at least four and one-half months, excluding students employed in positions which require student status as a condition of employment.

**Cross Reference:** Non-Academic Employee Handbook; ~~Texas Government Code Sect. 658.010 and~~ *Tex. Gov't Code Ch. 658, §§ Sect. 662.001--662.022*

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Director of Human Resources

**Forms:** None

**Board Committee Assignment:** *Finance and Audit*

