

# **Stephen F. Austin State University**

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



**Nacogdoches, Texas**

**January 28 and 29, 2008  
Volume 241**

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**Stephen F. Austin State University  
Minutes of the Meeting of the  
Board of Regents  
Nacogdoches, Texas  
January 28 and 29, 2008  
Austin Building 307**

**Monday, January 28, 2008**

The regular meeting of the Board of Regents was called to order at 8:00 a.m., Monday, January 28, 2008, by Chair Valerie Ertz.

**PRESENT:**

Board Members:      Ms. Valerie Ertz, Chair  
                             Mr. Carlos Amaral  
                             Mr. Richard Boyer  
                             Mr. James Dickerson  
                             Mr. Bob Garrett  
                             Mr. Joe Max Green  
                             Mr. Paul Pond  
                             Mr. James Thompson  
                             Ms. Stephanie Tracy  
                             Mr. Melvin White

President:              Dr. Baker Pattillo

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

General Counsel:     Ms. Yvette Clark

Other SFA administrators, staff, and visitors

*The Building and Grounds Committee convened at 8:00 a.m. and adjourned at 10:15 a.m. The Finance/Audit Committee convened at 10:20 a.m. and adjourned at 11:05 a.m. The Academic and Student Affairs Committee convened at 11:16 a.m. and adjourned at 12:40 p.m.*

Following the lunch recess, the board of regents reconvened at 1:50 p.m. in open session; the chair called for an immediate executive session to consider the following items:

REAL ESTATE

Deliberations Regarding the Purchase, Exchange, Lease, Sale or Value of Real Property, including possible action on real estate purchases (action to be taken in open session) (Texas Government Code, Section 551.072)

PERSONNEL MATTERS REGARDING SPECIFIC UNIVERSITY EMPLOYEES

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, executive director of alumni association, vice presidents, and the president, including possible action in naming the provost/vice president for academic affairs (action to be taken in open session) (Texas Government Code, Section 551.074)

GIFTS AND DONATIONS

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

The executive session ended at 6:20 p.m. and the board recessed for the day, with no further action.

**Tuesday, January 29, 2008**

The chair reconvened the board meeting into open session at 9:05 a.m. on Tuesday, January 29, 2008.

PRESENT:

Board Members: Ms. Valerie Ertz, Chair  
Mr. Carlos Amaral  
Mr. Richard Boyer  
Mr. James Dickerson  
Mr. Bob Garrett  
Mr. Joe Max Green  
Mr. Paul Pond  
Mr. James Thompson  
Ms. Stephanie Tracy  
Mr. Melvin White

President: Dr. Baker Pattillo

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

General Counsel: Ms. Yvette Clark

Other SFA administrators, staff, and visitors

The chair welcomed guests to the board meeting and called upon Regent Boyer to lead the pledge to the flags. Student Regent Tracy provided the invocation.

Athletic Director Robert Hill introduced the Ladyjack Soccer Team, which this season won their fifth Southland Conference title, also winning the Southland Conference Tournament and advancing to the NCAA Championships. He also introduced the Ladyjack Volleyball Team, which won their fourth Southland Conference title in 2007.

Dr. Ric Berry introduced the theatre exchange students from Rose Bruford College in England.

Mr. Steve Westbrook introduced Dr. Adam Peck, who is joining the SFA staff as the Dean of Student Affairs.

Dr. Baker Pattillo introduced Rick Travis and Greg Owens, visitors from the Legislative Budget Board, on campus to tour facilities and meet university faculty and staff.

The board chair recognized Ms. Terry Lehmann, parent of a student athlete, who made a presentation concerning her support of the baseball program and the proposed baseball/softball park.

## **APPROVAL OF MINUTES**

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

Upon motion by Regent Garrett, seconded by Regent White, with all members voting aye, it was ordered that the minutes of the October 29 and 30, 2007 board meeting be approved.

### **BOARD ORDER 08-09**

Upon motion by Regent Garrett, seconded by Regent Boyer, with all members voting aye, it was ordered that the minutes of the December 14, 2007 telephone board meeting be approved.

## **PERSONNEL**

### **BOARD ORDER 08-10**

Upon motion by Regent Amaral, seconded by Regent Green, with all members voting aye, it was ordered that the following personnel items be approved:

#### **FACULTY APPOINTMENTS FOR 2007 – 2008**

##### **ACADEMIC AFFAIRS**

Dr. Richard Berry, Provost and Vice President for Academic Affairs, at a salary of \$160,000 for twelve months, effective January 30, 2008.

#### FORESTRY AND AGRICULTURE

Jeffrey Adkins, Professor of Agriculture, Ph.D. (North Carolina State University), at a salary of \$51,500 for 100 percent time for nine months, effective January 2, 2008.

#### LIBERAL AND APPLIED ARTS

Ryan Andrew Rhodes, Lecturer of English and Philosophy, M.A. (University of Oklahoma), at a salary of \$36,000 for 100 percent time for nine months, effective October 15, 2007.

Radhika N. Makecha, Assistant Professor of Psychology, M.A. (University of Southern Mississippi), at a salary of \$46,000 for 100 percent time for nine months, effective September 1, 2008.

Dawson Schultz, Visiting Assistant Professor of English and Philosophy, Ph.D. (Vanderbilt University) at a salary of \$21,500 for 100 percent time for four and one half months, effective January 10, 2008.

Andrew M. Terranova, Assistant Professor of Psychology, Ph.D. (University of New Orleans), at a salary of \$46,000 for 100 percent time for nine months, effective September 1, 2008.

Lisa D. Topp, Assistant Professor of Psychology, Ph.D. (University of Texas), at a salary of \$46,000 for 100 percent time for nine months, effective September 1, 2008.

#### SCIENCES AND MATHEMATICS

Cally M. Claussen, Clinical Instructor of Nursing, AND (Angelina College), at a salary of \$49,000 for 100 percent time for nine months, effective January 15, 2008.

#### STAFF APPOINTMENTS FOR 2007 – 2008

##### ATHLETICS

Shannon Dawson, Assistant Football Coach, at a salary of \$64,000 for 100% time for 10.5 months, effective January 7, 2008.

Aaron DeLaTorre, Assistant Football Coach, at a salary of \$24,000 for 100% time for 10.5 months, effective February 1, 2008.

David Gibbs, Assistant Football Coach, at a salary of \$64,000 for 100% time for 10.5 months, effective January 7, 2008.



James C. Harper, Head Football Coach, at a salary of \$117,426 for 100% time for 12 months, effective February 1, 2008.

Kristopher Kocurek, Assistant Football Coach, at a salary of \$54,000 for 100% time for 10.5 months, effective January 7, 2008.

Eric Lokey, Assistant Football Coach, at a salary of \$38,000 for 100% time for 10.5 months, effective January 7, 2008.

Brian McNutt, Assistant Football Coach, at a salary of \$24,000 for 100% time for 10.5 months, effective February 1, 2008.

Brandon North, Assistant Football Coach, at a salary of \$24,000 for 100% time for 10.5 months, effective February 1, 2008.

Arlington Nunn, Assistant Head Football Coach, at a salary of \$60,237 for 100% time for 10.5 months, effective February 1, 2008.

Todd Schonhar, Assistant Football Coach, at a salary of \$54,000 for 100% time for 10.5 months, effective February 1, 2008.

Harold Christopher Truax, Assistant Football Coach, at a salary of \$60,000 for 100% time for 10.5 months, effective February 1, 2008.

#### EDUCATION

Jo L. Corley, Certification Officer/PBIC Coordinator, at a salary of \$45,000 for 100 percent time for 12 months, effective January 3, 2008.

Audrea L. Vanscoder, Teacher in Early Childhood Lab, at a salary of \$30,000 for 100 percent time for 12 months, effective November 12, 2007.

Karen Woods, Certification Specialist/Advisor, at a salary of \$35,000 for 100 percent time for 12 months, effective November 26, 2007.

#### INFORMATION TECHNOLOGY SERVICES

William Wayne DuBose, Programmer Analyst I, at a salary of \$32,000 for 100 percent time for 12 months, effective January 14, 2008.

Stephen R. McGee, Systems Programmer I, at a salary of \$40,000 for 100 percent time for 12 months, effective January 21, 2008.

#### LIBRARY

Andrew Jonathan Davis, Director AARC Program, at a salary of \$40,000 for 100 percent time for 12 months, effective January 14, 2008.

Rhonda Williams, Coordinator of Digital Projects Educator, at a salary of \$40,000 for 100 percent time for 12 months, effective July 1, 2008.

#### PHYSICAL PLANT

Mark A. Williams, Coordinator of Building Services, at a salary of \$30,000 for 100 percent time for 12 months, effective November 12, 2007.

#### STUDENT AFFAIRS

Adam Peck, Dean of Student Affairs, at a salary of \$90,000 for 100 percent time for 12 months, effective January 7, 2008.

#### UNIVERSITY AFFAIRS

Brady Michael Condit, Technology Specialist, at a salary of \$29,000 for 100 percent time for 12 months, effective November 12, 2007

### CHANGES OF STATUS FOR 2007 – 2008

#### ADMISSIONS

Lynsey C. Cortines, from Administrative Assistant in Teacher Certification at a salary of \$27,641 for 100 percent time for 12 months, to Admissions Counselor at a salary of \$30,160 for 100 percent time for 12 months, effective October 15, 2007.

#### BUSINESS

Treba A. Marsh, from Professor and Chair of Accounting at a salary of \$110,813 for 100 percent time for 12 months, to Professor and Chair of Accounting, with additional salary due to Temple-Inland Employees Distinguished Professorship, at a salary of \$117,000 for 100 percent time for 12 months, effective December 1, 2007.

#### EDUCATION

Belinda Vanglahn, from Coordinator of Transfer Articulation at a salary of \$28,923 for 100 percent time for 12 months, to Academic Advisor at a salary of \$35,000 for 100 percent time for 12 months, effective October 15, 2007.

#### FINANCE AND ADMINISTRATION

Kathleen H. Williamson, from Accountant III at a salary of \$52,000 for 100 percent time for 12 months, to Construction/Program Manager at a salary of \$60,000 for 100 percent time for 12 months, effective November 1, 2007.

#### FORESTRY AND AGRICULTURE

Marc A. Nolan, from Graduate Assistant at a salary of \$4,100 for 100 percent time for four months, to Interim Supervisor of Beef Farm at a salary of \$37,671 for 100 percent time for 12 months, effective October 15, 2007.

#### HOUSING

Sarah L. Hardy, from Manager of Housing Systems at a salary of \$41,278 for 100 percent time for 12 months, to Manager of Housing Systems with additional duties during vacancy of Manager of Housing Administration position, at a salary of \$41,278 with an additional salary supplement of \$100 per month for the additional duties for 100 percent time for 12 months, effective October 8, 2007.

Dirk W. Kadyk, from Accounting Clerk III at a salary of \$30,215 for 100 percent time for 12 months, to Manager of Housing Administration at a salary of \$41,000 for 100 percent time for 12 months, effective December 6, 2007.

#### INFORMATION TECHNOLOGY SERVICES

Richard M. Barnhart, from Manager ITS Student Information System at a salary of \$54,911 for 100 percent time for 12 months, to Assistant Director of Application at a salary of \$60,000 for 100 percent time for 12 months, effective November 15, 2007.

Paul T. Davis, from Interim Director at a salary of \$85,500 for 100 percent time for 12 months, to Director of ITS at a salary of \$100,000 for 100 percent time for 12 months, effective November 1, 2007.

Earl M. Forney, from Database Specialist at a salary of \$32,800 for 100 percent time for 12 months, to Administrator Database I at a salary of \$40,000 for 100 percent time for 12 months, effective January 7, 2008.

John W. Parker, from Programmer Systems II at a salary of \$48,528 for 100 percent time for 12 months, to Assistant Director of Systems at a salary of \$60,000 for 100 percent time for 12 months, effective November 15, 2007.

Stephen J. Watson, from Systems Programmer I at a salary of \$45,798 for 100 percent time for 12 months, to Systems Programmer II at a salary of \$49,800 for 100 percent time for 12 months, effective November 15, 2007.

## LIBERAL AND APPLIED ARTS

George E. Avery, from Adjunct Faculty at a salary of \$3,800 for 25 percent time for four months to Cultural Heritage Research Coordinator at a salary of \$45,000 for 100 percent time for 12 months, effective October 22, 2007.

## LIBRARY

Melissa B. Boiles, from Program Director and Interim Director of Library for AARC at a salary of \$37,216 for 100 percent time for 12 months, to Program Director of AARC at a salary of \$35,616 for 100 percent time for 12 months, effective January 1, 2008.

## SCIENCES AND MATHEMATICS

Cortney R. Charbo, from Graduate Teaching Assistant at a salary of \$4,612.50 for 50 percent time for four months, to Biology Lab Coordinator at a salary of \$34,257 for 100 percent time for nine months, effective January 10, 2008.

Janice S. Hensarling, from Clinical Instructor of Nursing at a salary of \$29,649 for 50 percent time for 12 months, to Clinical Instructor of Nursing at a salary of \$59,298 for 100 percent time for nine months, effective January 16, 2008.

Deborah A. Pace, from Professor of Mathematics and Statistics at a salary of \$72,189 for 100 percent time for 12 months, to Professor and Chair of Mathematics and Statistics at a salary of \$92,326 for 100 percent time for nine months, effective November 1, 2007.

## RETIREMENTS

Terry J. Box, Professor of English and Philosophy, effective December 15, 2007.

James M. Butler, Supervisor of Energy, Physical Plant, effective January 31, 2008.

David C. Howard, Assistant Professor of English and Philosophy, effective December 15, 2007.

Margaret R. Ley, Lecturer of Social Work, effective December 31, 2007.

Patsy K. Reeves, Manager of FRS/HRS, Information Technology Services, effective January 31, 2008.

## FACULTY LEAVE OF ABSENCE WITH PAY

WHEREAS, the following was considered by the board members: In accordance with Policy E-29A, Leave of Absence (Faculty), the university may grant a leave of absence to faculty, when department needs allow, to accept a similar position in a visiting capacity at another institution. Leave of absence with pay for faculty must be approved by the board of regents upon the recommendation of the president. The following faculty member has requested a leave of absence with pay in accordance with Policy E-29A.

Dr. Lauren F.V. Scharff, Professor of Psychology, has been invited to join the United States Air Force Academy faculty from July 7, 2008 to May 27, 2009 as a Distinguished Visiting Professor in the Department of Behavioral Sciences and Leadership. Her salary and benefits of \$105,121 will be reimbursed to SFASU from the United States Air Force Academy.

THEREFORE, it was ordered that the faculty leave of absence with pay for Dr. Lauren F.V. Scharff be approved.

## ACADEMIC AND STUDENT AFFAIRS

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

Upon motion by Regent Pond, seconded by Regent Dickerson, with all members voting aye, the following academic and student affairs items were approved.

### AUTHORIZATION FOR MASTER OF SCIENCE DEGREE IN HUMAN SCIENCES

WHEREAS, the following was considered by the board of regents: The administration requests authorization to offer the Master of Science degree in Human Sciences via a web-based delivery system beginning fall semester 2008.

The administration also requests that the board authorize submission of a Distance Delivery request for this program to the Texas Higher Education Coordinating Board for approval and hereby certifies that all applicable criteria of the THECB have been met.

The School of Human Sciences proposes to begin offering its Master of Science degree in Human Sciences (30 semester credit hour thesis option) as a totally online program beginning fall 2008. The audience for this degree would consist of current industry professionals seeking continued education and Family and Consumer Sciences teachers seeking additional credentials, as well as county extension agents.

THEREFORE, the Master of Science degree in Human Sciences was approved.

### PROPOSAL TO OFFER A BACHELOR OF ARTS DEGREE WITH A MAJOR IN INFORMATION TECHNOLOGY

WHEREAS, the following was considered by the board of regents: The Department of Computer Science in the College of Business seeks approval to offer a Bachelor of Arts degree with a major in Information Technology. The curriculum for the Bachelor of Arts

in Information Technology is designed to provide in-depth coverage of both computational and network resources, as well as substantial exposure to various sub-fields such as security, data management, system administration, network configuration, and programming. In addition, the student will be trained in the tools and techniques necessary for effective operation of digital technologies. Beyond these core topics in computer science, students are required to take a broad foundation of liberal arts courses as befits a Bachelor of Arts degree program, and must select either a second major or a minor as a broadening requirement.

The primary purpose of the proposed degree program for a Bachelor of Arts in Information Technology is to provide students with a solid foundation in the concepts, theories and techniques of computational resource management, with an emphasis on the application of these concepts to a professional environment. Our graduates would be well-prepared to use these analytical skills to find logical solutions to a wide variety of problems, whether in a private, corporate, or government environment.

THEREFORE, approval was given to offer the Bachelor of Arts in Information Technology beginning in fall 2008.

#### REQUEST NAME CHANGE FOR DEPARTMENT OF POLITICAL SCIENCE, PUBLIC ADMINISTRATION AND GEOGRAPHY TO DEPARTMENT OF GOVERNMENT

WHEREAS, the following was considered by the board of regents: A recent shuffling of two academic departments has taken place:

- The Criminal Justice Department was merged with the Department of Political Science, Public Administration and Geography.
- The Geography program in turn was shifted to the Department of Sociology.

Both changes were approved at the October 2007 board of regents meeting.

In light of the shifts, the current Department of Political Science, Public Administration and Geography is proposing to amend its name to reflect its new configuration. The recommended title would be the Department of Government. This designation not only reflects the broad scope of the disciplines but manages to capture all the areas of study. It is an ideal solution that accurately characterizes how the programs overlap.

THEREFORE, the Department of Political Science, Public Administration and Geography was renamed the Department of Government.

#### REQUEST NAME CHANGE FROM GERALD W. SCHLIEF DEPARTMENT OF ACCOUNTING TO GERALD W. SCHLIEF SCHOOL OF ACCOUNTANCY

WHEREAS, the following was considered by the board of regents: In accordance with Policy A-63, Designation of School Status, the Gerald W. Schlief Department of Accounting is seeking school status. The department requests a name change to Gerald W. Schlief School of Accountancy.

Program enrichment and expansion make school status important for effectively portraying the professional nature of the field of study in the department. Program graduates face rigorous standards for full entry into the profession and school status will support an even more positive image for accounting graduates as they enter their profession. Trends within the discipline require enhanced viability which school status will provide.

THEREFORE, the Gerald W. Schlieff Department of Accounting was changed to the Gerald W. Schlieff School of Accountancy.

#### APPROVAL OF STEPHEN F. AUSTIN STATE UNIVERSITY CHARTER SCHOOL BOARD

WHEREAS, the following was considered by the board of regents: The university's application for a university charter school has been submitted to the Texas Education Agency. Review and approval of the application has been scheduled for mid-January. Governance of the university charter school, known as the Stephen F. Austin State University Charter School, will require the establishment of a university charter board. The SFA Charter Board shall consist of seven voting members, plus the academic leader of the charter campus serving as an ex-officio non-voting member. The SFA Charter Board will include representation from the areas of education, parents, teachers and the community. The dean of the Perkins College of Education shall always serve as the chair of the SFA Charter Board. The department chair of Elementary Education will also always serve as a member of the Charter Board. The SFA Charter School academic leader shall always serve in an ex-officio non-voting capacity on the SFA Charter Board. While these three positions shall remain constant on the SFA Charter Board (without terms of office and subject only to change in the incumbent within those positions), the remaining SFA Charter Board members will serve three year renewable terms with new members appointed by general consensus of the current SFA Charter Board members. The initial SFA Charter Board members shall be as follows: John Jacobson, dean of the Perkins College of Education, Chair; Janice Pattillo, department chair of SFA Elementary Education; Carolyn Davis, ECH site coordinator; Becky Griffith, SFA Charter School teacher; Lori Harkness, director of SFA Early Childhood Lab; Vanessa Hooper, parent representative; Weldon Beard, community representative, and Lysa Hagan, SFA Charter School academic leader, ex-officio non-voting member. The SFA Charter Board will provide management for the SFA Charter School, and the SFA Board of Regents will provide general oversight to ensure fiscal accountability.

THEREFORE, the SFA Charter Board was created as described in the agenda item explanation and the SFA Charter Board was given authority for the day to day operations of the school, subject to final approval by the board of regents for the annual budget, expenditures beyond the approved annual budget, purchases, contracts and other expenditures over \$100,000 and the employment of all professional (exempt) personnel. The SFA Charter Board will generally be subject to all university policies. The SFA Charter Board shall be delegated final authority for the adjudication of all parent and

student charter school complaints. To the extent required by law, the SFA Charter Board shall be subject to the Texas Open Meetings Act.

#### **APPROVAL OF AGREEMENT BETWEEN STEPHEN F. AUSTIN STATE UNIVERSITY, STONE FORT MUSEUM AND FRIENDS OF THE STONE FORT MUSEUM**

WHEREAS, the following was considered by the board of regents: The Stone Fort Museum requests approval to finalize the Agreement between Stephen F. Austin State University, Stone Fort Museum and Friends of the Stone Fort Museum that would establish the Friends as a support group of the University. The agreement is included as Appendix 2.

The purpose of this group is to support the programs and activities of the Stone Fort Museum, Stephen F. Austin State University; including the following activities:

- a.) to promote the Stone Fort Museum as an educational and cultural center dedicated providing natural and cultural heritage learning opportunities accessible to a diverse audience,
- b.) to serve as a liaison between the regional community and the Stone Fort Museum and promote the Museum as a heritage tourism destination,
- c.) to provide voluntary staff support for ongoing and special needs, and
- d.) to assist in raising funds to support excellence in cultural heritage programs and activities at the Stone Fort Museum.

THEREFORE, approval was given to the agreement (included in Appendix 2) between Stephen F. Austin State University, Stone Fort Museum and Friends of the Stone Fort Museum; and the president was authorized to sign the agreement.

#### **BUILDING AND GROUNDS**

##### **BOARD ORDER 08-12**

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

##### **PURCHASE OF HERRINGTON PROPERTY AT 318 E. STARR**

WHEREAS, the following was considered by the board of regents: The university has the opportunity to purchase the property located at 318 E. Starr, Lot 26-D in Block 45 in the city of Nacogdoches, from Mr. David Herrington, subject to approval by the board of regents. The property was appraised on October 20, 2007 for \$210,000. It is located in an area that is in accordance with the university's master plan.

THEREFORE, the board of regents authorized the university to purchase the property at 318 E. Starr at the appraised value of \$210,000 and appropriate closing costs, subject to approval by the Texas Higher Education Coordinating Board. The president or interim



vice president for finance and administration was authorized to sign the closing documents.

#### SELECTION OF WHR ARCHITECTS AS ARCHITECT FIRM FOR THE DEWITT SCHOOL OF NURSING FACILITY

WHEREAS, the following was considered by the board of regents: At the October 27, 2007 meeting, the SFASU Board of Regents authorized the university to issue a request for architectural services for the DeWitt School of Nursing facility. A committee reviewed the responses and submits three finalists to be considered to provide architectural services for the project: O'Connell Robertson, Omniplan, and WHR Architects. The building and grounds committee met and interviewed the three finalists and voted unanimously to recommend to the entire board WHR Architects as the firm most qualified for this project and as the firm with which to open negotiations as the architect.

THEREFORE, the board of regents selected WHR Architects as the architect for the DeWitt School of Nursing facility project and authorized the president to sign the contract.

#### APPROVAL OF CHIRENO MINERAL LEASE TO SAMSON LONE STAR LP

WHEREAS, the following was considered by the board of regents: The university owns a 7.69% mineral interest in 50.2 acres of land that is a part of the Chireno Survey near the town of Chireno, Texas. Samson Lone Star L.P. offered the university \$200 per net mineral acre for three years with an option to extend the lease for an additional two years at \$130 per net mineral acre. In addition, the company offered a 20% royalty.

THEREFORE, the board of regents approved the mineral lease offered by Samson Lone Star L.P. and authorized the president to sign the contract, with negotiation of an appropriate royalty.

#### HVAC REPAIR – STEEN HALL (17)

WHEREAS, the following was considered by the board of regents: The HVAC system in Steen Hall (17) is entering its 40<sup>th</sup> year of service and had been identified as a critical maintenance issue scheduled for a phased replacement in the FY 2009 and FY 2010 fiscal years. On January 15, 2008, one of the air-handlers in the west tower developed critical problems that required its shut-down and the relocation of students housed on the 5<sup>th</sup> and 6<sup>th</sup> floors of Steen's west tower. This air-handler is beyond repair and its failure necessitates the earlier replacement of the remaining west tower system than previously planned so the tower can be occupied in the fall 2008 semester.

THEREFORE, it was approved to replace the HVAC system in the west tower of Steen Hall (17) at a cost not to exceed \$600,000. The source of funds will be current auxiliary capital repair funds and auxiliary fund balance. The president was authorized to sign any contracts necessary to complete the work authorized.

## **FINANCIAL AFFAIRS**

### **BOARD ORDER 08-13**

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

#### **INCREASE IN EDUCATION RESEARCH CENTER PROJECT BUDGET**

WHEREAS, the following was considered by the board of regents: In order to obtain Texas Higher Education Coordinating Board approval for the Education Research Center, on April 24, 2007 the SFASU Board of Regents approved a budget of \$28,000,000 for the project. The Texas Higher Education Coordinating Board approved the project for \$28,000,000 on June 13, 2007. The coordinating board allows a construction project to exceed its approved amount by 10% without additional project submission.

THEREFORE, the board of regents increased the Education Research Center project budget to include the 10% level allowed by the coordinating board and established the project budget at an amount not to exceed \$30,800,000.

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

WHEREAS, the following was considered by the board of regents: The Texas Public Funds Investment Act requires the university to adopt a resolution by the governing body of the institution that specifies qualified investment brokers. The following brokers/investment managers are listed in the resolution, submitted in Appendix 1.A: Merrill Lynch, Inc.; Alliance Bernstein International; Fayez Sarofim & Co.; Lazard Asset Management; Franklin Private Client Group; Blackrock Investment Management, LLC; ING Investment Management; NFG Investment Group L.P.; Davis Advisors; The Endowment Fund; Renaissance Access, LLC; and Torrey Asia Access, LLC.

THEREFORE, the Resolution Approving Financial Institutions and Brokers for Investment Transactions was approved as presented in Appendix 1.A.

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

WHEREAS, the following was considered by the board of regents: 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.B, acknowledges the board's annual review of Policy C-41, Investments. Policy C-41 is included in the Policy Revisions, Appendix 3.

THEREFORE the Resolution to Acknowledge Review of the Investment Policy and Strategy was ratified as presented in Appendix 1.B.

## **APPROVAL OF FISCAL YEAR 2006-07 ANNUAL FINANCIAL REPORT**

WHEREAS, the following was considered by the board of regents: On November 20, 2007, the Stephen F. Austin State University Annual Financial Report for the fiscal year that ended August 31, 2007 was submitted to the Governor, Comptroller of Public Accounts, Legislative Budget Board and State Auditor as required by state law.

THEREFORE, the Stephen F. Austin State University Annual Financial Report was approved as submitted to the board of regents.

## **UNIVERSITY POLICIES AND PROCEDURES**

### **BOARD ORDER 08-14**

Upon motion by Regent Thompson, seconded by Regent Boyer, with all members voting aye, the board of regents adopted the proposed policy revisions as presented in Appendix 3.

## **REPORTS**

Dr. Pattillo made a report to the regents concerning the following topics:

- Gala – December 13, 2008
- Student Regent Selection
- Baseball
- Voluntary System of Accountability
- SFA Charter School
- 

Gina Oglesbee, director of audit services, reported on:

- Annual Audit Plan
- 

Marc Guidry, chair of the Faculty Senate, reported on the following:

- Faculty Accomplishments
- Role of Teaching and Research for Faculty
- Summary of Senate Report on How Faculty Can Aid Recruitment Efforts
- Efforts to Improve Academic Advising
- Need for Faculty Salary Equity

Kent Willis, president of the Student Government Association, made the following report:

- Fall 2007 Accomplishments
- Spring 2008 Plans
  - Monthly theme
  - Student Endowment
  - Support for Winter and Spring Sports
  - President's Higher Education Community Service Honor Roll, 1923
  - Society and Volunteerism

Recognition for Greek Community and Organizations  
Recognition for Jack Team Rewards Program and Cole Campbell

### **BOARD NOMINATING COMMITTEE**

Chair Ertz announced the appointment of the board nominating committee for the purpose of nominating board officers for election at the April meeting. Serving on the nominating committee will be Melvin White, chair, Richard Boyer, and Bob Garrett.

The meeting was adjourned at 10:20 a.m.

**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 to the governing body of the institution for adoption and/or review; and

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

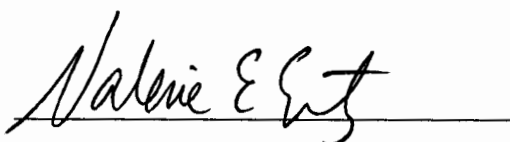
Merrill Lynch, Inc.  
Alliance Bernstein International  
Fayez Sarofim & Co.  
Lazard Asset Management  
Franklin Private Client Group  
Blackrock Investment Management, LLC  
ING Investment Management  
NFG Investment Group L.P.  
Davis Advisors  
The Endowment Fund  
Renaissance Access, LLC  
Torrey Asia Access, LLC

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

Citizens First Bank  
Commercial Bank of Texas  
First Bank and Trust East Texas  
Bancorp South Fredonia  
Regions Bank Stone Fort  
Texas Bank

**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 29, 2008 meeting of the board.



Valerie E. Ertz, Chair



Joe Max Green, Secretary

**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;

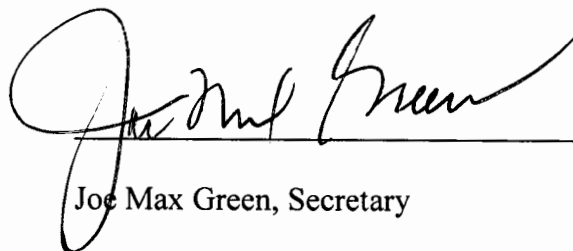
**NOW THEREFORE BE IT RESOLVED** that the Stephen F. Austin State University Board of Regents, by the issuance of this resolution, does hereby approve the investment policy and strategy as reviewed on January 29, 2008; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be spread upon the minutes of the January 29, 2008 meeting of the board.

Attest:



Valerie E. Ertz, Chair



Joe Max Green, Secretary

**AGREEMENT BETWEEN  
STEPHEN F. AUSTIN STATE UNIVERSITY  
STONE FORT MUSEUM  
AND  
FRIENDS OF THE STONE FORT MUSEUM**

This agreement is made and entered into as of the first day of February 2008 of and between Stephen F. Austin State University Stone Fort Museum, hereinafter referred to as the Museum, and the Friends of the Stone Fort Museum, hereinafter referred to as the Friends.

Whereas, the Museum is part of the University as a whole, the University Board of Regents formally adopts this Agreement in accordance with its policies; and Friends as an independent association with exists for the support of the University adopts this with its Bylaws.

Whereas, the Museum and the Friends provide and make available certain services and benefits to each other, and

Whereas, the Museum and Friends work together to promote the public services and the cultural heritage and natural history preservation and education services for the Museum, University and East Texas.

Now, therefore, in consideration of the covenants, promises, terms and provision herein contained, the parties mutually agree to the following:

**GENERAL PROVISIONS  
ARTICLE I**

1. To the extent allowed by state law, this agreement shall remain in full force and effect until terminated by either party or superseded by a subsequent agreement. While every effort will be made to provide 60 days written notice for termination of this agreement by either party, Stephen F. Austin State University in accordance with its policy and State law may terminate this Agreement anytime.
2. This agreement is solely between the parties and cannot be assigned to another party without written approval from the non-assigning party.
3. This agreement is entered into Nacogdoches County and proper venue shall be in Nacogdoches County.
4. This Agreement is subject to and shall be construed under the laws of the State of Texas including Chapter 2255 of the Texas Government Code. The invalidity or illegality of any provision in this agreement shall not affect other terms or conditions of the agreement.
5. This agreement contains the entire agreement of the parties and no change or modification of this agreement is binding unless in writing and signed by the parties.

**ARTICLE II**

The Friends agree to provide the following services:

1. Serve as a conduit between the Museum and the community; offer advice and support for the initiatives of the Museum;

2. Support and execute fund-raising activities of the benefit of the Museum, within any guidelines or limitations imposed by the University, if any; and
3. Seek to perform those functions that the Museum cannot provide itself.

### **ARTICLE III**

The Museum will provide the following:

1. Reasonable space in the Stone Fort Museum to the Friends to carry out its obligation;
2. Computer time as allocated by the Museum to generate receipts, maintain donor gift histories, and provide the Friends with annual gift reports;
3. Utilities and telephone service reasonably needed by the Friends in carrying out its activities;
4. Reasonable use of the Museum equipment and personnel as needed to coordinate the activities of the Friends with the educational operations of the University. The Museum hereby expressly recognizes that the president, vice-president, advancement officers, deans, faculty members may reasonably assist from time to time in development programs or may be needed or helpful in coordinating those Friends activities with the operations of the Museum. No monetary or pecuniary enrichment will be made to any officer or employee of the University by Friends or its donors. Conduct of employees is governed by the University and when conflicts arise, University policies shall always govern the conduct of its employees. The Curator of the Museum and the Dean of Liberal Arts shall serve in an ex-officio capacity on the Friends Board;
5. Assistance in research and investigation of individuals, foundations, businesses and corporations best qualified as prospective donors; and
6. Assistance in the coordination of follow-up activities after each solicitation and fund-raising event.

### **ARTICLE IV**

The Board of Advisors of the Friends assures the Museum that the activities of the Friends will always be in support of the objectives, goals and priorities of the Museum, as communicated to it by the Dean of the College of Liberal and Applied Arts. Friends will only raise funds in the name of the University. The Museum will provide a complete financial report to the Friends on the allocation and use of resources made available through the Friends.

### **ARTICLE V**

Since the Friends of the Stone Fort Museum will only raise money in the name of the University, the moneys will be deposited in University accounts, invested through the University investment program, and governed in accordance with University policy.

### **ARTICLE VI**

Disbursements from Friends accounts will be supervised by the Dean of the College of Liberal and Applied Arts and will be made only for expenditures consistent with the explicit purposes



for which the accounts were established and the restriction of the donors. Full documentation will be required for each disbursement. The University/Museum reserves the right to accept or deny any gift or donation within its sole discretion.

## ARTICLE VII

The allocation and budgeting of unrestricted funds is to be determined by the Dean of the College of Liberal and Applied Arts. Resources raised by other support organizations and for which the Museum may serve as a Trustee of funds shall be allocated by the restriction of the donor and by the support organization. Restricted gifts shall be allocated by the restrictions of the donor and by the Dean of the College of Liberal and Applied Arts.

The allocation, expenditure, and transfer of all resources will be reported to the Board of the Friends regularly by the Curator of the Museum. The Dean of the College of Liberal and Applied Arts will assure that all expenditures, irrespective of the allocation process, are consistent with state law and the charter of the Friends. When in conflict, State law shall always supersede.

Agreed to this the \_\_\_\_\_ day of \_\_\_\_\_, 2008.

FRIENDS OF THE STONE FORT MUSEUM    STEPHEN F. AUSTIN STATE UNIVERSITY

By \_\_\_\_\_  
President of the Board  
Friends of the Stone Fort Museum

By \_\_\_\_\_  
Dean, College of Liberal and Applied Arts

\_\_\_\_\_  
Vice-President, University Advancement

\_\_\_\_\_  
President

**Policies for Board Review  
January 29, 2008**

<b>Policy Name</b>	<b>Policy Number</b>	<b>Action/Change</b>	<b>Page Number</b>
Academic Appeals by Students	A-2	Updated names and titles.	3
Academic Integrity	A-9.1	Deleted University Committee on Academic Integrity. Updated names and titles.	5
Academic Space for Non-Academic Activities	B-2	Updated policy captions.	8
Alcohol/Drug Free Workplace	E-5	Policy deleted. Content included in Policy D-19, Illicit Drugs and Alcohol Abuse	10
Austin Building Conference Rooms	B-3	Austin conference rooms 307 and 305 will not be available for reservation for routine campus meetings.	12
Budget Change and Additional Appropriation	C-4	Budget changes over \$100,000 require approval of board. Updated captions.	14
Cellular Telephones and Wireless Communication Devices	F-42	Clarified reimbursement rules for those with university provided equipment. Allowance is not included in base pay. Added category of "intermittent use" of cell phones.	15
Chair Appointments	E-6A	Policy title changed. Updated names and titles. Clarified definition of one calendar month to be 21 working days.	18
Compensation Plan for Classified and Non-Classified Staff	E-68	Job Analysis Questionnaire can be obtained from director of HR. Updated policy captions.	19
Copyrighted Works Reproduction	A-12	Minor wording changed. Updated policy references and captions.	28
Effort Reporting and Certification for Sponsored Activities	A-68	New policy.	35
Employee Recruitment Plan	E-69	Plan document not available on web. Recruitment procedures available on HR website. Updated policy captions.	37

<b>Policy Name</b>	<b>Policy Number</b>	<b>Action/Change</b>	<b>Page Number</b>
Faculty Development Leaves	E-23A	Updated names and titles. Minor clarifications. Removed requirement for continued membership is TRS or ORP. Updated policy captions.	41
Faculty Search	E-24A	Major rewrite.	44
Fair Labor Standards	E-70	Updated policy captions.	49
Hiring of Non-Academic Personnel	E-27N	Minor wording changes and updated titles. Updated policy captions.	53
Illicit Drugs and Alcohol Abuse	D-19	Included content from deleted policy E-5 concerning employees. Updated references.	55
Interdepartmental Transfer	C-19	Updated policy references and captions.	65
Investments	C-41	Grammatical corrections.	66
Investments-Endowment Funds	C-41.A	In alternative investments, maximum allocation to one fund shall not exceed 25% of total portfolio. Guidelines for evaluating managers changed. Investment officer will recommend distribution.	77
Out-of-State Electronic Fee	C-52	Major rewrite.	87
Part-time Faculty	E-37A	Major rewrite.	89
Procurement Card	C-44	Major rewrite.	91
Prompt Payment	C-25.1	Updated policy captions.	99
Proprietary Purchases	C-26	Updated titles and policy captions.	101
Purchase of Surplus Property	C-28	Major rewrite.	102
Safe and Vault Combinations	D-29	Policy title corrected. Updated names, titles, and policy captions.	106
Salary Supplements, Stipends and Additional Compensation	E-9	Compensation for mentoring students in certification programs classified as supplement, not stipend.	107
Selection of Academic Deans	E-59	Major rewrite.	114
Semester Grades	A-54	Minor clarifications. Updated titles. Once grade posted, it can only be changed by approved form. Updated policy captions.	116
Student Service Fee Allocations	F-28	Updated policy captions.	118
Student Travel	D-48	Updated policy captions.	119
University Award Programs	A-66	New policy.	121
Working Hours and Holidays	D-40	Updated policy captions.	122

## Academic Appeals by Students (A-2)

**Original Implementation:** August 31, 1981

**Last Revision:** ~~January 19, 2006~~ January 29, 2008

Good communication between faculty and students will make disputes between them infrequent, but if disagreements occur, it is university policy to provide a mechanism whereby a student may formally appeal faculty decisions. When a student uses the appeals procedure, all parties should endeavor to resolve the dispute amicably at as early a stage as possible and in compliance with applicable laws, regulations and policies. The faculty member, after considering the outcome of the appeals process, shall retain complete academic freedom to make the final determination on the matter and to assign semester grades.

All materials under consideration at each step will be forwarded to the appropriate parties at the next procedural level. These steps are to be followed when making an academic complaint:

1. In the event of course-related complaints or disputes, the student must first appeal to the instructor for a resolution of the matter and must do so within 30 days after the first class day of the next long semester. Given extenuating circumstances, exceptions to this deadline may be granted.
2. If a complaint or dispute is not satisfactorily resolved, the student may appeal to the *academic* ~~E~~chair/director of the academic ~~department~~ *unit* in which the complaint or dispute is centered. If a formal complaint is to be registered, it should be made in writing stating the specific issues. The faculty member will respond with a written statement to the ~~department~~ *academic chair/director*.
3. If the complaint or dispute is still unresolved after appeal to the *academic* ~~E~~chair/director, the student or faculty member may appeal in writing to the ~~Dean~~ *dean* of the academic college in which the complaint or dispute is centered. The ~~Dean~~ *dean* will notify the faculty member or student of the appeal.
4. If a resolution of the matter is not reached, the ~~Dean~~ *dean* may refer the appeal to the College Council of the college in which the complaint or dispute is centered. The College Council will evaluate the oral and written statements of the student and the faculty member. If the College Council does not have at least one student member, the president of the Student Government Association will be asked by the ~~Dean~~ *dean* to recommend no more than two student representatives from that college to serve for each case. The College Council will submit its recommendation to the ~~Dean~~ *dean* of the academic college.
5. If a resolution of the matter is not reached, the student or the faculty member may appeal in writing to the provost *and* vice president for academic affairs. The ~~Dean's~~ *dean's* written recommendation in addition to all previous materials will be

submitted to the provost/ *and* vice president for academic affairs. The College Council of the ~~College~~ college in which the complaint or dispute is centered may serve as an advisory body to the *provost and* vice president *for academic affairs* in the appeal process. The *provost and* vice president *for academic affairs* will evaluate all previous materials and any additional oral presentations from the student and faculty member.

6. After making a decision, the provost *and* /vice president for academic affairs will inform the student and all persons involved in the appeal process of the final recommendation of the matter within a reasonable period of time.

#### ~~STEPS FOR RESOLVING STUDENT-INITIATED ACADEMIC COMPLAINTS~~

~~Student~~

~~Instructor~~

~~Department Chair/Director~~

~~College Dean~~

~~College Council and 1 or 2 students~~

~~College Dean~~

~~Provost/Vice President for Academic Affairs~~

~~Appeals heard by the University Committee on Academic Integrity will not be processed under Policy A-2, Academic Appeals by Students.~~

~~Source of Authority: Provost/Vice President for Academic Affairs~~

**Cross Reference:** Faculty Handbook, Student Handbook and Activities Calendar

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

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

**Forms:** None

## Academic Integrity (A-9.1)

**Original Implementation:** Unpublished

**Last Revision:** ~~January 19, 2006~~ January 29, 2008

Academic integrity is a responsibility of all university faculty and students. Faculty members promote academic integrity in multiple ways including instruction on the components of academic honesty, as well as abiding by university policy on penalties for cheating and plagiarism.

### Education

Faculty members are responsible for providing information about academic integrity and education for maintaining academic honesty during their regular coursework. Course syllabi provide information about penalties and the appeal process.

### Definition of Academic Dishonesty

Academic dishonesty includes both cheating and plagiarism. Cheating includes but is not limited to (1) using or attempting to use unauthorized materials to aid in achieving a better grade on a component of a class; (2) the falsification or invention of any information, including citations, on an assigned exercise; and/or (3) helping or attempting to help another in an act of cheating or plagiarism. Plagiarism is presenting the words or ideas of another person as if they were your own. Examples of plagiarism are (1) submitting an assignment as if it were one's own work when, in fact, it is at least partly the work of another; (2) submitting a work that has been purchased or otherwise obtained from an Internet source or another source; and (3) incorporating the words or ideas of an author into one's paper without giving the author due credit.

### Procedure

A faculty member who has evidence and/or suspects that academic dishonesty has occurred shall gather all pertinent information, approach the student or students involved, and initiate the following procedure.

The faculty member shall review all evidence of cheating or plagiarism and discuss it directly with the student(s) involved. After hearing the student(s)' explanation or defense, the faculty member will determine whether or not academic dishonesty has occurred and will decide what penalty will be imposed. The faculty member will consult with his/her *academic chair/director* and ~~Dean-dean~~ in making these decisions. Penalties may include reprimand or no credit for the assignment or exam, or re-submission of the paper, or make-up exam, or failure of the course. ~~(Penalties for academic dishonesty and information on the appeals process should be outlined in the course syllabi.)~~

After a determination of *academic* dishonesty, the faculty member shall notify the Office of the dean of the student's major by submitting a Report of Academic Dishonesty form,

along with supporting documentation as noted on the form. This report shall be made part of the student's record and shall remain on file with the dean's office for at least four years. *The faculty member shall also inform the student of the appeals process available to all SFA students. (Academic Appeals by Students, policy A-2). Upon second or subsequent offenses, the dean of the student's major will determine a course of action. Actions may include referring the case to the college council for review and recommendations.* ~~The Dean shall refer second or subsequent offenses to the University Committee on Academic Integrity established under this policy. The faculty member shall also inform the student of the appeals process available to all SFA students. (Academic Appeals by Students, Policy A-2)~~

### The Student File

A student's file on academic dishonesty will not be available to faculty members. The purpose of the file is for the ~~d~~Dean to track a pattern of multiple cases of academic dishonesty during a student's academic career at Stephen F. Austin State University.

Students who are found to have ~~cheated/plagiarized~~ *demonstrated academic dishonesty* and have withdrawn prior to the award of a grade will continue to have the determination of the infraction within their student records. ~~This finding will be considered by the University Committee on Academic Integrity should the student commit future offenses.~~

### Appeals

A student who wishes to appeal decisions related to academic integrity follows procedures outlined in ~~policy A-2~~ *Academic Appeals of Students, policy A-2*.

### The University Committee on Academic Integrity

~~This committee shall be formed by the Provost and Vice President for Academic Affairs for the purpose of monitoring academic integrity among students. The committee shall be composed of a faculty representative elected from each college and one student representative appointed by the Provost and Vice President for Academic Affairs. The committee chair will be appointed by the Provost. A faculty member who reports an offense may not serve on the committee considering that offense.~~

~~When a student is found guilty of two or more infractions, the case will be referred to the University Committee on Academic Integrity. In addition, faculty members may request that the Dean refer particularly serious cases (buying or selling papers, stealing an exam, significant plagiarism at the graduate level, etc.) directly to the University Committee on Academic Integrity.~~

~~The committee will make one of the following recommendations to the Academic V.P. who is responsible for the implementation of this policy.~~

~~no action is taken~~

probation

suspension from the university

**Source of Authority:** ~~Provost and Vice President for Academic Affairs and Vice President for University Affairs~~

**Cross Reference:** Student Handbook, Academic Appeals by Students, Policy A-2, and Add/Drop, Policy A-5

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

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

**Forms:** Report of Academic Dishonesty Form



## Academic Space For Non-Academic Activities (B-2)

**Original Implementation:** 1979

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

The provisions of the policy on the Use of University Facilities (University Policy 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 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, academic facilities may be made available for the use of non-academic departments of the university and registered student organizations upon their request to the dean of the college or facility director who administers the space desired. The availability and use of such facilities will be subject 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 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 space is subject to the permissible assignment or scheduling of that facility.

**Source of Authority:** ~~Board of Regents, President, Provost and Vice President for Academic Affairs, Vice President for University Affairs~~

**Cross Reference:** *Use of University Facilities*, Policy B-1; ~~B-28~~ Turner Auditorium, *Policy B-28, College Policies on Facilities Use*

***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

## **~~Alcohol/Drug-Free Workplace (E-5) Combined with Policy D-19, Illicit Drugs and Alcohol Abuse~~**

**Original Implementation:** Unpublished

**Last Revision:** ~~October 30, 2007 Deleted January 29, 2008~~

~~It is the declared policy of the United States government to create a drug-free America. The board of regents of Stephen F. Austin State University adopts this policy to comply with the requirements of state and federal law and because of its desire to have a drug-free campus.~~

### **Definitions**

- ~~1. Controlled substance means a controlled substance in schedules I through V of section 812 of the Controlled Substances Act, 21 U.S.C. 812. Examples include, but are not limited to: heroin, marihuana, mescaline, peyote, and cocaine. This definition does not include medication prescribed by a physician.~~
- ~~2. Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statutes.~~
- ~~3. Criminal drug statute means a criminal statute involving manufacture, distribution, dispensation, use, or possession of any controlled substance.~~
- ~~4. Federal agency means an agency as that term is defined in section 551(1) of Title 5, United States Code.~~

### **Prohibition, Discipline, and Treatment**

- ~~1. The university prohibits all employees (full-time and part-time faculty, staff, and students) from engaging in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance or alcoholic beverage in the workplace, or reporting to work under the influence of alcoholic beverages or illegal drugs. None of the funds appropriated to the university by the state legislature for travel expenses may be expended for alcoholic beverages.~~
- ~~2. Observance of this policy is a condition of employment for all employees of the university.~~
- ~~3. An employee violating this policy shall:~~
  - ~~1. be subject to employment discipline up to and including termination; or~~
  - ~~2. be required to undergo satisfactory participation in a drug abuse assistance or rehabilitation program, such as the Employee Assistance Program of the university.~~

4. Any employee directly engaged in the performance of work pursuant to the provision of a federal grant or contract who is convicted of violating a criminal drug statute shall notify his/her immediate supervisor of the conviction no later than five days after the conviction. The immediate supervisor shall promptly report the conviction to the appropriate vice president and the director of research services. On behalf of the university, the director of research services shall notify the federal agency grantor or contractor of the conviction within ten days of the university receipt of notice from the employee or of receipt of other actual notice.

#### **Good Faith Effort**

Stephen F. Austin State University shall make a good faith effort to maintain a drug-free workplace by implementing and enforcing this policy. The university shall also comply with United States Department of Transportation regulations regarding drug testing of drivers with a commercial driver's license.

-

**Cross Reference:** 41 USC Sec. 701 et seq.; Faculty Handbook, Non-Academic Employee Handbook, State of Texas Travel Allowance Guide, Drug and Alcohol Testing Policy E-61

**Responsible for Implementation:** President

**Contact for Revision:** General Counsel

**Forms:** None

## Austin Building Conference Rooms (B-3)

**Original Implementation:** June 10, 1986

**Last Revision:** ~~April 20, 2004~~ January 29, 2008

The provisions of the policy on the Use of University Facilities 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.*

~~Both conference rooms are available to faculty and staff for group meetings held for the purpose of conducting university business or related activities. Neither room is available for use by student groups.~~

~~Room 305, Small Conference Room, will accommodate groups of twelve to fifteen people. Groups of this size will routinely be scheduled in 305 unless it is reserved.~~

~~Room 307, Board of Regents Conference Room, will accommodate groups of 14 to 20 with conference style seating, and much larger groups if seating areas around the perimeter of the room are utilized. This room will not be used for routine meetings and will be scheduled for special university meetings only upon approval by the president of the university.~~

~~Because of the formal nature of the room and its furnishings, beverages are discouraged and food is prohibited in conference rooms 305 and 307, except as approved by the president or the chair of the board of regents.~~

~~Reservations for either room may be made by telephone or in person with the executive assistant to the president (extension 2201; Austin building, Room 315).~~

**Source of Authority:** President

**Cross Reference:** ~~None~~ *Policy B-1, Use of University Facilities*

**Responsible for Implementation:** *President*

**Contact for Revision:** ~~Executive Assistant to the President~~ *President*

**Forms:** None

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

**Original Implementation:** Unpublished

**Last Revision:** ~~January 19, 2006~~ January 29, 2008

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. If a departmental income account's actual revenue exceeds its revenue estimate, a department may request a budget revision to increase its revenue estimate and expenditure budget. All budget changes in excess of \$1,000 require approval of the vice president for finance and administration and the president, and budget changes in excess of \$50,000-\$100,000 require approval of the board of regents.

The "Budget Change and Additional Appropriation" form 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.

**Source of Authority:** ~~Board of Regents, President, Vice President for Finance and Administration~~

**Cross Reference:** None

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

**Contact for Revision:** ~~Director of Financial Services~~ *Vice President for Finance and Administration*

**Forms:** ~~Budget Change and additional Appropriation form (available in Budget Office)~~ *SFASU FormsServer (Budget Add/Change Appropriation)*

## Cellular Telephones and Wireless Communication Devices (F-42)

**Original Implementation:** October 30, 2007

**Last Revision:** ~~None~~ January 29, 2008

### OVERVIEW

The university recognizes that certain positions require the use of a cellular telephone (cell phone) or wireless communication device (including personal digital assistants (PDA's) or smartphones) to conduct official business. This policy provides specific guidelines regarding the use of cell phones and/or wireless communication devices.

### DEFINITIONS

Wireless Communications Device – cellular telephones, ~~paggers,~~ telephone/PDA combinations, and smartphones. For purposes of this policy, laptops and personal computers are not considered wireless communications devices.

### ELIGIBILITY

Each department is responsible for establishing whether a specific employee needs a cell phone or wireless communication device service. Criteria for establishing this need include:

1. Requirement to travel frequently on university business
2. Large amounts of time spent away from the office
3. A need to contact the individual after normal business hours on a frequent basis
4. A need for others to be in constant communication with the individual
5. Safety considerations

If an employee meets one or more of these criteria, a department head/director may approve a request to provide either a university cell phone or wireless communication device or a communication allowance through one of the following options.

#### **5-1. University provided cell phones or wireless communication device:**

If a department chooses this option, the entire amount of the university provided cell phone or wireless communication device is considered as a taxable fringe benefit to the employee. The employee is not required to document personal or business usage. However, the department ~~may~~*must* require that an employee reimburse the department for calls that exceed the monthly plan amount *unless they provide documentation that the excess use is attributed solely to business*



*related calls.*

Departments electing this option must submit a “Cellular Telephone Request and Justification Form” to the assistant director of telecommunications and networking for each employee, as required in policy F-29, Communications Services. The assistant director of telecommunications and networking will communicate the taxable value of the university provided cell phone and wireless communication device to the Payroll Office.

## **2. Communication Allowance:**

The department may elect to provide a communication allowance to reimburse the employee for the projected cost of business related charges. The dollar amount of the cell phone allowance should cover ~~the employee's cell phone or wireless device,~~ the *estimated* business-related calls and a pro-rata portion of the monthly cost of the phone plan. Determination of the dollar amount of the allowance is made at the departmental level, but will be within guidelines and dollar limits established by the assistant director of telecommunications and networking. These levels are defined on the Communication Allowance Request Form. The communication allowance will be paid through payroll and will be considered taxable income. *The allowance does **not** constitute an increase to base pay and will not be included for percentage based pay increases or for retirement (TRS or ORP) calculations.*

The communication allowance is established by submitting a completed “Communication Allowance Request Form” to the Payroll Office. Departments should also keep a copy of the form on file for each approved allowance.

The employee is responsible for communicating the telephone number to the department. The employee may, at his or her own expense, add extra services or equipment features as desired.

## **3. Intermittent Use of Cell Phones for Business Purposes:**

*Some departments may provide cell phones on an intermittent basis to their employees. Intermittent basis is defined as more than one employee assigned use of the phone during the month. In these instances, NO personal use is permitted. Employees using these cell phones will be responsible for documenting all calls as business related. Employees must submit the documentation (phone logs) to*

*the department. Supervisors will be responsible for reviewing the documentation and insuring that employees reimburse the university for any personal calls made inadvertently. Reimbursements must be based on a pro-rata share of the monthly phone bill and made within 30 days of receipt of the telephone bills. These phone logs must be retained by the department and will be subject to audit. The controller's office must be notified when employees do not submit proper documentation. In these instances, the employee will be responsible for any tax liability associated with phone usage.*

**4. Infrequent Use of Cell Phones for Business Purposes:**

If infrequent business calls are made by an employee who does not receive a communication allowance or university-provided phone, departmental approval can be given to reimburse the employee for business calls that exceed personal wireless plan minutes.

Reimbursement of these calls will be made through accounts payable through normal procedures for reimbursement of business related expenses. Appropriate documentation, such as a copy of the wireless plan billing statement and the stated business purpose of the call, should be submitted to support the reimbursement. Any reimbursement of business related calls will not be taxable to the employee.

**Cross Reference:** Communication Services (F-29)

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

**Contact for Revision:** Controller, Assistant Director of Telecommunications and Networking

**Forms:** Communications Allowance Request Form, Cellular Telephone Request and Justification Form

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

**Original Implementation:** May 23, 1979

**Last Revision:** ~~April 30, 2002~~ January 29, 2008

~~Academic Department~~ 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 state employees.

~~Academic C~~chairs/directors 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/issue outside the normal working day.

~~Academic Department~~ 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 ~~the department~~ academic chairs/directors to assure that on going ~~departmental~~ academic unit obligations are met in ~~his/her~~ their absence. Vacation time is not accrued under an eleven-month appointment. Sick leave is earned according to the schedule for state employees. 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/issue outside the normal working day.

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

~~In general, the eleven-month contract shall be treated as an academic year appointment plus two summer months.~~

~~See also Departmental Administration policy, for details regarding responsibilities, selection and evaluation, and Chair Teaching Load Guidelines policy.~~

**Source of Authority:** Vice President for Academic Affairs

**Cross Reference:** *Departmental Administration, policy E-10A, and Chair Teaching Load, policy E-70A* None

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

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

**Forms:** None

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

**Original Implementation:** February 3, 2005

**Last Revision:** ~~None~~ January 29, 2008

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.
- 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.

**Source of Authority:** President

**Cross Reference:** None

**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)

## Copyrighted Works Reproduction (A-12)

**Original Implementation:** 1979

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

The copyright law (17 U.S.C. §§ 101-1332) affects everyone involved in photocopy reproduction and all types of reproduction and/or use of other's works. The following guidelines provide general copyright information useful to the academic community.

### I. Public Copy Machines

All public copy machines or public copy centers on campus must have a warning notice on or near each machine, which states that the responsibility for copyright infringement rests with the user. The use of printed copyright warnings transfers a portion of the responsibility for copyright compliance to the individual user. All employees who assist in making copies must comply with the fair use guidelines below. The law requires public copy machine users to follow these fair use guidelines

### II. General Fair Use Guidelines

1. Only the following copies may be made from copyrighted works:
2. A single copy of one or more chapters from a book, one or more articles from a periodical title, one or more short stories, essays, short poems, charts, graphs, diagrams, drawings, cartoons, or pictures, provided the amount of copying does not exceed 10% of the entire volume.
3. Copies in excess of this amount may be permissible in some circumstances under fair use. The following factors must be considered:
  - a. the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
  - b. the amount and substantiality of the portion used in relation to the copyrighted work as a whole;
  - c. the nature of the copyrighted work; and
  - d. the effect of the use upon the potential market for or value of the copyrighted work.
4. Refer to 17 U.S.C. 504 (c)(2) within the copyright law.
5. A single copy of an excerpt from a musical work, provided the excerpt is less than 10% of the entire work and is less than a performable unit, such as a section, movement or aria.
6. A single copy of an entire work, provided a copy cannot be obtained at a fair price.

### III. General Guidelines on Public Works

Free use of materials not protected by copyright is permitted for public works. The presence or absence of a copyright notice is no longer of significance in determining what is a protected copyright or a public work. Older works published without a notice may be in the public domain, but for works created after March 1, 1989, absence of a notice is non-determinative. The following guidelines may be used to determine what constitutes a public work.

1. Works that lack originality (e.g., phone book)
2. Works in the public domain (no longer protected by copyright)
3. Free ware (must be expressly stated)
4. U.S. Government works
5. Facts
6. Ideas, processes, methods, and systems described in copyrighted work that is not otherwise protected by patents

### IV. Special Library Guidelines

Libraries are authorized to exercise special rights in addition to fair use. These rights are described in Section 108 of the copyright law. They allow copying for archiving lost, stolen, damaged, or deteriorating works, making copies for library patrons, and making copies for other libraries' patrons (interlibrary loan). For works in the last 20 years of protection and not available at a reasonable price, more generous copying than indicated below may be performed provided the purpose of the copying is to support preservation, scholarship or research.

1. Copies made by library staff for patrons generally
  - a. All of the general fair use requirements listed above apply for patron copying.
  - b. Only single copies, and no multiple copies, will be made.
  - c. Copy requests exceeding these limitations must be refused.
2. Copies made by library staff for reserve and for a faculty member's classroom use
  - a. All of the general fair use requirements listed above apply for single or multiple copies.
  - b. Multiple copying may not exceed one copy per student, and may not be repeated with respect to the same item by the same instructor from term to term.
  - c. Copy requests exceeding these limitations must be refused.
3. Copies made by library staff for purposes of collection maintenance

A published work may be duplicated to replace a copy that is damaged, deteriorating, lost or stolen, provided that after a reasonable effort the library has determined that an unused replacement cannot be obtained at a fair price. An unpublished work may be duplicated for purposes of preservation or security or for deposit for research use in another library.

#### 4. Interlibrary loan copying

The library may annually acquire, through interlibrary loan, up to five copies of articles published in any title within the last five years. If a request exceeds the five articles permitted, the ~~Access Services~~ *Interlibrary Loan/Document Delivery Services* Department will apprise the patron of other options.

#### 5. Digitizing other's works in electronic reserves

- a. Limit reserve materials to single articles or chapters; several charts, graphs or illustrations; or other small parts of a work
  1. small part of materials required for the course
  2. copies of material a faculty member or the library already possesses legally (i.e., by purchase, license, fair use, interlibrary loan, etc.)
- b. Include
  1. any copyright notice on the original
  2. appropriate citations and attributions to the source
  3. a Section 108(f) (1) notice indicating that making a copy may be subject to copyright law.
- c. Limit access to students enrolled in the class and administrative staff as needed. Terminate access at end of class term.
- d. Obtain permission for repeated use of materials by the same instructor for the same class.

Section IV is concerned with copying that can be legally done without obtaining the copyright owner's permission. The library may not make copies in excess of the limits stated in the above sections without the permission of the copyright owner. It is the user's responsibility to obtain permission of the owner when such permission is needed. It is suggested that in requesting permission, the user state the purpose for the copying and the number of copies being requested. When the user presents evidence of the owner's permission, the library may copy within the limits of the permission statement.

#### V. Guidelines for Coursepacks

The General Fair Use Guidelines are applicable to coursepacks. Copyright notices, appropriate citations and attributions should be included. The faculty/staff member who compiles the coursepack 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 coursepack creator of liability, unless the above guidelines are followed or the copy shop pays appropriate royalties. Campus copy centers are not permitted to copy coursepacks, unless these guidelines are followed.

#### VI. Computer Software

Only explicitly stated freeware, not shareware or other licensed software, is allowed to be freely used without a license. Appropriate licenses must be obtained for all other software use. The software user is responsible for reading and complying with all "shrink wrapped" or other license agreements. Other university computer use policies shall also apply.

#### VII. Guidelines for Music

The university maintains some general licenses for copyrighted music use with BMI and ASCAP for specific use areas (e.g., College of Fine Arts, Student Activities, etc.). Beyond those areas, use of music must be licensed or specific permission obtained. General guidelines for copying music are outlined below.

1. Limit copying as follows:
  - a. sheet music, entire works: only for performances and only in emergencies
  - b. sheet music, performable units (movements, sections, arias, etc.); only if out of print
  - c. student performances, record only for teacher or institutional evaluation or student's portfolio
  - d. sound recordings: one copy for classroom or reserve room use
2. Include
  - a. any copyright notice on the original
  - b. appropriate citations and attributions to the source
  - c. a Section 108(f)(1) notice that making a copy may be subject to copyright law
3. Replace emergency copies with purchased originals if available

#### VIII. Performances and Displays in Face-to-Face Teaching and Broadcasts

Educational institutions and governmental agencies are authorized to publicly display and perform others' works in the course of face-to-face teaching activities, and to a limited degree, in broadcasts where there is a delayed transmission of faculty instruction. These rights are described in Sections 110 (1) and (2) of the copyright law.

#### IX. Performances and Displays in Distance Learning

Sections 110 (1) and (2) of the copyright law outlined in section VIII of this policy may not cover fair use of the performance of others' works in online course



materials. The guidelines below incorporate these basic rules: small parts, limited times, and limited access are the keys to fair use.

1. Incorporate performances of others' works
    - a. sparingly
    - b. only if a faculty member or the institution possesses a legal copy of the work
  2. Include
    - a. any copyrighted notice on the original
    - b. appropriate citations and attributions to the source
    - c. a Section 108(f)(1) notice that making a copy may be subject to copyright law
  3. Limit access to students enrolled in the class and administrative staff as needed. Terminate access at the end of the class term.
  4. Obtain permission for materials that will be used repeatedly by the same instructor for the same class.
- X. Digitizing and Using Images for Educational Purposes
- First and foremost, if an image is readily available online or for sale or license at a fair price, point to, purchase, or license the image. If an image is not readily available online or for sale or license at a fair price, digitize and use the image in accordance with the following limitations:
1. Limit access to all images except "thumbnails" to students enrolled in the class and administrative staff as needed. Terminate access at the end of class term
  2. "Thumbnails" are visual identification tools of a size and quality that makes them commercially useless. Since thumbnails are of no commercial value, fair use would permit their use without restriction.
  3. Faculty members may also use these images at peer conferences.
  4. Students may download, transmit and print out these images for personal study and for use in the preparation of academic course assignments and other requirements for degrees, may publicly display images in works prepared for course assignments, etc., and may keep works containing images in their portfolios.
  5. Periodically review digital availability. If a previously unavailable image becomes available online or for sale or license at a fair price, point to or acquire it.
- XI. Digitizing and Using Other's Works in Multimedia Materials For Educational Purposes
- The CONFU Fair Use Guidelines for Educational Multimedia suggest that fair use requires adherence to specific numerical portion limits, that copies of the multimedia work that includes the works of others should be strictly controlled,

and that fair use "expires" after 2 years. The following general guidelines acknowledge that these are important considerations, but that the CONFU numerical limits do not constitute the outer limits of fair use.

The guidelines below allow for the creation of unique works within the limitations provided, but not to make multiple copies and give them out. (Multimedia works which include the use of other's works and will be licensed, distributed or sold, must obtain appropriate permission from each applicable copyright holder.)

1. Students, faculty and staff may
  - a. incorporate other's works into a multimedia work
  - b. display and perform a multimedia work in connection with or creation of
    1. class assignments
    2. curriculum materials
    3. remote instruction
    4. examinations
    5. student portfolios
    6. professional symposia
2. Be conservative. Use only small amounts of other's works.
3. Provide appropriate acknowledgments to the work of others.
4. Do not make any unnecessary copies of the multimedia work.

## XII. Permission

In all circumstances other than the specific fair use guidelines described above, permission must be obtained from the copyright holder. Advance planning is important to purchase, license or otherwise obtain appropriate permission for use of copyrighted material.

## XIII. Personal Liability

Personal liability for copyright infringement can be created for willful acts. This policy has been formulated to provide specific guidance on the variety of circumstances where fair use is permissible. The copyright law provides a good faith fair use defense [17 USC 504 (c)(2)]. It applies only if the person who copied material reasonably believed that what he or she did was fair use. Adherence to this policy will help protect the SFA academic community from potential copyright liability.

Recent federal legislation entitled the No Electronic Theft (NET) Act creates criminal penalties for non-commercial copyright infringement of a sufficient dollar value. The academic community must be aware that distribution of pirated computer software or other copyrighted material on computer bulletin boards or other methods of distribution may constitute a federal crime, regardless of

whether or not the infringer receives any financial gain.

The Digital Millennium Copyright Act (DMCA) limits university liability as an internet service provider for certain copyright infringements created on-line. The university's registered agent for on-line copyright infringement complaints shall be the general counsel. The DMCA establishes procedures whereby, upon receipt of proper complaints, the University will block access to or take down allegedly infringing material and notify the web page owner of the complaint. The alleged infringer may issue a counter-notice, which includes a signature, description of removed material, explanation why the material did not infringe any copyright, and their name, address and phone number, with a consent to the jurisdiction of the court to be sued. Upon receipt of this counter-notice, the university shall re-post the material. Repeat infringers will be subject to termination of internet service by the university. See university policies, Computer and Network Security (D-8.1) and Digital Millennium Copyright Policy (D-428.2.)

Further information can be obtained by accessing the webpage of the U.S. Copyright Office within the Library of Congress at: <http://www.copyright.gov/>. You may also contact the university's general counsel with specific inquiries.

**Source of Authority**~~Cross Reference:~~ 17 U.S.C. Section 101 et seq.; NET Act Pub.L.No. 105-147; Digital Millenium Copyright Act, Pub.L.No. 105-304, 112 Stat. 2860, 2905 (October 28, 1998); CONFU Guidelines, ~~Vice President for Academic Affairs~~ *University Policies, Computer and Network Security D-8.1, and Digital Millennium Copyright Policy D-42*

~~Cross Reference~~**Responsible for Implementation:** ~~University Policies, Computer and Network Security D-8.1, and Digital Millennium Copyright Policy D-42~~ *Provost/Vice President for Academic Affairs*

**Contact for Revision:** Director of University Libraries, General Counsel

**Forms:** None

## Effort Reporting and Certification for Sponsored Activities (A-68) NEW

**Original Implementation:** January 29, 2008

**Last Revision:** None

This policy establishes requirements for recording and reporting employee effort to comply with federal and state laws and regulations [Office of Management and Budget Circular A-21 and Texas Uniform Grant Management Standards II (B)(11)(h)(1-5, 7)].

Effort reporting is a process that uses after-the-fact activity records to certify that only allowable payroll expenses are charged to or contributed (cost-shared or matched) to grants, contracts, and other sponsored agreements, and that effort commitments to sponsored agreements are met as specified in the agreement.

- A. Effort reports are required for faculty and staff who devote effort (paid or cost-shared) to one or more sponsored agreements that are funded by state or federal sponsors.
- B. Effort is defined as the amount of time spent on a particular activity and is not based on a traditional 40-hour work week. The total effort associated with institutional base salary is defined as 100% effort. This includes instruction, departmental administration, departmental research, sponsored projects, and other activities.

Effort expended for extra compensation, such as salary supplements, stipends, or additional compensation as defined in SFA Policy E-9, or for work not compensated by the university is not included in effort calculations.

- C. Effort reports should reasonably reflect the activities for which employees are compensated by the institution. However, in the use of any methods for apportioning salaries, it is recognized that, in an academic setting, teaching, research, service, and administration are often inextricably intermingled. Therefore, a precise assessment of factors that contribute to costs is not always feasible, nor is it expected. Reliance, therefore, is placed on estimates in which a degree of tolerance is appropriate [OMB A-21, J.10.b.(1).(c)].
- D. Tolerance is defined by the university as +/- five percent (5%) of the committed effort. Effort certification report adjustments may be required when: 1) certified effort does not match salary expenditures within the tolerance limit for the time period covered by the report; 2) there are payroll cost transfers; or 3) revised PARs are generated.
- E. Project directors (PDs) or principal investigators (PIs) are responsible for ensuring that effort certification reports are completed accurately and in a timely manner

for each individual subject to this policy and paid and or cost-shared from a grant, contract, or other state/federal sponsored agreement for which they serve as PD/PI.

To confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the period, reports will be signed by the employee, PD/PI, or other responsible person with suitable means of verification that the work was performed [OMB A-21, J.10.c.(2).(c)].

- F. Effort certification reports are generated for individuals by payroll when any portion of a salary is paid or cost-shared in a reporting period from state of Texas and/or federally sponsored accounts. Completed forms are returned to the controller's office for review, filing, and retention.
- G. Effort attributed to any state/federal sponsored agreement (grant, contract, or cooperative agreement) must represent work specific to the agreement. Intentional falsification, forgery, or fraudulent alteration of effort certification reports constitutes fraud. Criminal and/or employee discipline measures may be pursued.

Detailed procedures for effort reporting and certification; information on training; timelines for distribution, completion, and submission of effort reports; for modifications to salary charges based on variances between the estimated and actual effort; and for correction of effort reports are outlined in the Technical Assistance Manual published by the Office of Research and Sponsored Programs (ORSP).

**Cross Reference:** ORSP Technical Assistance Manual; Office of Management and Budget Circular A-21; Texas Uniform Grant Management Standards II (B)(11)(h)(1-5, 7); *SFA Policy E-9, Salary Supplements, Stipends and Additional Compensation.*

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

**Contact for Revision:** Director, Office of Research and Sponsored Programs; Controller

**Forms:** Effort Certification Reports for Faculty and Salaried Employees

## Employee Recruitment Plan (E-69)

**Original Implementation:** February 3, 2005

**Last Revision:** ~~None~~ January 29, 2008

Stephen F. Austin State University's recruitment plan has been developed in accordance with principles designed to assure equal access to employment opportunities. These principles outline the intent and goals of the university's plan.

Equal opportunity is the law of the land. In the public sector of our society this means that all persons, regardless of race, color, religion, sex, national origin, age or disability shall have equal access to positions in public service limited only by their ability to do the job.

Vigorous enforcement of the laws against discrimination is essential. Equally important are affirmative, voluntary efforts to assure that positions in the public service are genuinely and equally accessible to qualified persons, without regard to their sex, racial or ethnic characteristics.

Stephen F. Austin State University is committed to equal employment opportunities and strongly feels that increasing diversity should be a significant part of the hiring process. Employment discrimination and retaliation on the basis of race, color, national origin, sex, religion, age, mental or physical disability, shall be strictly prohibited.

It is the policy of the university to comply fully with all state and federal laws prohibiting employment discrimination and relevant court decisions interpreting those laws as it implements its recruitment plan.

The Texas Commission on Human Rights Act now codified in ~~Chapter 461 of the Texas Government Code~~ and Chapter 21 of the Texas Labor Code, passed the 68th Texas Legislature in Special Session, ~~was signed into law July 7, 1983, and went into effect on September 1, 1983~~ on June 26, 1983. Section 21.001 of the Texas Labor Code, includes the following general purpose of securing for Texans, including persons with disabilities, freedom from discrimination in certain employment transactions, in order to protect their personal dignity.

In keeping with the spirit of this general purpose of the Act, Stephen F. Austin State University affirms the following.

It shall be the public policy of Stephen F. Austin State University not to discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, and age or disability status. Further, the university shall take all

necessary steps to ensure the employment and promotion of otherwise qualified classes who may be underrepresented in the agency's workforce.

The university is committed to the principles of equal employment opportunity law and the spirit of equal access. Therefore, a written plan has been prepared to ensure that Stephen F. Austin State University's recruitment plan shall be properly implemented and no artificial barriers shall be intentionally or otherwise created to deny applicants or employees of the university's equal employment opportunities.

The plan document is available in the human resources office for review by university employees, applicants, and to the general public on request. ~~The Plan document is also available on the University's Internet Website: <http://www.sfasu.edu/personnel/>.~~

### **PROGRAM RESPONSIBILITIES**

Being a results-oriented program, Stephen F. Austin State University's recruitment plan shall have the support of the president, board of regents, and other management or supervisory personnel. Therefore, specific responsibilities shall be assigned and delegated to university management personnel to ensure that the necessary authority is available to implement the provisions of the plan.

The president shall have ongoing responsibility for establishing recruitment policies and monitoring the implementation of the recruitment plan through periodic program reports. Further, the president shall review annually for purposes of revision or modification the recruitment plan, workforce analysis, and personnel policy and procedural systems including, but not limited to, recruitment, selection, promotions, job descriptions, classifications, compensation, discipline, or other terms and conditions affecting the equal employment opportunities of applicants or employees because of race, color, national origin, religion, sex, age or disability status.

The director of human resources shall be designated as the recruitment/affirmative action officer for the university with the authority for administering the recruitment plan. It shall be the responsibility of the director of human resources to ensure that compliance with the university's recruitment/affirmation action policies are implemented in an efficient and effective manner. The director of human resources shall provide periodic progress reports to the president outlining recruitment plan accomplishments and provide the necessary information required by the president for purposes of the plan's annual review.

Specific procedures for the recruitment of faculty and staff can be found on the human resources website: <http://www.sfasu.edu/personnel/>  
<http://www2.sfasu.edu/personnel/employment.html>

## **PROGRAM GOALS**

1. To ensure objectivity, consistency, uniformity and job relatedness through design and implementation of appropriate personnel policy and procedural systems that affects the equal employment opportunities of the university's employees and applicants for employment.
2. To ensure objectivity, consistency, uniformity and job relatedness through design and implementation of appropriate personnel policy and procedural systems that affects the equal employment opportunities of the university's employees and applicants for employment.

## **MONITORING THE RECRUITMENT PLAN ACHIEVEMENT**

The director of human resources shall be responsible for administering Stephen F. Austin State University's recruitment plan and providing regular reports to the president. Utilizing such reports, the president shall monitor the implementation of the plan and identify any revisions necessary to assure effectiveness of the recruitment plan. Such reports may include the following:

- Annual Recruitment Plan/EEO Progress Report: This narrative report shall include an itemized summary of the program's achievements, progress and underutilization with accompanying recommendations.
- Annual Workforce Availability Analysis: The workforce availability analysis compares percentages of Caucasian Americans, African Americans, Hispanic Americans, females, and males within the statewide civilian workforce, by job category, to the percentages of Caucasian Americans, African Americans, Hispanic Americans, females, and males to the university's workforce and is to be prepared annually by the director of human resources. The director of human resources shall review new hire and workforce detail, as prescribed in Section 21.552 of the Texas Labor Code, to compile the legislative required Equal Employment Opportunity report. This report, along with the EEO-4 report comparing EEO and job categories, will provide a racial, ethnic, and gender profile of university personnel by job categories. These workforce profiles shall be compared to the available African Americans, Hispanic Americans, and females in the statewide civilian labor force to determine the exclusion or underutilization by each job category, as mandated by Section 21.501 of the Texas Labor Code. Any underutilization shall be noted and strategies for recruitment of qualified African Americans, Hispanic Americans, and females will be recommended to the president.
- Position Statistics Report: HR shall maintain data which lists applicants by protected class and referral source used. The Position Statistics report will indicate



class representation of the university's applicant pool and if any measures need to be taken to include new referral sources.

- University EEO Report: The human resources director shall maintain a report showing the university structure with employees by EEO job category to monitor the representation of classes within the university's labor force.

**Source of Authority:** President

**Cross Reference:** Affirmative Action Policy E-4

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

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

**Forms:** None

## Faculty Development Leaves (E-23A)

**Original Implementation:** April 26, 1983

**Last Revision:** ~~July 17, 2001~~ January 29, 2008

Traditionally, a respected and successful means of enhancing instruction and research in colleges and universities is the faculty developmental leave for additional study or for research and writing. In recognition of the importance of such a program, the Texas Legislature in 1967 adopted legislation permitting such leaves for qualified persons and set forth guidelines for the awarding of them. The policy and procedures set forth herein by the board of regents stipulate the conditions under which such leaves may be granted to members of the Stephen F. Austin State University (SFASU) faculty.

1. This policy applies to full-time ~~tenured or tenure-track~~ faculty or staff whose duties include teaching, research, administration, or the performance of professional services. The definition includes professional librarians but not classified employees.
2. ~~A~~Faculty members shall be eligible by reason of service for a developmental leave at such time as ~~he/she has~~*they have* served full time for at least three consecutive years, except for special circumstances, at ~~Stephen F. Austin State University~~*SFASU* in an academic position as defined above.
3. Not more than six percent of ~~SFASU~~ the faculty members of ~~Stephen F. Austin State University~~ may be on faculty developmental leave at any one time.
4. Upon application by ~~a~~*an eligible* faculty member, the board of regents may grant a developmental leave of absence for field observations, research, study, writing, or other ~~suitable purposes~~*scholarly/creative activities*, ~~provided that the applicant is eligible by reason of service, that the purpose for which he/she seeks the leave is one for which such a leave may be granted, and that the granting of the leave will not result in there being awarded a number of such leaves in excess of the limit imposed by law.~~
5. 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 ~~eight~~ elected, full-time faculty members, one from each academic college and ~~one from~~ the library. The term of election shall be for two years. Terms shall be staggered. The college ~~d~~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.
6. An applicant for a developmental leave must provide adequate evidence that the leave activity can be *appropriately* completed. ~~Such evidence may be (1) acceptance for admission to another institution of higher education for additional study or (2) assurance of accessibility to research materials.~~
7. 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. ~~half academic year at full~~

- ~~salary or for a full academic year at one-half 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. ~~A~~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, ~~he/she/they~~ may not accept employment from any other person, corporation, or governmental agency, unless the board of regents determines that it would be in the public interest to do so and expressly approves the employment. An accounting of all ~~grants-leave funds~~ shall be made by ~~the~~ faculty members to the board of regents 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. A faculty member on developmental leave shall continue to be a member of the Teacher Retirement System of Texas or of the Optional Retirement Program of the University or both.~~
  - ~~11.~~10. The university shall cause to be deducted from the salary of a faculty members on developmental leave the deposit and membership dues required to be paid by ~~him/her/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.
  - ~~12.~~11. ~~A~~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.
  - ~~13.~~12. The recipient of a developmental leave shall be ineligible to receive another until after the expiration of four years following the leave.
  - ~~14.~~13. ~~The recipient~~Recipients of a *faculty* developmental leaves must guarantee the university that ~~he/she/they~~ will return to ~~his/her/their~~ regular duties or others that might be assigned for a period of at least one year following the expiration of the ~~grant/leave~~, provided that ~~he/she/they~~ are offered a contract by the university.
  - ~~15.~~14. ~~A~~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.
  - ~~16.~~15. Within ninety days following completion of a *faculty development* leave, each ~~applicant-recipient~~ will present to the ~~academic~~Department Chair/chair/director, ~~Dean~~dean, and *provost and* vice president a brief written report on the activities and accomplishments resulting from the leave. ~~Eligibility starting date for succeeding faculty development leave (referenced in number 13 above) begins with the delivery of the report of accomplishments to the department chair.~~

**Source of Authority:** ~~Texas Education Code, sec. 51.101; Board of Regents; President;~~  
~~Provost and Vice President for Academic Affairs~~

**Cross Reference:** Faculty Handbook; *Texas Education Code, sec. 51.101*

*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*~~None~~

## Faculty Search (E-24A)

**Original Implementation:** Unpublished

**Last Revision:** April 30, 2002/January 29, 2008

Conducting searches to recruit faculty is an important and time-consuming task. It is essential that search committees and university administrators be informed and sensitive to equal opportunity and affirmative action guidelines. The following steps have been established to ensure informed search procedures and to facilitate the search process. ~~Following the procedures outlined, there is additional information pertinent to searches and current samples of forms referenced in the document.~~

### Position Analysis Request

~~The analysis of the type of position needed by the department should provide opportunity for all faculty to have input. Following adequate discussion of the type of desired position, the academic department chair/director will submit the a request for the a desired position to the dean along with a position justification. Upon the dean's approval of the request, it will be forwarded to the provost and vice president of academic affairs for consideration. Once the position has received full approval, a formal search can begin, who will request permission to fill the position from the Vice President for Academic Affairs.~~

### Selection of the Search Committee

The search process begins with the establishment of a Search Committee under the guidance of the ~~academic department chair/director~~. Procedures for appointing search committees may vary among ~~departments~~ academic units, but should adhere to ~~and follow the written guidelines established by the department and must follow the policies of Stephen F. Austin State current university policies and procedures.~~

### Search Committee Responsibilities

#### ~~7.1. General Responsibilities~~

The Search Committee has the responsibility of overseeing the entire recruitment process, working in close agreement with the ~~academic department chair/director~~. The Search Committee will be responsible for developing an appropriate position description, advertising the position, initial screening of candidates, and arranging interviews for candidates invited to campus. The committee is also responsible for seeing that procedures are followed to assure that all candidates are given fair and full consideration for the position.

#### ~~1. Position Description~~

- ~~1. The Search Committee is charged with recommending a detailed job description, using input from the departmental faculty and the department chair, that is to be used in advertisements and in screening of candidates who apply for the position.~~

2. Once the position description is developed, it should be attached to the Department Notice of Vacancy Form and approved by the department chair, the dean, the Vice President for Academic Affairs, the Director of Public Affairs, the Director of Financial Services, the President, and the Director of Human Resources using an Administrative Route Slip.

## II. Advertisement

1. Upon receipt of a copy of the returned signed Administrative Route Slip, the search committee now has the authority to proceed with public announcements and advertisements. Advertising copy must be approved by the Director of Public Affairs. All advertisements, letters, phone calls, listing placements and other communications must be recorded and a complete record kept for future audit of each position.
2. Suggestions for additional advertisements and mail outs may be made by the offices of the dean, Vice President for Academic Affairs, President and/or Human Resources.
3. Each individual who submits an application for the position must be sent a copy of the Voluntary Affirmative Action Information Survey. It is the decision of the applicant as to whether or not he/she returns the form, but it is mandatory that the form be sent

## III. Initial Screening

1. The Search Committee is responsible for the initial screening of the applicants. If an application is not accepted, the rejected application must include a summary statement listing the reason(s) the application was not accepted. Approved Reasons for Non-Selection of Candidates lists examples of acceptable reasons for rejection (list found in Personnel Selection Procedures). The Committee is not limited to those reasons listed.
2. After the initial screening is completed, those applicants who were eliminated must be notified that they will no longer be considered. Those applicants who are still under consideration must also be informed.
3. For those applicants who are to be continued in the search process, the following is suggested:
  1. A comprehensive reference check should be conducted on each semi-finalist.
  2. The Search Committee reviews the candidates, ranks them, and recommends the number to invite to campus.
  3. The Search Committee Chair and the department chair review applicants and decide the number of candidates to bring to campus. The department chair will review applicants' folders with the dean who, in turn, will consult with the Academic Vice President. The dean will then approve or modify the number and inform the chairs.
  4. Once the number is agreed upon, the Search Committee recommends to the department chair the names of the desired candidates to be invited to campus for interviews.

## IV. Interviewing

1. The Search Committee is responsible for the interview process. There is some flexibility in this area but interviews must be conducted in accordance with

~~the Personnel Selection Procedures for Faculty and Staff. The final selection process must be consistent from candidate to candidate within the same department.~~

- ~~2. When the finalists have been determined, the interview itinerary (dates for campus visits, groups and individuals to meet with the candidates, etc.) is developed by the Search Chair/Committee and reviewed by the department chair. The Search Chair assumes responsibility for invitations and scheduling of interviews.~~
- ~~3. After the finalists have been brought to campus, the department chair will obtain evaluations from the appropriate groups and individuals other than the search committee.~~
- ~~4. The Search Committee will submit the names of acceptable candidates for the position to the department chair. The Search Committee may rank the finalists at the request of the department chair.~~

#### ~~V. Other Duties~~

- ~~1. The Search Committee is responsible for completing the Affirmative Action Summary Report.~~
- ~~2. The Search Committee completes its task by reporting to the Director of Human Resources the following information, supported by appropriate documentation:~~
  - ~~1. A copy of the position description for the specified search must be included with the Search Committee records.~~
  - ~~2. Delineate the procedures used for advertising the position, identifying the qualified applicants and making the final selection. This narrative should include the minutes of the search committee as documentation.~~
  - ~~3. Include in the records a copy of all job vacancy announcements, postings, letters, a list of all individuals and institutions receiving notices, and a listing of all phone calls (with dates).~~
  - ~~4. Also included in committee records should be copies of applications and attachments on all persons who applied for the position. State whether the position was offered to applicants other than the successful applicant, to whom offered, why offered to that particular applicant and the outcome of the offer~~
  - ~~5. The records of the Search Committee must also include a statement as to why each unsuccessful applicant was not chosen for the position.~~

#### Selection of the Successful Candidate

- ~~I. When a decision has been made to offer the position to a finalist, the department chair obtains the appropriate approvals from the academic Dean and the Vice President for Academic Affairs and presents the offer, pending final approval by the Board of Regents.~~
- ~~II. When acceptance is received, the appointment package should be assembled as soon as possible and should contain the items listed below:~~
  - ~~1. a Personnel Action Request (PAR) form~~
  - ~~2. an Administrative Approval form~~

3. ~~an Affirmative Action Review form~~
  4. ~~Narrative Reasons for Selection of Successful Candidate~~
  5. ~~Official copies of all undergraduate and graduate transcripts~~
  6. ~~Recommendation for Appointment form~~
  7. ~~Resume' or curriculum vita~~
  8. ~~Letters of recommendation (if required in application process)~~
  9. ~~Faculty Information form~~
  10. ~~Other documents as may be required. Contact Human Resources.~~
- III. ~~The dean signifies his approval and forwards the package to Human Resources for approval and subsequent action of the Vice President for Academic Affairs, the Vice President for Business Affairs, the President and the Board of Regents.~~
- IV. ~~When the search is completed, all application folders and search files are to be kept for a period of two years and one day from the end of the search, by the department/division.~~
- V. ~~Authorization for U.S. Employment~~  
~~All candidates must be able to prove U.S. work authorization by producing documentation as required by the U.S. Department of Justice.~~
- VI. ~~Criminal History~~  
~~All faculty positions are defined as "security sensitive" positions. As a result, SFA will conduct a criminal history check of the selected candidate following the candidate's acceptance of an offer of employment.~~
- VII. ~~Internal Candidates~~
1. ~~Internal candidates present a special set of circumstances that may require additional attention by the Search Committee. Internal candidates should be reviewed by the Search Committee and informed of the search process in the same manner as other candidates.~~
  2. ~~If internal candidates are among the pool of applicants, the Search Chair/Committee is encouraged to anticipate any special problems and circumstances in scheduling interviews and informing candidates of their status.~~
  3. ~~If problems or questions arise in handling internal candidates, the department chair, dean and Vice President for Academic Affairs are available as resource people.~~

#### Funds For Recruitment

~~Expenses~~ *All expenses incurred during the search are generally to be borne by the academic unit* ~~department~~ *conducting the search with possible additional funds coming from other sources. This includes the costs associated with advertisement, correspondence, interviews and all other normal expenses.*

**Source of Authority:** ~~U.S. Constitution, Amendment XIV; 8 U.S.C. sec. 1324a et seq.; 20 U.S.C. sec. 1681 et seq.; 29 U.S.C. sec. 206, sec 621 et seq.; 29 U.S.C. secs. 793 and~~



~~794; U.S.C. sec. 1500 et seq.; 42 U.S.C. sec. 2000d et seq., sec. 2000e et seq., sec. 6101 et seq.; Texas Civil Practice and Remedies Code Chapter 106; Texas Human Resources Code sec. 121.001 et seq.; V.T.C.S. art. 4413(31) and art. 5221K; Texas Constitution Article I, sec. 3a; General Appropriations Act; President; Vice President for Academic Affairs~~

**Cross Reference:** Human Resources Selection Procedures for Faculty and Staff; *U.S. Constitution, Amendment XIV*; 8 *U.S.C. sec. 1324a et seq.*; 20 *U.S.C. sec. 1681 et seq.*; 29 *U.S.C. sec. 206, sec 621 et seq.*; 29 *U.S.C. secs. 793 and 794*; 42 *U.S.C. sec. 2000d et seq., sec. 2000e et seq., sec. 6101 et seq.*; *Texas Civil Practice and Remedies Code Chapter 106*; *Texas Human Resources Code sec. 121.001 et seq.*; *V.T.C.S. art. 4413(31)*; *Texas Labor Code, Chapter 21*; *Texas Constitution Article I, sec. 3a*; *General Appropriations Act*

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

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

**Forms:** See ~~Personnel~~ *Human Resources* for Selection Procedures for Faculty and Staff

## Fair Labor Standards (E-70)

**Original Implementation:** February 3, 2005

**Last Revision:** ~~None~~ January 29, 2008

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

SFASU 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 SFASU Policy and Procedure Manual: Overtime and Additional Compensation (E-36) for more information.

### DEDUCTIONS TO PAY FOR EXEMPT EMPLOYEES

A. 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 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 prohibit 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 believe that an improper deduction has

been made to your salary, you should immediately report this information to your 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

B. 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.

C. 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

A. 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.

B. 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.

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

## APPEAL PROCESS

If you feel 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.

**Source of Authority:** ~~Fair Labor Standards Act~~

**Cross Reference:** 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

## Hiring of Non-Academic Personnel (E-27N)

**Original Implementation:** Unpublished

**Last Revision:** ~~October 14, 2004~~ January 29, 2008

### General Employment Regulations

In hiring university personnel, departments should use the following guidelines.

1. Equal Employment Opportunity. The university's policy is to employ the best qualified applicants. In no instance shall an officer or employee base the decision to hire, to promote, to discharge, to demote, to grant or to withhold employee benefits from any qualified individual on any criteria other than ability, training, experience, and performance.
1. Selective Service Registration. All offers of employment are contingent upon the applicant presenting proof that they have complied with the federal law requiring selective service registration unless they are exempt.
1. Authority to Hire. Employment openings, for classified positions, requiring services of a person who is not a student of Stephen F. Austin State University, shall be listed on a "Classified Position Personnel Requisition" form. The form is initiated by the department head seeking to fill the position, accompanied by ~~a memo of justification~~ *an approved job description*, through channels to the appropriate vice president and/or president. Non-classified (administrative/professional) positions shall be listed on a "Department Notice of Vacancy Form." The form is initiated by the department or the chair of the search committee, *accompanied by an approved job description*, and routed through channels to the appropriate vice president and/or president. Upon approval of the president, the signed forms are ~~returned to the appropriate vice president for routing~~ *routed* to human resources. ~~Requisitions for non-classified personnel must be accompanied by a signed "Administrative Route Slip" upon submission to Human Resources.~~
2. Listing of Employment Openings. Before the employing department recommends appointment of a candidate, classified positions shall be listed a minimum of five working days and non-classified (administrative/professional) positions a minimum of ten working days.
3. Advertising of Employment Openings. Employment advertisements by any university department or official must contain the following statement: "An Equal Opportunity Employer" and must be approved in advance by the ~~Director of Public Affairs~~ *executive director of marketing*. ~~In addition, employment advertisements for non-classified (administrative/professional) positions must be approved by the~~

~~Director of Human Resources. Employment advertisements for classified positions shall be available in Human Resources.~~ Human resources will list *all faculty and staff* openings with the local State Employment Office and such other agencies as may be appropriate. Any department or search committee electing to post vacancy notices on the Internet, must include the EEO notice as a part of the posting.

4. Employment of ~~Aliens~~ Aliens. The university shall abide by regulations of the U.S. Immigration and Naturalization Service. In compliance with the 1986 Federal Immigration and Naturalization Law, all employees hired after November 1, 1986, must complete Form I-9 within 3 days of employment after which the form becomes a part of the individual's personnel record.
5. Offers of Employment. All offers of employment may be withdrawn based on the board of regents non-approval, failure to fulfill requirements, or for other cause.

**Source of Authority:** ~~42 U.S.C., sec. 1601 et seq.; 8 U.S.C., sec. 1324a et seq.;~~  
President; Vice President for Business Affairs

**Cross Reference:** ~~None~~ 42 U.S.C., sec. 2000e et seq.; 8 U.S.C., sec. 1324a et seq.

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

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

**Forms:** Classified Position Personnel Requisition, Department Notice of Vacancy Form (both available in ~~online Human Resources~~); Administrative Route Slip (available in University Printing Services)

## Illicit Drugs and Alcohol Abuse (D-19)

**Original Implementation:** September 1, 1986

**Last Revision:** ~~October 30, 2007~~ January 29, 2008

It is the declared policy of the United States government to create a drug-free America by 1995. As a part of that policy, the Drug-Free Workplace Act of 1988, P.L. 100-690, Subtitle D was adopted. On December 12, 1989, President Bush signed the Drug-Free Schools and Communities Act Amendment of 1989, P.L. 101-226, which amends provisions of the Drug-Free Schools and Communities Act of 1986 and the Higher Education Act of 1965. University policies relating to the use of illegal drugs and alcoholic beverages have been established by the board of regents of Stephen F. Austin State University in compliance with state and federal law.

### ***Definitions***

1. *Controlled substance means a controlled substance in schedules I through V of section 812 of the Controlled Substances Act, 21 U.S.C. 812. Examples include, but are not limited to: heroin, marihuana, mescaline, peyote, and cocaine. This definition does not include medication prescribed by a physician.*
2. *Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statutes.*
3. *Criminal drug statute means a criminal statute involving manufacture, distribution, dispensation, use, or possession of any controlled substance.*
4. *Federal agency means an agency as that term is defined in section 55 1(1) of Title 5, United States Code.*

### **Standards of Conduct**

It is the university's policy that all members of the university community and guests are required to comply with federal, state, and local laws regarding the possession, consumption, and distribution of alcoholic beverages.

University policy prohibits all employees (full-time and part-time faculty, staff, and students) from engaging in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance or alcoholic beverage in the workplace, or reporting to work under the influence of alcoholic beverages or illegal drugs. None of the funds appropriated to the university by the state legislature for travel expenses may be expended for alcoholic beverages.



University policy further stipulates that the unauthorized use of intoxicating beverages on university controlled property or at university sponsored activities, including, but not limited to, intercollegiate and intramural athletic events is prohibited. Alcoholic beverages are not permitted in university residence halls. With regard to student apartments, alcohol is permitted in apartments only for individuals 21 years of age or older.

Alcoholic beverages will be permitted for authorized university sponsored or co-sponsored events on university controlled property only as follows:

Lumberjack Alley tailgate events (must cease 30 minutes prior to the game);

Homer Bryce Stadium Pressbox (only if catered or sold through a licensed vendor);

Opera House Downtown Art Gallery (only beer and wine may be served for events approved in advance by the dean of fine arts);

President's House (both interior and exterior).

In all cases, possession or use of alcohol must be in full compliance with applicable state laws including the Texas Alcoholic Beverage Code. Nothing herein shall be taken as an assumption of risk or responsibility on the part of the board of regents, the university or its employees for any injuries or damages, whatever kind, resulting from any person's possession or use of alcohol, whether such use is legal or illegal. The only university funds which may be used to purchase alcohol are approved discretionary accounts. Under no circumstances will appropriated funds, funds under the control of the athletics department, or funds generated by research grants and contracts be used to purchase alcohol. Texas Government Code, § 2113.012 prohibits use of appropriated funds to compensate an officer or employee who uses alcoholic beverages on active duty; therefore, alcoholic beverages may not be served at official functions between 8 a.m. and 5 p.m., Monday through Friday.

It is the policy of Stephen F. Austin State University that any unlawful manufacture, possession or delivery of any controlled substance or illegal drug is strictly prohibited. Moreover, it is the policy of the state of Texas and of this university that this institution will be as free of illegal drugs as it can possibly be.

### Health Risks

### ALCOHOL ABUSE

Alcohol is a primary and continuous depressant of the central nervous system. Impairment of judgment and of recently learned, complex and finely tuned skills begins to occur at blood alcohol concentrations as low as 0.025 percent. These impairments are followed by the loss of more primitive skills and functions, such as gross motor control and orientation at concentrations in excess of 0.05 percent. Alcohol in moderate doses impairs nearly every aspect of information processing, including the ability to abstract and conceptualize, the ability to use large numbers of situational cues presented simultaneously, and the cognitive ability to determine meaning from incoming information. Alcohol consumption can therefore promote action on impulse without full appreciation of, or concern about, the potential negative consequences of such action. Chronic long-term effects of heavy drinking over a period of years can result in brain damage, cancer of the mouth, esophagus or stomach, heart disease, liver damage resulting in cirrhosis, alcoholic hepatitis, and cancer of the liver, peptic ulcer disease and possible damage of the adrenal and pituitary glands. Prolonged, excessive drinking can shorten life-span by 10-12 years.

## ILLICIT DRUGS

Illicit drugs include narcotics, such as heroin or morphine; depressants, such as barbiturates, Quaaludes, or valium; stimulants, such as cocaine or "crack"; hallucinogens, such as PCP, LSD or mescaline; cannabis, such as marijuana or hashish; inhalants, such as nitrous oxide, amyl nitrite (poppers) or various hydrocarbon solvents; and designer drugs, such as China White, methamphetamine (Ecstasy) or meperidine (Demerol).

Narcotics. Narcotics initially produce a feeling of euphoria that is often followed by drowsiness, nausea and vomiting. Tolerance may develop rapidly and dependence is likely. The use of contaminated syringes may result in diseases such as AIDS, endocarditis (inflammation of the lining of the heart) and hepatitis.

Depressants. The effects of depressants are in many ways similar to the effects of alcohol. Small amounts can produce calmness and relaxed muscles, but a somewhat larger dose can cause slurred speech, ataxia or unstable gait and altered perception. Very large doses can cause respiratory depression, coma and death. The combination of depressants and alcohol can multiply the effects of the drugs, thereby multiplying the risks. The use of depressants can cause both physical and psychological dependence.

Stimulants. Cocaine stimulates the central nervous system. Its immediate effects include dilated pupils; elevated blood pressure, heart and respiratory rate; and body temperature. Occasional use can cause a stuffy or runny nose, while chronic use can ulcerate the mucous membrane of the nose with long-term use eroding the nasal septum. The injection of cocaine with unsterile equipment can cause AIDS, hepatitis and other diseases. Preparation of freebase, which involves the use of volatile solvents, can result in

death or injury from fire or explosion. Cocaine can produce psychological and physical dependency. In addition, tolerance develops rapidly. Crack or freebase rock is extremely addictive. The physical effects include dilated pupils, increased pulse rate, elevated blood pressure, insomnia, loss of appetite, tactile hallucinations, paranoia and seizures. Overdoses occur easily.

Hallucinogens. Phencyclidine (PCP) users frequently report a sense of distance and estrangement. Time and body movement are slowed down. Muscular coordination worsens and senses are dulled. Speech is blocked and incoherent. Chronic PCP users report persistent memory problems and speech difficulties. Mood disorders, such as depression, anxiety and violent behavior, may also occur. In late stages of chronic use, users often exhibit paranoid and violent behavior and experience hallucinations. Large doses may produce convulsions and coma, heart failure, lung problems and/or ruptured blood vessels in the brain. Lysergic acid (LSD), mescaline and psilocybin cause illusions and hallucinations. The physical effects may include dilated pupils, elevated body temperature, increased heart rate and blood pressure, loss of appetite, sleeplessness and tremors. Sensations and feelings may change rapidly. It is common to have a bad psychological reaction to LSD, mescaline and psilocybin. The user may experience panic, confusion, suspicion, anxiety and loss of control. Delayed effects or flashbacks can occur even after use has ceased.

Inhalants. The chemicals in most inhalants are rapidly absorbed in the lungs and exert their central nervous system effects within seconds, producing an altered mental state for about five to fifteen minutes. Immediate effects of inhalants include nausea, sneezing, coughing, nose bleeds, fatigue, lack of coordination and loss of appetite. Solvents and aerosol sprays can decrease the heart and respiratory rates and impair judgment. Amyl and butyl nitrite can cause rapid pulse, headaches and involuntary passing of urine and feces. Inhalation of toluene as well as other hydrocarbons has been associated with kidney and liver damage, peripheral nerve problems, convulsions, encephalopathy (organic brain damage) and other central nervous system disorders. Sudden death associated with both glue sniffing and especially the inhalation of aerosols containing halogenated hydrocarbons (Freon) has been reported and is thought to be secondary to cardiac arrhythmias (abnormal electrical conduction patterns in the heart).

Marijuana. The short term effects of marijuana include distortion of time perception, increased heart rate, dilation of blood vessels and loss of short-term memory. Also decreased are visual perception and psychomotor skills, which have adverse effects on driving ability. The effects of long-term use include loss of motivation, chronic bronchitis, decreased vital lung capacity and an increased risk of lung cancer. Tolerance and psychological dependence do develop with marijuana.

**Designer Drugs.** Designer drugs are synthetic chemical modifications of older drugs of abuse that are designed and manufactured in covert laboratories and sold at great profit for recreational use. These drugs can be several hundred to several thousand times stronger than the drugs they are designed to imitate. Designer drugs similar to opiates include fentanyl, demerol, and "china white." The narcotic analogs of designer drugs can cause symptoms such as those seen in Parkinson's disease - uncontrollable tremors, drooling, impaired speech, paralysis, and irreversible brain damage. Analogs of amphetamines and methamphetamines cause nausea, blurred vision, chills or sweating and faintness. Psychological effects include anxiety, depression, and paranoia. Withdrawal problems include sweating, diarrhea, fever, insomnia, irritability, nausea and vomiting and muscle and joint pain.

## University Penalties

### STUDENTS

Any student who is determined through the regular disciplinary procedures of the university, to have violated the policy on the use of illicit drugs will be suspended from the university for no more than two years and no less than the remainder of the current semester. At the discretion of the vice president for university affairs, a student suspended under this policy may, under certain conditions, remain enrolled at the university on disciplinary probation. These conditions can include substance abuse evaluation, treatment, and/or counseling. Any cost for services or treatment not offered as a student service on campus will be the responsibility of the student.

University sanctions imposed for alcohol possession or consumption can include progressive levels of probation leading to suspension for multiple offenses, attendance at an alcohol education class offered by the university, community service, substance abuse evaluation, treatment, and/or counseling. Any cost for services or treatment not offered as a student service on campus will be the responsibility of the student.

### EMPLOYEES

*The university prohibits all employees (full-time and part-time faculty, staff, and students) from engaging in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance or alcoholic beverage in the workplace, or reporting to work under the influence of alcoholic beverages or illegal drugs. None of the funds appropriated to the university by the state legislature for travel expenses may be expended for alcoholic beverages.*

*Observance of this policy is a condition of employment for all employees of the university.*

*An employee violating this policy shall:*

- 1. be subject to employment discipline up to and including termination; or*
- 2. be required to undergo satisfactory participation in a drug abuse assistance or rehabilitation program, such as the Employee Assistance Program of the university.*

Observance of the policy regarding alcoholic beverages and illegal drugs is a condition of employment for all university employees. An employee violating this policy shall be subject to employment discipline up to and including termination, or shall be required to undergo satisfactory participation in a drug abuse assistance or rehabilitation program.

Any employee directly engaged in the performance of work pursuant to the provision of a federal grant or contract who is convicted of violating a criminal drug statute shall notify his/her immediate supervisor of the conviction no later than five days after the conviction. The immediate supervisor shall promptly report the conviction to the appropriate vice president and the director of research services. On behalf of the university, the director of research services shall notify the federal agency grantor or contractor of the conviction within ten days of the University's receipt of notice from the employee or of receipt of other actual notice.

#### ***Good Faith Effort***

*Stephen F. Austin State University shall make a good faith effort to maintain a drug-free workplace by implementing and enforcing this policy. The university shall also comply with United States Department of Transportation regulations regarding drug testing of drivers with a commercial driver's license.*

State and Federal Penalties**Federal Law**

<b><u>Offense</u></b>	<b><u>Minimum Punishment</u></b>	<b><u>Maximum Punishment</u></b>
Manufacture, distribution or dispensing drugs (includes marijuana)	A term of imprisonment not more than 20 years, and a minimum fine of \$1,000,000	A term of life imprisonment without release (no eligibility for parole) and a fine not to exceed \$4,000,000 (for an individual) or \$20,000,000 (if other than an individual)
Possession of drugs (including marijuana)	Civil penalty in amount not to exceed \$10,000	Imprisonment for not more than 20 years or not less than 5 years, a fine of not less than \$5,000 plus costs of investigation and prosecution
Operation of a common carrier under the influence of alcohol or drugs		Imprisonment for up to 15 years and a fine not to exceed \$250,000

**Texas Law**

<b><u>Offense</u></b>	<b><u>Minimum Punishment</u></b>	<b><u>Maximum Punishment</u></b>
Manufacture or delivery of controlled substances (drugs)	Confinement in the Texas Department of Criminal Justice State Jail facility for a term of not more than 2 years or less 180 days, or confinement in a community correctional facility for not more than 1 year, and a fine not to exceed \$10,000	Confinement in TDCJ for life or for a term of not more than 99 years or less than 15 years, and a fine not to exceed \$250,000
Possession of controlled substances (drugs)	Confinement in jail for a term of not more than 180 days, and a fine not to exceed \$2,000	Confinement in TDCJ for life or for a term of not more than 99 years or less than 15 years, and a fine not to exceed \$250,000
Delivery of marijuana	Confinement in jail for a term of not more than 180 days, and a fine not to exceed \$2,000	Confinement in TDCJ for life or for a term of not more than 99 years or less than 15 years, and a fine not to exceed \$50,000
Possession of marijuana	Confinement in jail for a term of not more than 180 days, and a fine not to exceed \$2,000	Confinement in jail for a term of not more than 2 years or less than 30 days, or confinement in TDCJ for a term of not more than 10 years or less than 2 years and a fine of not more than \$10,000

Driving while intoxicated (includes intoxication from alcohol, drugs, or both)	Confinement in jail for a term of not more than two years or less than 72 hours, and a fine of not more than \$2,000, possible loss of driver's license and license surcharge up to \$2,000 per year for 3 years.	Confinement in jail for a term of not more than two years or less than 30 days, or confinement in TDCJ for a term of not more than ten years or less than two years and a fine of not more than \$10,000
Public intoxication		A fine not to exceed \$500
Purchase <u>or</u> consumption <u>or</u> possession of alcohol by a minor	Fine of not more than \$500	For a subsequent offense a fine of not less than \$250 nor more than \$2000
Sale of alcohol or furnishing alcohol to a minor	Fine of up to \$4,000 and/or up to 1 year in jail	Both
Driving under the influence of alcohol by a minor	Fine of not more then \$500 and community service related to education about or prevention of misuse of alcohol.	A fine of not less than \$500 or more than \$2,000, confinement in jail not to exceed 180 days and/or both; community service related to education about or prevention of misuse of alcohol.

### Counseling, Treatment and Rehabilitation

#### STUDENTS

Stephen F. Austin State University, through the counseling services office, provides alcohol/drug abuse prevention service which is available to all students. Services include assistance in abstaining from the use of chemical substances, early intervention when chemical abuse is detected, and referral to a campus support system and/or a community referral for inpatient/outpatient services not available on campus. Medical counseling and printed information on chemical dependency are available through University Health Services, the campus student health facility. Students may seek individual counseling or request printed information at either campus location.

Prevention/Education. The objectives of this element of the assistance program are to: increase awareness of the students, faculty, and staff concerning the psychological and health risks associated with chemical use; provide information to students regarding a variety of wellness issues which promote successful college adjustment; and, orient students, faculty and staff to the services available through the assistance program. Presentations are available to student groups on a variety of topics including alcohol and substance abuse, adult children of alcoholics, assertiveness skills, stress and time management, self-esteem and related issues. A group representative should contact the

counseling services office to schedule a presentation. The assistance program also offers an Alcohol Awareness Workshop. The workshop provides basic information, tools for self-assessment, information on university and state regulations, and an orientation to the assistance program. Students may request to attend the workshop or be referred by the judicial officer.

**Referral/Assessment.** Any SFA student requiring information about, or assistance with, a chemical abuse problem may be referred to the assistance program. A student may initiate a self-referral by contacting the counseling office; university faculty and staff may initiate a student referral. Participation by a student is voluntary, except when mandated by the judicial officer. A counselor conducts an assessment interview on the student's initial visit and provides the student with details regarding confidentiality and record keeping requirements. The counselor informs the student of alternatives and makes recommendations based on the student's needs.

**Campus Support System.** Counseling services serves as a link between the individual student and support groups which are available for chemical dependency, adult children of alcoholics and victims of sexual abuse. Support groups function under guidelines established by counseling services.

**Community Referral.** Services for chemical dependency are available in the Nacogdoches community and include: private practitioners offering individual counseling or intellectual/psychological assessment; self-help groups such as Alcoholics Anonymous and Narcotics Anonymous; and, inpatient/outpatient treatment.

## EMPLOYEES

University employees with supervisory responsibilities should be cognizant of employee behavior related to unacceptable job performance which may result from drug or alcohol abuse. Any decision to initiate employee counseling or a referral to personnel services should be based on the employee's unacceptable job performance. Employee counseling, referral and related record keeping should be conducted with the degree of care and confidentiality appropriate to such personnel matters. Alcohol and drug abuse seminars are among the services provided cost-free to university employees. Other services for employees with a chemical dependency are available in the community, including private practitioners offering individual counseling, self-help groups such as Alcoholics Anonymous and Narcotics Anonymous, and inpatient/outpatient treatment at various health care facilities.

It is the intent of Stephen F. Austin State University to continue to strive for a drug-free campus and to comply with state and federal regulations regarding prevention programs established to eliminate the illegal use of drugs and alcohol abuse. To this end, Stephen F.



Austin State University will provide annually to each student and employee a copy of this drug and alcohol abuse prevention program. In addition, the university will conduct a biennial review of this program implemented to provide a learning and working environment free of drug and alcohol use. The purposes of the biennial review will be to: 1) determine the effectiveness of the program and implement needed changes; and 2) ensure that the sanctions included in the program are consistently enforced. The university's general counsel will be responsible for initiating the biennial review.

**Cross Reference:** P.L. 100-690, sec. 5151 et seq., partially codified at 21 USC § 1501-1502, Anti Drug Abuse Act of 1988; P.L. 101-226, which amends provisions of the Drug-Free Schools and Communities Act of 1986 and the Higher Education Act of 1965, 20 USC 1145(g), 3182, 3191-3197; General Appropriations Act; OMB Circular A-21; V.T.C.A., Transportation Code, 708.102; V.T.C.A., Alcohol Beverage Code secs. 106.01 to 106.15; V.T.C.A., Penal Code secs. 12.01 to 12.49; *41 USC Sec. 701 et seq* ; *Faculty Handbook, Non-Academic Employee Handbook, State of Texas Travel Allowance Guide, Drug and Alcohol Testing Policy E-61*

**Responsible for Implementation:** President

**Contact for Revision:** General Counsel

**Forms:** None

## Interdepartmental Transfer (C-19)

**Original Implementation:** Unpublished

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

A university department may pay for goods and services received from another department using the Interdepartmental Transfer (IDT) procedure which transfers funds from one account to another. The department providing the goods or services should initiate the IDT. Some units (e.g., Physical Plant, Printing Services, Telecommunications, Central Stores) routinely initiate IDT's for goods and services they provide. Other departments may initiate their IDT's either by memo to the controller's office or by completing the IDT form online, printing it, and sending a hard copy to the controller's office. If a memo is used, it should contain the same information as requested on the IDT form. As with any other purchase, funds must be available in the applicable account and the goods/services must be reasonably priced.

Each account manager is responsible for reviewing monthly account statements to verify accuracy of IDT charges.

An IDT is not to be used to transfer capital equipment from one department to another. Such transfers are handled through property management in the purchasing department. (See ~~Property Transfer and Disposal, Policy B-24~~ *Property Inventory and Management, Policy C-42.*)

However, if an exchange of funds is involved in the equipment transfer, an IDT may be used to effectuate that part of the process.

**Source of Authority:** ~~Vice President for Business Affairs~~

**Cross Reference:** ~~Property Transfer and Disposal, Policy B-24~~ *Property Inventory and Management C-42*

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

**Contact for Revision:** Controller

**Forms:** Interdepartmental Transfer (IDT) (available at [https://apache.sfasu.edu/sfa\\_forms/idt\\_summary.shtml](https://apache.sfasu.edu/sfa_forms/idt_summary.shtml))

## Investments (C-41)

**Original Implementation:** April 30, 1996

**Last Revision:** ~~January 30, 2007~~ January 29, 2008

### 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), related portions of the Texas Education Code, and the applicable portions of H. B. 2459, 74th Texas Legislature.

### 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 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 Article 2529d, 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 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. FDIC 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 associate vice president for budget and finance.

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 associate vice president for budget and finance 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 associate vice president for budget and finance 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:

<b>Category</b>	<b>Maximum</b>
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 or associate vice president for budget and finance may diversify investment maturity. 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.

### **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 associate vice president for budget and finance 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 associate vice president for budget and finance 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.

### **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:** Texas Government Code Chapters 2256 and 2263

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

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

**Forms:** None

## 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 associate vice president for budget and finance is required for release of pledged securities from safekeeping unless the securities being released are replaced by securities with the same market value. Only changes in the level of collateralization require approval by the above. 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 associate vice president for budget and finance 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 associate vice president for budget and finance 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:** ~~October 30, 2007~~ January 29, 2008

### 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 persons of ordinary prudence, discretion, and intelligence exercise in the management of their affairs in regard to the investments of their funds, considering probable income as well as probable safety of their capital.

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 associate vice president for budget and finance are designated as the investment officers for the university. As such, the vice president or associate vice president for budget and finance 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 or associate vice president for budget and finance are 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 or associate vice president for budget and finance are also responsible for determining the appropriate distribution of income in accordance with the distribution policy in the distribution policy section. The

vice president, associate vice president for budget and finance, 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, ~~and~~ 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. 119. 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 ~~committee~~ *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 ~~10%~~ 25% of the total investment portfolio. If the allocation to alternative investments exceeds the limit at any point in time, the investment ~~committee~~ *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:

Class	Allowable Range	Target
Equities securities	0% - 70%	55%
Fixed income securities	0% - 60%	35%
Cash or cash equivalents	0% - 100%	0%
Alternative Investments	0% - 15%-25%	10%

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.

## USE OF INVESTMENT FIRMS

The vice president or designee, is responsible for ~~selecting~~ *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.

~~Investment managers employed by the University to invest in equities may be evaluated using the following guidelines:-~~

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

- ~~a. The average portfolio Beta should be between 1.10 and 0.90. That is to say that the volatility of the fund should not differ from the volatility of the S&P 500 by more than ten percent. The Beta calculation should include any cash position in the portfolio.~~
- ~~d.a. The R-Squared may be as high as 100% over a time frame of one year or longer if all investment objectives are met. R-Squared is a statistical evaluation to measure similarity in behavior of the portfolio to the market.—~~

~~The annualized Alpha should exceed both individual managers' and total portfolio fees. should be greater than the managers fee essentially showing that value is being added for the risk taken.~~ 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 ~~committee~~*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 ~~committee~~*investment officer* will recommend an amount up to 5.00% ~~percent~~ 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 ~~committee~~*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 ~~committee~~*officer*. When the contingency reserve has reached a balance in excess of two years of normal distributions, the ~~committee~~*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:

- a. 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;
- b. 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
- c. 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:** Texas Education Code, Section 51.0031; Texas Government Code Sec. 2256.005; Texas Government Code 2263

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

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

**Forms:** None

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## Out-of-State Electronic Fee (C-52)

**Original Implementation:** April 20, 2004

**Last Revision:** ~~None~~ January 29, 2008

In a December 20, 1999 memorandum, then Commissioner of Higher Education, Don W. Brown stated:

*"Policies on tuition and fees for courses delivered out-of-state derive from their status as non-state-funded courses. Lacking specific provisions to the contrary, courses taken by non-resident students living outside the state should be treated the same as other self-supporting courses for which the institution does not receive formula funding such as continuing education or correspondence courses. Texas Education Code '54.545 specifies that the fees for self-supporting courses for which the institution does not collect tuition or receive formula funding are to be set by the institution's governing board and should be sufficient to recover the cost of providing the course. In general, we would expect that those fees would be greater than resident tuition, but beyond that, their amounts are to be determined by the institution's governing board. May the institution make a profit on such courses? Yes, we believe you may."*

*This policy allows the Stephen F. Austin State University (SFASU) Board of Regents to set an Out-of-State Electronic Fee for non-resident students who reside out of Texas while taking SFASU distance education coursework. The Board of Regents approved Out-of-State Electronic Fee replaces lost formula funding. These students are eligible to pay in-state tuition rates plus an out-of-state electronic fee in lieu of non resident out-of-state tuition. Any academic program at SFA may propose to charge an Out of State Electronic Fee in lieu of Out of State Tuition for non-resident students who live out of state while taking a distance education course. The Academic Affairs Budget Coordinator is available to assist in determining an acceptable fee. The proposed fee must be reviewed and approved by the Provost in consultation with the Vice President for Business Affairs before being presented to the Board of Regents for final approval.*

*The Out of State Electronic Fee may not be less than in-state tuition and must cover instructional costs. The fee will include both the direct and indirect cost of the University and the program. The program's budgeted indirect cost will be returned to the academic unit providing the program.*

*For courses in which no Out of State Electronic Fee has been approved, normal Out-Of-State tuition will apply.*

**Source of Authority:** ~~Provost and Vice President for Academic Affairs and Vice President for Business Affairs~~

**Cross Reference:** The Coordinating Board Memo from Don Brown, December 20, 1999 and Chapter 4 Subchapter E of the Coordinating Board Rules and Regulations.



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

**Contact for Revision:** Director of Instructional Technology

**Forms:** None

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

**Original Implementation:** September 19, 1984

**Last Revision:** ~~January 15, 2002~~ January 29, 2008

A part-time faculty member is one who holds less than a full-time workload and is not in a tenure track position. ~~may be (1) a former tenured full-time faculty member who has opted for less than a full teaching load, or (2) one who has never held a tenured appointment on a full-time basis.~~ Regulations on the employment, duties, and privileges of a part-time faculty member follow:

### 1. Procedure for Selection

~~1.~~ Each academic unit shall establish criteria for the selection of a part-time faculty members *based on accreditation requirements*, ~~provided that one criterion shall be that the appointee must hold at least an appropriate master's degree or have substantial professional experience related directly to the teaching assignment, and provided further that all other state and University employment regulations are observed.~~

~~2.a.~~ Each academic unit shall develop and maintain a list of persons eligible for and interested in part-time faculty assignments and, as a need arises, select the best qualified person for appointment subject to approval through regular administrative channels.

### 2. Academic Rank, Length of Appointment, and Teaching Load

~~1.a.~~ ~~A former tenured full-time faculty members appointed to a part-time positions shall carry hold their previous academic rank he/she held at the expiration of his/her regular employment,~~ except that the rank shall be conditioned by the designation Part-time (Instructor, Assistant Professor, Associate Professor, or Professor). Likewise, ~~any~~ part-time faculty members not previously holding full teaching employment shall carry the rank of Part-time (Instructor, Assistant Professor, Associate Professor, Professor, whichever is appropriate).

~~2.b.~~ ~~A part-time faculty members may be appointed for no more than one academic year at a time. one or both semesters of the regular academic year and, separately, one or both sessions of the summer. An appointment, however, shall not be made for a time in excess of an academic calendar year (i.e., September-August).~~

~~3.~~ A part-time faculty member shall be advised of his/her appointment at the earliest possible time.

### 3. Stipend

~~1.a.~~ The salary of a part-time faculty members shall be negotiated with each appointment, subject to the approval of the college dean of the college and the provost and vice president for academic affairs.

#### 4. Duties & Privileges

~~i.a. A p~~Part-time faculty members shall ~~teach the course(s)~~perform assigned ~~to him/her~~duties and maintain office hours commensurate with the ~~teaching~~ assignment.

~~ii.~~Part-time faculty may not serve on search, tenure, promotion and merit pay committees. Likewise, the part-time faculty member shall be expected to perform such other academic duties as may be assigned by the departmental/divisional chair/director in proportion to the part-time faculty member's teaching assignment (e.g., assisting in the advising of students). Such additional duties may occasionally include service on a departmental/divisional, but not college or university, committee provided that the committee to which he/she is assigned is not concerned with making recommendations for the appointment of a departmental/divisional chair/director or a full-time faculty member nor with matters bearing upon merit pay, promotion, or tenure for a full-time faculty member.

##### ~~a.~~Privileges

a. A part-time faculty member shall enjoy those rights and privileges appropriate to his/her assigned academic duties and to the profession generally, except tenure and except that such rights and privileges must be consonant with all other parts of this policy statement, all other University policy statements, and state and national law.

**Source of Authority:** Vice President for Academic Affairs

**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

## Procurement Card (C-44)

**Original Implementation:** July 26, 1999

**Last Revision:** ~~January 30, 2007~~ January 29, 2008

*Approved University employees other than the Director of Purchasing, the Procurement Card Coordinator and Purchasing Department Buyers may use the university procurement card (p-card) in accordance with the P-Card Program Guide to order supplies and small items in amounts not exceeding \$2000 transaction daily and monthly limits using a University Procurement Card (P-Card). The director of purchasing, the procurement card coordinator and purchasing department Buyers/purchasers may purchase on behalf of the university any item of any amount using a Pprocurement Ccard if they have determined payment by Pp-Ccard represents the best value to the university and so long as all procurement policies and rules have been followed.*

The terms and conditions of the MasterCard Procurement Card contract were specified and awarded by the Texas *Procurement and Support Services Building and Procurement Commission* for the state of Texas. In addition to internal policies and procedures, Stephen F. Austin will comply with the terms and conditions of the state contract.

### Responsibilities

P-Cards will be issued in the name of the employee with the *SFA logo State of Texas emblem* and the wording 'Official Use Only' clearly indicated on the card. *The card will be issued in a tyvek sleeve additionally identified with the SFA logo and p-card reminders, for distinguishing the university p-card from other credit cards.* The Pp-Ccard is to be used for official university business purposes only and may not be used for ANY personal transactions. The ~~employee~~cardholder is responsible and accountable for the security and documentation associated with the use of the SFA Procurement Card *and for complying with all policies and procedures related to the p-card program.*

Documentation shall include providing ~~T~~transaction ~~D~~detail information for each transaction through the Oracle System and keeping documentation of all transactions including returns, credits and disputed charges as required in the P-Card ~~Procurement~~Program Guide.

The ~~Account Manager~~department head or his/her designee is responsible for: 1) designating departmental cardholders; 2) determining spending limits; 3) establishing yearly encumbrance amounts for each account against which credit card charges will be made; and 4) approving monthly reconciliations of Pp-Ccard cardholder statements and supporting documentation to ensure purchases are within SFA's policies and procedures, and departmental budgets. ~~Account Managers~~Department heads ~~should be sure are~~

*responsible for ensuring that all employees issued a card understand the departmental budget constraints under which they are to use the card.*

The purchasing department is responsible for maintaining complete and accurate information regarding ~~Pp-Card~~ users and associated credit limits, ~~for~~ establishing and updating restricted Merchant Category Codes, ~~and for~~ determining compliance with university policies and procedures through periodic *cardholder* audits, *cardholder training, monitoring p-card activity, and other duties related to p-card administration.*

#### **Card Use ~~B~~by Another Employee or Student**

The only person authorized to use the ~~Pp-Card~~ is the cardholder whose name appears on the card. The cardholder may not allow ~~someone else~~ *another university employee or a student* to use their card unless the cardholder and ~~account manager~~ *department head* have completed a P-Card Use form and ~~it is on~~ *filed it* with the program coordinator in the purchasing office. *Refer to the P-Card Program Guide for detailed information on allowing another employee or student to use a card, as specific rules apply.*

#### **Training and Issuing Cards**

All ~~account managers~~ *department heads* will be required to attend training and sign the Cardholder Application/Approval Form before any cards will be issued to employees within the department. All employees will be required to attend training and sign a Cardholder Agreement before being issued a card. *All cardholders will be required to complete refresher training either in person or on-line with testing every 2 years. Acceptable grades and actions associated with not meeting grade requirements are outlined in the P-Card Program Guide.*

#### **Making ~~A~~a Purchase with the P-Card**

Refer to the Procurement Card Program Guide for detailed information related to making a purchase with the ~~Pp-Card~~. The director of purchasing, the procurement card coordinator and purchasing department ~~Buyers~~ *purchasers* are not subject to the Procurement Card Program Guide, but rather to university policies and procedures relating to procurement.

#### **Transaction Detail, Monthly Statement, Reconciliation and Approval**

The transaction detail entries are required and provide an *accounting and* audit trail for expenditures made with the ~~Pp-Card~~. Each individual purchase must be detailed in the Oracle P-Card System. See the Procurement Card Program Guide for detailed

instructions on completing the Transaction Detail entries. Transaction Detail entries are completed on-line through the Oracle sSystem accessed through MySFA.

Upon receipt of the monthly statement from the credit card vendor, the cardholder shall reconcile the statement with the Transaction Detail Summary and forward the reconciled statement, Transaction Detail Summary and all supporting documentation to the ~~Account Manager~~ department head or his/her designee for review and signature. *If the department head is the cardholder, the department head must sign as the cardholder, and another employee within the department must sign as the reviewer. The Account Manager* department head/reviewer is responsible to review all transactions listed on the Transaction Detail Summary to verify that all purchases are appropriate expenditures for the department and account charged. ~~and should take necessary disciplinary action with employees making inappropriate expenditures.~~ *If the department head/reviewer questions any transaction, they should bring it to the attention of the department head or p-card coordinator, or it may be reported anonymously through the university's fraud and ethics reporting process. Reported transactions will be audited and appropriate action taken as specified herein and in the P-Card Program Guide.*

The documentation identified in the P-Card Program Guide must be kept for three (3) years plus the current fiscal year to comply with the university's and State of Texas Records Retention Schedule. These are the official university records. The records for procurement card purchases will be required for periodic audits by the purchasing office or when SFASU is audited by the Texas Procurement and Support Services Division of the State Comptroller's Office, Building and Procurement Commission, the State Auditor, State Comptroller or Internal Department of Audit Services.

### **Card Termination**

*Certain p-card rule violations will result in immediate deactivation or cancellation of all of a cardholder's cards. Other violations will be tracked on a points basis accumulated by cardholder. Every 6 months, accumulated points will be reviewed and appropriate action taken. Points will not carry over from one 6-month period to another. Note the reasons for cancellation or deactivation of cards should not be considered all inclusive. Points may be identified during any transaction review, research or audit by either the p-card coordinator or the Department of Audit Services.*

*Occasionally, exceptions to the p-card rules may be approved by the p-card coordinator prior to the transaction taking place. If so approved, the cardholder and p-card coordinator will have an Exception form on file with the transaction, and the card cancellation, deactivation, or points will be waived.*

1. **~~NON-USEIMMEDIATE CARD CANCELLATION WITH NO OPTION TO EVER RECEIVE ANOTHER CARD~~** -If it is found that a cardholder has not used the procurement card for six consecutive months, this card may be terminated at the discretion of the Program Coordinator. Any cards so deactivated may be reactivated within 8 months upon submission of an Application/Approval Form and a Cardholder Agreement form. Beyond 8 months, the individual will be required to attend training again before the card will be reactivated. *When there is intentional abuse or fraud of a p-card to make personal purchases, the p-card is used to secure a cash advance, or a 2<sup>nd</sup> p-card is lost or stolen within 3 years after the 1<sup>st</sup> lost or stolen card, all of the cardholder's cards will be cancelled with no option to ever receive another card.*
2. **~~TERMINATION OF UNIVERSITY EMPLOYMENTIMMEDIATE DEACTIVATION~~** - When a cardholder terminates employment with the University, the department has specific obligation to reclaim the P-Card and return it to the Program Coordinator prior to the employee termination date. A request may be made to the Program Coordinator for the card to be shredded by the department head or his/her designee. The request can be granted at the Program Coordinator's discretion. Failure to reclaim or dispose of cards as designated may result in the department being responsible for payment of any fraudulent charges and revocation of all department card privileges. Verification of card return will be part of an employee's exit interview with Human Resources. Fraudulent charges will be reported to the University Police Department and the terminated employee will be expected to reimburse the University. *When a cardholder commits the following violations, all of the cardholder's cards will be deactivated for a period of 3 months: a) transaction details are not posted by the required date for 3 consecutive months or 3 months during a 6-month period; b) second offense of splitting purchases to avoid purchasing procedures; c) failure to provide documentation within the requested timeframe for a p-card audit. Cards will only be reactivated after 3 months and after the cardholder attends training at a cost of \$25.*
3. **~~TRANSFER TO A DIFFERENT UNIVERSITY DEPARTMENTPOINTS ACCUMULATION~~** - When a cardholder changes employment from one University department to another, the department has specific obligation to reclaim the P-Card and return it to the Program Coordinator prior to the effective date of change. A request may be made to the Program Coordinator for the card to be shredded by the department head or his/her designee. The request can be granted at the Program Coordinator's discretion. Failure to reclaim or dispose of cards as designated may result in revocation of all department card privileges. *Points will accumulate against each cardholder when various violations are identified (see Points Schedule in the P-Card Program Guide). An accumulation of points over a 6-month period will result in the following actions:*

*4 points accumulated within the first 4 months of a 6-month period – will trigger a need for a full audit of 3 months worth of transactions.*

*6 points accumulated within a 6-month period – will cause all of cardholder's cards to be deactivated for a minimum of 3 months. Before any cards will be reactivated, the employee will be required to attend training at a cost of \$25*

*10 points accumulated within a 6-month period – will cause all of cardholder's cards to be cancelled for a minimum of one year. New cards will be issued only after the one-year waiting period and only upon completion of a new P-Card Application/Approval Form and attendance at training.*

#### 4. ~~INSUFFICIENT BUDGET~~**OTHER CARD CANCELLATIONS AND**

**ACTIONS** - Payments will not be delayed due to insufficient department budgets. In making adjustments to the encumbrance amounts during the year, if an over-ride has to be made (in order to make payment) resulting in an account having a negative balance which is not approved by the Budget Office, all cards utilizing the account in question will be deactivated immediately. The cards will be reactivated after budget problems are resolved. Repeated budget problems may result in all cards for the account in question being deactivated at the Program Coordinator's discretion for a 4-month waiting period.

~~5. Failure To Pass Audit/Non-Use~~ - The Program Coordinator will audit transactions on a periodic basis. Cards will be deactivated immediately for any cardholder who fails to produce the required documentation. The cardholder will be subject to a minimum 4-month waiting period and will be required to attend training again at a cost to the department of \$25 before the card will be reactivated. Repeated failures to produce the required documentation may result in the card being permanently terminated at the Program Coordinator's discretion. If the documentation is incomplete according to the Program Guide, the Program Coordinator will provide one-on-one instruction to the cardholder. Repeated errors will result in the card being deactivated at the Program Coordinator's discretion. The cardholder will be required to attend training again at a cost to the department of \$25 before the card will be reactivated. *If the cardholder has not used the procurement card within one year, the p-card will be cancelled. To receive a new card, the cardholder will be required to submit a P-Card Application/Approval Form and attend training.*

#### ~~6. CARD USE BY ANOTHER EMPLOYEE~~**Termination of University**

**Employment** - Allowing someone else to use your card without having completed a P-Card Use form may result in the card being deactivated at the Program Coordinator's discretion. The cardholder may be required to attend training again at a cost to the department of \$25 before the card will be reactivated. *When a cardholder*



*terminates employment with the university, the department has specific obligation to reclaim the p-card and return it to the program coordinator prior to the employee termination date. A request may be made to the program coordinator for the card to be shredded by the department head or his/her designee. The request can be granted at the program coordinator's discretion. Failure to reclaim or dispose of cards as designated may result in the department being responsible for payment of any fraudulent charges and revocation of all department card privileges. Verification of card return will be part of an employee's exit interview with human resources. Any fraudulent charges made by a terminated employee after the employee's termination will be reported to the University Police Department. The terminated employee will be expected to reimburse the university.*

**~~7. VIOLATION OF PURCHASING PROCEDURES~~** *Transfer to a Different University Department* - ~~If the cardholder, other than the Director of Purchasing, the Procurement Card Coordinator or Purchasing Department Buyers, violates any P-Card Purchasing Procedures outlined in this Program Guide, the Program Coordinator may provide one on one instruction or the card will be deactivated immediately at the Program Coordinator's discretion. If the card is deactivated, the cardholder will be subject to a minimum 4-month waiting period and will be required to attend training again at a cost to the department of \$25 before the card will be reactivated. Repeated violations may result in the card being permanently terminated at the Program Coordinator's discretion. If the violation appears fraudulent or abusive, the cardholder may be subject to personal liability and/or disciplinary action, which may include termination of employment or possible criminal penalties. When a cardholder changes employment from one university department to another, the department has specific obligation to reclaim the p-card and return it to the program coordinator prior to the effective date of change. A request may be made to the program coordinator for the card to be shredded by the department head or his/her designee. The request can be granted at the program coordinator's discretion. Failure to reclaim or dispose of cards as designated may result in revocation of all department card privileges.~~

**~~Failure To Promptly Report Aa Lost Or Stolen Card~~** - ~~If a cardholder fails to make a report of a lost or stolen card immediately upon discovery, the cardholder may be required to reimburse the university for any fraudulent charges made on the card until it has been cancelled, including a \$50 deductible for fraudulent charges up to \$15,000. The university will pay the charges and the employee will be required to reimburse the university. The cardholder will be subject to a minimum 43-month waiting period before a new card will be issued and will be required to attend training again at a cost to the department of \$25 before a new card will be issued. Upon the~~

loss of a second card ~~within a 3-year period~~, no additional cards will be issued to the cardholder.

***Failure to Complete the Required Refresher Training*** – Any cardholder who fails to complete the required fresher training every 2 years will have all cards deactivated until the refresher training is complete. If the refresher training is not completed within 6 months of card deactivation, all cards will be cancelled, and the employee will be required to submit a P-Card Application/Approval Form and attend training before receiving new cards.

**~~9.ACCOUNT MANAGER AUTHORITY~~**     ***Administrative Authority*** - The Account Manager ~~department head or supervising dean, vice president, or president~~ has the authority to request that the program administrator ~~terminated~~ deactivate or cancel an employee's cards at any time for any reason. Any cards so deactivated or cancelled may be ~~re-issued~~ reactivated or new cards issued only with appropriate approvals by the position that originally requested the deactivation or cancellation within 12 months upon submission of an Application/Approval Form and a Cardholder Agreement form. ~~Beyond 12 months, the employee will be required to attend training again before a card will be re-issued. The p-card coordinator, Department of Audit Services, or general counsel's office has the authority to request that the program administrator deactivate an employee's card while transactions are being researched or investigated, or an audit is being conducted. At the conclusion of the research, investigation or audit, the cards will be reactivated and/or appropriate action taken as specified herein and in the P-Card Program Guide.~~

#### **~~5.FAILURE TO ENTER TRANSACTION DETAILS BY THE DUE DATE~~**

~~Monthly transaction detail entries must be made in a timely manner to insure posting of transactions to the accounting system so that budgets reflect accurate information. If a cardholder fails to make transaction detail entries in the Oracle System by the due date established in the Procurement Card Guide, many other processes are delayed. Such failure to post transaction detail, or to post the detail entries accurately; i.e. correct object codes and descriptive details, etc. for each transaction; by the established deadline date may result in all assigned cards being deactivated at the Program Coordinator's discretion for a period not to exceed 4 months. It is the Cardholder's responsibility to make arrangements for detail entry and monthly reconciliation by the deadline date regardless of absence from the office; i.e. vacation, sick leave, jury duty, etc.~~

**Cross Reference:** ~~None~~ P-Card Program Guide

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

**Contact for Revision:** Director of Purchasing and Inventory/HUB Coordinator

**Forms:** Cardholder Application/Approval Form, Cardholder Procurement Card Agreement, P-Card Use Form, Tax Exempt Letter, Statement of Disputed Item Form, P-Card Documentation/Problem Resolution Form, Exception Form

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

**Original Implementation:** April 21, 1998

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

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).
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.

**Source of Authority:** ~~Vice President for Business Affairs~~

**Cross Reference:** None

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

**Contact for Revision:** Controller

**Forms:** None

## Proprietary Purchases (C-26)

**Original Implementation:** September, 1979

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

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 Product/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/HUB coordinator*. Purchasing will research the market to determine if the proprietary request is appropriate.

~~**Source of Authority:** President; Vice President for Business Affairs~~

**Cross Reference:** Purchase Requisition Policy, C-30

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

**Contact for Revision:** Director of Purchasing and Inventory/*HUB Coordinator*

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

## Purchase of Surplus Property (C-28)

**Original Implementation:** September, 1987

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

*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.*

~~Building and Procurement Commission oversees the Inter-Governmental State Surplus and Federal Surplus Property Programs that make items available for sale or donation to State Agencies.~~ Available property can be viewed at the following URLs:

*State Surplus (State Comptroller's listing)–*

~~<http://www.tbpc.state.tx.us/surplus/index.html/>~~

*State Surplus (available at store fronts; TFC listing)*

*Federal Surplus–* ~~<http://www.tbpc.state.tx.us/surplus/index.html>~~

A requisition must be submitted to initiate the purchase of surplus property. Your ~~buyer~~ 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 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 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. ~~All items donated must be placed into use within one (1) year after donation and be used for a minimum of one (1) year after being placed into use. Property must be used for the program approved for participation in the Federal Surplus Property Program.~~
2. ~~Additional periods of utilization are placed on the following: Property valued at less than \$5000 in original cost must be used for 12 months from the date put into use.~~
  - a. ~~Eighteen (18) months for items with an original government acquisition cost of \$5000 or more~~
  - b. ~~2. Eighteen (18) months for passenger motor vehicles regardless of acquisition cost~~
3. ~~During the restriction period the property cannot be sold, traded, leased, loaned, bailed, cannibalized, encumbered or otherwise disposed of, or removed permanently outside the State without authorization by the General Services Administration. All vehicles and property valued at \$5000 or more in original cost must be used for 18 months from the date put into use.~~
4. ~~Additional special terms, conditions, reservations and restrictions may apply to other property requiring special handling or use limitations set forth in the Conditional Transfer Document or other agreement executed by the authorized donee representative. 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.*

~~5. 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.~~

***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.*

**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.~~

~~**Source of Authority:** Texas Government Code, Title 10, Subtitle D, Chapter 2175; President; Vice President for Business Affairs~~

**Cross Reference:** 41 CFR 10, Purchase Requisition Policy C-30

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

**Contact for Revision:** Director of Purchasing and Inventory/*HUB Coordinator*

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

## Safe ~~a~~And Vault Combinations (D-29)

**Original Implementation:** Unpublished

**Date of Last Revision:** ~~February 3, 2005~~ January 29, 2008

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 ~~Business Affairs~~finance and administration.* ~~office.~~

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 ~~Business Affairs~~*finance and administration* in a manner such that no unauthorized person is able to access the confidential information.

The vice president for ~~Business Affairs~~*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 ~~Business Affairs~~*finance and administration* will request the safe or vault custodian in each department to verify the information on file.

**Source of Authority:** ~~Vice President for Business Affairs~~

**Cross Reference:** None

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

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

**Forms:** None

## Salary Supplements, Stipends and Additional Compensation (E-9)

**Original Implementation:** April 13, 1988

**Last Revision:** ~~October 30, 2007~~ January 29, 2008

### I. Purpose

This policy establishes guidelines consistent with federal and state regulations for the total allowable compensation that can be paid to faculty and staff from university-controlled funds. This policy does not apply to overtime and compensatory time for classified (non-exempt) employees or to compensatory time for professional (exempt) employees [see Overtime and Compensatory (Comp) Time, policy E-36].

### II. General

1. Each faculty and staff member (employee) is accountable to the university for 100 percent of the duties and responsibilities associated with the employee's basic appointment. The primary obligation of university employees is the full and complete execution of all assigned duties and responsibilities.
2. State regulations prohibit the appointment of university employees for more than 100 percent time for services considered to be regularly assigned duties associated with an individual's full-time responsibility.
3. Employees may be requested to provide consulting, extension, and/or other activities within the university that are considered to be in addition to their regularly assigned duties for which compensation in excess of base salary may be paid.
4. Compensation in excess of base salary is a temporary adjustment of total compensation, which must be specified and approved in writing prior to work commencing by the appropriate administrative channels, and is expressly conditioned on availability of funds.
5. Without exception, all payments to university employees will be made through Payroll Services.
6. The activities listed below are considered additional responsibilities for which an employee may receive extra compensation:
  - a. special projects assigned by approved university administrators that are in addition to an employee's normal responsibilities;
  - b. intra-university consulting or other special services conducted for a university department or area other than the employee's department;

- c. services beyond normal duties of the position held which cannot be reimbursed by compensatory (comp) time, including effort committed to research and sponsored programs;
  - d. increases in teaching load (overload) approved by the provost/vice president for academic affairs; and
  - e. duties performed by an employee not under contract at the time the duties must be performed, or those that are not considered in the base salary.
7. The base salary period for a full-time faculty appointment is the academic year (normally September 1 through the following May 31). Summer months and periods of time during the academic year when the university is not in session, e.g., weekends, holidays, semester breaks, are not included in the base salary period.
- On occasion, regular university activities for which faculty are responsible are scheduled outside the base period, are assumed to be included in the base pay, and therefore are not eligible for extra compensation (examples include Showcase Saturday and Freshman Orientation.)
8. Additionally, the university may employ faculty members during the summer months for specific teaching, research, or sponsored program assignments for which they are paid a salary.
9. Any individual who is dually employed (rather than grant funded) with the university and with another state or federal agency must obtain prior written approval from the president and board of regents before entering into any activity for which compensation in excess of base salary is to be requested or paid (Dual Employment, Policy E-12.)

### **III. Types of Extra Compensation**

There are three types of compensation in excess of base salary: (1) salary supplements; (2) stipends; and (3) additional compensation.

#### **1. Salary Supplements:**

"Salary supplement" means a payment that temporarily augments the base appointment salary. When the special assignment ends, the salary reverts to the base appointment salary. A salary supplement increases the base appointment salary for the purpose of calculating the maximum amount an employee may receive in additional compensation (see section 3, below.)

- a. Payment of salary supplements is approved either directly by the board of regents or indirectly through board policy.

- b. Salary supplements appear on the regular monthly payroll check and are included in all benefit calculations.
- c. Salary supplements are requested on the Personnel Action Request (PAR).
- d. Salary supplements cannot be paid from research or sponsored program (4xxxxx) accounts.
- e. Examples of salary supplements may include compensation for: (1) interim appointments; (2) faculty course overloads (Policy A-37, Overload Assignments); ~~and~~ (3) endowed positions; *and (4) mentoring students as part of a certification program.*

2. Stipends:

"Stipend" means a lump-sum payment in addition to the base appointment salary that provides recognition or incentives to employees as established in university Policy. A stipend does not increase the base appointment salary for the purpose of calculating the maximum amount an employee may receive in additional compensation (see section 3, below) and is not counted as additional compensation.

- a. Payment of stipends is approved either directly by the board of regents or indirectly through board policy. Stipends must be approved by the appropriate vice president or president.
- b. Stipends are paid mid-month.
- c. Stipends are requested on the Stipend Authorization form.
- d. Stipends can be paid from designated (2xxxxx), auxiliary (3xxxxx), and gift (5xxxxx) accounts.
- e. Stipends cannot be paid from state appropriated fund accounts (1xxxxx) or research or sponsored program (4xxxxx) accounts.
- f. Examples of stipends may include: (1) the Regents Professors Award (Policy A-38); (2) the President's Staff Award; (3) teaching excellence awards; (4) the preparation of and/or teaching of online courses covered by policy A-58, Distance/Distributed Education Faculty (not paid by sponsored program funds); (5) payments for off-campus teaching assignments (Policy A-34, Off-Campus Credit Classes); ~~(6) payments to employees for mentoring students as part of a certification program; and~~ (7) incentive payments.
- g. In addition, stipends may be paid to university employees for musical or theatrical performances at university-sponsored events.

3. Additional Compensation:

"Additional compensation" means a payment in addition to the base appointment salary for work that is clearly in addition to regularly assigned duties and that must be performed outside of normal working hours or during vacation or compensatory time, as appropriate. Additional compensation does not affect the base appointment salary.

Additional compensation is subject to a cap equal to 25 percent of the base appointment salary. The cap applies to all sources of funds (See h, below).

Additional compensation is paid mid-month and is included in all benefit calculations except health insurance.

- a. Requests for additional compensation (1) should be submitted in advance, before work is started, on the Authorization for Additional Compensation Services form, and (2) should be approved for payment after services are rendered on the Authorization for Additional Compensation Payment form.
- b. Classified employees (non-exempt employees) can be paid additional compensation only for casual, seasonal work that must be performed (1) outside their regular department, and (2) outside of normal working hours, unless vacation leave or compensatory time is used. Work done within the department outside of normal working hours is not considered additional compensation, but rather overtime or compensatory time. Overtime and compensatory time are addressed in Policy E-36, Overtime and Compensatory (Comp) Time.
- c. A description of the extra work and documentation of the additional compensation shall be maintained by the department chair, division director or other primary administrator who initiated the request for additional compensation.
- d. Department chairs, division directors, and all deans shall analyze carefully the total professional commitments, including outside consulting, of the employee requesting additional compensation. Additional compensation should be approved only if the employee's and the department's general functions will not be adversely affected.
- e. If allowed by the sponsor, additional compensation may be paid from research and sponsored program funds; however, all such requests for additional compensation must be routed by the employee's dean or primary administrator to the Office of Research and Sponsored Programs for verification of sponsor approval (see IV, below).
- f. Examples of additional compensation may include: (1) overload commitments to research or sponsored programs; (2) casual, seasonal work; and (3) teaching SFA 101.
- g. At no time can the rate of pay of any employee compensated with state, federal, or privately funded research or sponsored program funds exceed the employee's normal monthly rate of pay.
- h. Additional compensation is subject to the maximum salary limits described below.

- i. Maximum Salary for 12-month Employees:  
 Employees on 12-month fiscal year (FY) appointments may receive up to 25 percent of their current base appointment salary in additional compensation (see example below).  
 12-month Employee Example: A 12-month employee with an annual base salary of \$60,000 may earn additional compensation up to \$15,000 for a maximum salary of \$75,000 in a fiscal year.  
 $\$60,000 \times 0.25 = \$15,000$  maximum additional compensation  
 $\$60,000 + \$15,000 = \$75,000$  maximum 12 month compensation
- ii. Maximum Salary for 9-month Faculty Members:  
 Faculty members on 9-month academic year (AY) appointments may receive up to 25 percent of their current base appointment salary in additional compensation (plus summer salary, see (3) below).  
 9-month Faculty example: A faculty member with a 9-month AY base salary of \$45,000 may earn additional compensation during the nine-month appointment of up to \$11,250, for a maximum nine-month salary of \$56,250.  
 $\$45,000 \times 0.25 = \$11,250$  maximum in additional compensation  
 $\$45,000 + \$11,250 = \$56,250$  maximum 9 month compensation
- iii. Maximum Summer Salary for Faculty Members:  
 The limit on salaries for summer assignments depends on the source of funds (see examples below)

Research and Sponsored Programs - Federal and state regulations limit the amount of salary faculty members may earn during the summer from research and sponsored programs to 3/9th of the 9-month AY teaching salary; the National Science Foundation further limits this amount to 2/9th of the AY salary.

Summer Teaching Assignments - The maximum summer salary for teaching assignments is summarized in SFA Policy E-71, Faculty Compensation Plan (see also Policy A-18A, Summer Teaching Appointments).

Summer Faculty Example: A faculty member with a 9-month AY base salary of \$45,000 that earns \$15,000 in summer salary (equal to 3/9th) may earn additional compensation during the 3-month summer of up to \$3,750, for a maximum salary of \$18,750 in a summer.

$\$45,000/9 \text{ mo} \times 3 = \$15,000$  maximum summer salary (3/9th)



$\$15,000 \times 0.25 = \$3,750$  maximum in additional compensation

$\$15,000 + \$3,750 = \$18,750$  maximum summer compensation

#### **IV. Use of Federal and State Research and Sponsored Program Funds**

1. In general, federal and state agencies discourage the use of research or sponsored program funds for additional compensation; some agencies specifically prohibit additional compensation. Intra-university consulting and contributions to a sponsored agreement conducted by another faculty member at the same institution are not eligible for additional compensation except as specified below.
2. Federal and state regulations allow additional compensation to be paid only when:
  - a. consultation is across departmental lines or involves a separate or remote operation; and/or
  - b. the work performed is in addition to the regular departmental load
3. For state and federal agencies that allow additional compensation to be paid from research and sponsored program funds, the sponsor must be informed of the intent to charge salary as extra compensation in the original budget proposal. If research or sponsored program funds are used to pay any additional compensation, the grant or contract should clearly state:
  - a. that additional compensation will be paid to university employees;
  - b. the name or position of the individuals who will be receiving the additional compensation; and
  - c. the work and services to be performed by these individuals
4. The amount of the additional compensation should be segregated from regular salary expenses and the budget justification should clearly indicate:
  - a. the total dollar amount of additional compensation requested; and
  - b. the percent of additional effort committed to the project or the hourly rate and number of hours committed to the project
5. The award document from the federal or state sponsoring agency must state that additional compensation is allowed or imply that the proposal was accepted with no alterations regarding the request for additional compensation.
6. If a request for additional compensation is for an employee who will be paid from research or sponsored program funds, the dean must first route the Authorization for Additional Compensation Services form to the Office of Research and Sponsored Programs to verify sponsor approval.

**Cross Reference:** Summer Teaching Appointments, A-18A; Off-Campus Credit Classes, A-34; Overload Assignments, A-37; Regents Professors, A-38; Grants and Contract Administration, A-56; Distance/Distributed Education Faculty, A-58; Dual Employment,

E-12; Overtime and Compensatory (Comp) Time, E-36; Fair Labor Standards, E-70; Faculty Compensation Plan, E-71, 29 U.S.C., sec. 201 et. seq.; Federal OMB Circular A-21; 2 CFR Part 220; Uniform Grant Management Standards for the State of Texas; Texas Government Code Sec. 605, 658.001-.007, 659

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

**Contact for Revision:** Vice President for Finance and Administration (Director of Human Resources, Controller, Director of Research and Sponsored Programs)

**Forms:** Personnel Action Request (Available on-line through MySFA under myServices; NCR paper is available in University Printing Services.); Stipend Authorization; Authorization for Additional Compensation Services; Authorization for Additional Compensation Payment

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## Selection of Academic Deans (E-59)

**Original Implementation:** Unpublished

**Last Revision:** ~~January 15, 2002~~ January 29, 2008

The academic dean is the chief executive of the college and is responsible for fostering excellence in teaching, research and service in the college. Reporting directly to the *provost and vice president for academic affairs*, the academic dean has a major role in developing and interpreting university policy.

A search and screen committee will be used in each search for a dean. Each search ~~initially~~ will be open and without prejudice for inside or outside candidates. Should considerations indicate that a fully open search may not be a viable choice, a decision limiting the scope of the search should be made prior to the selection of the committee. Such a decision will not be made without consultation with the *academic department chairs/directors* and faculty.

### Search and Screen Committee Responsibilities and Process:

1. The search and screen committee has the responsibility of overseeing the recruitment process working ~~in close agreement~~ *closely* with the *provost and vice president for academic affairs*. The committee will be responsible for developing an appropriate description advertising the position, initial screening of candidates, and arranging *candidate* interviews ~~for candidates invited to campus~~. The committee is also responsible for seeing that *university* procedures are followed to assure that all candidates are given fair and full consideration for the position.
2. *After consulting with college faculty and academic chairs/directors, the provost and vice president for academic affairs determines the search committee size and composition and appoints an academic dean (outside the college) to serve as chair. The committee will be constituted by the Vice President for Academic Affairs on consultation with the department chairs and faculty of the College.*
3. *Ideally, the committee shall be composed of an odd number of members (elected or appointed) consisting of at least one representative from each of the departments/schools/divisions of the college and having a balanced mix of faculty and academic chairs/directors. Additionally, students and outside representatives may also be elected or appointed to serve on the committee. have a minimum of five members. Larger membership will depend on the size of the college and the complexity of its programs.*
4. ~~Once the composition of the committee has been determined, the departments/college shall elect the specified number of representatives to the committee. Faculty members, chairs and directors eligible both to vote and to serve on the committee will be those on full-time contract with the university who~~

~~hold faculty rank in the department. In all cases faculty, chairs and directors within the college shall constitute a majority of the committee.~~

~~5. Each search and screen committee shall have representation from outside the college. Outside representative(s) may be elected or appointed. To enhance the ability of the committee to focus on the administrative capabilities of the candidates, at least one member of the committee should be an individual with appropriate academic administrative experience. If only one outside representative is chosen, that individual ordinarily should be another academic dean.~~

~~6. The Vice President for Academic Affairs after consultation with the college faculty, chairs and directors, shall then fill the other positions on the committee from within and/or without the college with a view toward creating a balanced committee which can best represent the interest of the college and the university. Outside positions on the committee may be filled by undergraduate and/or graduate students and community representatives.~~

~~7.4. The provost and the vice president for academic affairs will appoint the committee chair and arrange for convening-convene the committee for its organizational meeting. The committee may choose to elect other committee officers.~~

58. Ordinarily, at least two candidates recommended by the committee will be interviewed on campus. The itinerary for the interviews will provide ample opportunity for the candidates to meet college faculty, students, department academic chairs/directors, other deans, vice presidents and the president.

96. After the interviews, the committee makes its recommendations to the provost and vice president for academic affairs.

107. Appointment is by the president and requires the approval of the board of regents.

**Source of Authority:** President

**Cross Reference:** Faculty Handbook, *Human Resources search committee reference materials*

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

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

**Forms:** ~~None~~ *Human Resources hiring forms*

## Semester Grades (A-54)

**Original Implementation:** January 25, 2000

**Last Revision:** ~~January 15, 2002~~ January 29, 2008

### I. Recorded Grades

~~Students' A student's~~ grades are based on assignments, determined by daily work, oral and written quizzes, and a final examinations and other course activities. Faculty members may use a variety of factors including class attendance to ~~establish a final grade for the course~~ determine course grades. (See ~~Policy~~ policy Statement A-10). A grade of A indicates excellent performance; B, ~~good~~ above average performance; C, average performance; D, ~~passing~~ below average performance; F, failure; QF, quit failure; WH, incomplete or grade withheld; WF, withdrew failing; WP, withdrew passing. 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. ~~No grade can be taken from the record unless put there by mistake.~~ Some courses are graded on a pass (P)/fail (F) system with no other grades awarded.

### II. Withheld Grades

Ordinarily, at the discretion of the instructor of record and with the approval of the ~~academic department 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. ~~Students may not attend sections of a course in future semesters to "complete" a WH grade. Limited course visitation may be arranged with the permission of the instructor. When~~ If students register for the same course in future 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 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, the repetition of a course may affect the grade point calculation as explained in Section IV, Repeat Grades. ~~(See below for special exceptions.~~

### IV. Repeat Grades

~~A.~~ Students who makes an F can get credit only by repeating the work. ~~A.~~  
~~Undergraduate students who desire to repeat courses in order to improve~~  
~~his/her~~ GPA at *Stephen F. Austin State University (SFASU)* must repeat  
 those courses at SFASU.

~~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.* ~~grades~~  
~~from transferred courses will not change the GPA based on courses taken at SFA.~~  
~~Only grades earned at SFA will be used for calculating GPA.~~

- 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, the course requirements  
 have been completed.*

**Source of Authority:** ~~Provost and Vice President for Academic Affairs~~

**Cross Reference:** General and Graduate Bulletins, Class Attendance and Excused  
 Absences, ~~Index~~ policy A-10

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

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

**Forms:** ~~None~~ *WH and Grade Change Form*

## Student Service Fee Allocations (F-28)

**Original Implementation:** Unpublished

**Last Revision:** ~~April 28, 2005~~ January 29, 2008

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.

**Source of Authority:** ~~Education Code, Section 54.503; Texas State Legislature; Board of Regents; President; Vice President for University Affairs~~

**Cross Reference:** ~~None~~ Education Code, Section 54.503

*Responsible for Implementation: Vice President for University Affairs*

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

**Forms:** None

## Student Travel (D-48)

**Original Implementation:** October 23, 2001

**Last Revision:** ~~February 3, 2005~~ January 29, 2008

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-funded~~ by the university and/or ~~Using-using~~ university ~~Owned-owned~~ or ~~Leased-leased~~ ~~Vehiclesvehicles~~

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 be appropriately licensed and the owner of the vehicle(s) must maintain appropriate vehicle insurance as required by law.



***Cross Reference:*** *Section 51.950 - Texas Education Code; 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*

**~~Source of Authority:~~** ~~Section 51.949 – Texas Education Code~~

**~~Cross Reference:~~** ~~University Vehicles (Rental & 15-Passenger Vans), B-30~~

**~~Contact for Revision:~~** ~~Director of Student Activities~~

**~~Forms:~~** ~~Student Travel Request Addendum~~

## **University Award Programs (A-66) NEW**

**Original Implementation:** January 29, 2008

**Last Revision:** None

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 award 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, policy A-38; Salary Supplements, Stipends and Additional Compensation, policy E-9; Service Awards, policy 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

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## Working Hours and Holidays (D-40)

**Original Implementation:** Unpublished

**Last Revision:** ~~October 14, 2004~~ January 29, 2008

University employees shall work a minimum of forty (40) hours per week except Sundays and university holidays. 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.

**Source of Authority:** ~~Texas Government Code Sect. 658.010 and Sect. 662.001-662.022, Board of Regents; President~~

**Cross Reference:** Non-Academic Employee Handbook; *Texas Government Code Sect. 658.010 and Sect. 662.001- 662.022*

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

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

**Forms:** None