



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER™

TTU System Selected Regents' Rules
Excerpts from the State Government Code
Excerpts from the General Appropriations Act

[Hyperlinks are included in the main title of each statute, policy or rule below.](#)

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Texas Tech University System Regents' Rules

The Board of Regents of the Texas Tech University System, charged by law to govern, control, and direct the policies of the TTU System, adopt, amend, and publish Regents' Rules that include provisions relating to the governance of the Board of Regents:

- Board Meetings and Business;
- Board Officers and their Duties and Standards of Conduct; and the
- Organization and Administration of the TTU System.

The Regents' Rules are published and maintained by the Office of the Secretary of the TTU System as a component of the Operating Policies of the TTU System and Texas Tech University. Official copies of Regents' Rules are maintained in the Office of the Board of Regents.

Regents' Rules: Chapter 03 – Personnel

03.01 **Ethics policy.** It is important that the people of Texas have complete confidence in the integrity of public servants. This need is especially critical in the area of state-supported higher education. The responsibility for educating and training the future leaders of the state and nation carries with it the duty to adhere to the highest ethical standards and principles. The principles and guidelines contained in this policy shall apply to all officers and employees regardless of rank or position. Each component institution's operating manuals should be referenced for further information and/or greater specifics not in conflict with the *Regents' Rules*.

03.01.1 Conduct. Officers and employees shall not:

- a. accept or solicit any gift, favor, or service that might reasonably tend to influence officers or employees in the discharge of official duties or that officers or employees know, or should know, is being offered with the intent to influence the officers' or employees' official conduct;
- b. accept other employment or engage in a business or professional activity that officers or employees might reasonably expect would require or induce them to disclose confidential information acquired by reason of the official position;
- c. accept other appointments or any employment or compensation that could reasonably be expected to impair officers' or employees' independent judgment in the performance of official duties;
- d. make personal investments that could reasonably be expected to create a substantial conflict between the officers' or employees' private interest and the public interest; or
- e. intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised their official powers or per-formed official duties in favor of another.

03.01.2 Ethical behavior. Officers and employees shall:

- a. put forth honest effort in the performance of their duties;
- b. not make unauthorized commitments or promises of any kind purporting to bind the TTU system or any of its components;
- c. not use their public offices for private gain;
- d. act impartially and not give preferential treatment to any private or public organization or individual;

- e. protect and conserve public property and shall not use it for anything other than authorized activities;
- f. promptly disclose waste, fraud, abuse, and corruption to appropriate authorities;
- g. adhere to all laws, regulations, and policies that provide equal opportunity for all persons regardless of race, color, religion, sex, national origin, age, physical or mental disability, Vietnam era or special disabled veteran status; and
- h. endeavor to avoid any actions that would create the appearance that they are violating the law or the ethical standards of the TTU system.

03.01.3 Conflict of interest – generally. It is state policy that state officers and employees may not have direct or indirect interests, including financial and other interests, engage in business transactions or professional activities, or incur any obligation of any nature that is in substantial conflict with the proper discharge of the officers' or employees' duties in the public interest.

(See also: Section 03.03, Regents' Rules, regarding a specific conflict of interest policy that applies to the board; and Section 03.04, Regents' Rules, regarding a specific conflict of interest policy that applies to executive administration.)

03.01.11 Nepotism

- a. Whenever an appointment is made, either on a full or part-time basis, it shall be made on the basis of the qualifications and suitability of the appointee, subject to applicable statutes and subject to the provisions of this policy.
- b. Prohibition applicable to TTU system and system component officials. No person related to any member of the board, to any component institution's president, or to the chancellor within the second degree by affinity (marriage) or within the third degree by consanguinity (blood) shall be eligible for appointment to any position in the TTU system.
 1. The above does not apply to any employee who has been continuously employed for thirty or more days prior to the appointment of a member to the board, a president, or the chancellor who is related to the employee within a prohibited degree, and it does not apply to honorary or non-remunerative positions.
 2. Any employee who has been continuously employed for less than thirty days prior to the appointment of a member to the board, a president, or the chancellor who is related within a prohibited degree shall be removed from the individual's position.
 3. When good cause exists, the board may grant an exception to this prohibition.
- c. Prohibition applicable to administrators, supervisors, and others. No person related to an administrator within a prohibited degree shall be eligible for initial appointment to a position in an area of responsibility over which an administrator has appointive authority, in whole or in part, regardless of the source of funds from which the position's salary is to be paid. Exceptions to this restriction on the initial appointment of an individual may be made only by the board upon recommendations of the president and the chancellor and then only when the administrator in question does not directly supervise the person to be appointed.
- d. No employee may approve, recommend, or otherwise take action with regard to the appointment, reappointment, promotion, salary, or supervision of an individual related to the employee within a prohibited degree.
- e. If the appointment, reappointment, reclassification, or promotion of an employee places the employee under an administrative supervisor who is related within a prohibited degree, all subsequent personnel and compensation actions affecting the employee shall become the responsibility of the next higher administrative supervisor.

- f. If the appointment, reappointment, reclassification, or promotion of an employee makes the employee an administrative supervisor over an employee who is related within a prohibited degree, all subsequent personnel and compensation actions affecting the subordinate employee shall become the responsibility of the next higher administrative supervisor.
- g. The provisions of subsections e. and f. shall apply to situations where two employees marry and one spouse is the administrative supervisor of the other.
- h. All instances where an employee marries an administrative supervisor, is placed under the administrative supervision of a relative, or is made the administrative supervisor of a relative within the prohibited degree shall be reported to the board as an information item.
- i. Exception. The provisions of the policy do not apply to the appointment or employment of a personal attendant by any member of the board, a president, the chancellor, or an employee for attendance on the officer or employee who, because of physical infirmities, is required to have a personal attendant.
- j. Enforcement. An individual who is appointed in violation of this policy shall be removed from the individual's position.
- k. Persons related within the prohibited degrees are indicated in the Affinity Kinship/Consanguinity Kinship Chart displayed below.

AFFINITY KINSHIP / CONSANGUINITY KINSHIP CHART

Affinity Kinship

The following persons are relatives of the official/employee within the second degree by affinity (marriage):

1st Degree	Spouse, spouse's child, spouse's mother or father, child's spouse, parent's spouse
2nd Degree	Spouse's brother or sister, spouse's grandparent, spouse's grandchild, brother or sister's spouse, grand-parent's spouse, grandchild's spouse

Consanguinity Kinship

The following persons are relatives of the official/employee within the third degree by consanguinity (blood):

1st Degree	Mother, father, daughter, son
2nd Degree	Brother, sister, grandparent, grandchild
3rd Degree	Great-grandparent, great-grandchild, uncle (brother of parent), aunt (sister of parent), nephew (son of brother)

3.02 TTU system community conduct.

3.02.1.1 Breach of trust. Colleges and universities that are tax supported must function in accordance with the public trust and the actions by faculty, staff and students within them must be consistent with the execution of that trust. A breach of trust includes, but will not be limited to, the following:

- a. academic dishonesty such as giving or receiving aid on a test, examination, quiz, or other academic assignment;
- b. plagiarism;
- c. forgery, alteration or unauthorized use of TTU system documents, records, or identification materials;

- d. knowingly furnishing false information to the TTU system; whether by words or by conduct, by false or misleading allegations, or by concealment or omission of that which should have been disclosed;
- e. the use of force or violence or other methods of obstructing the functions of the TTU system, which include teaching, research, administration, public service, presentations by guest lecturers and speakers, and other authorized activities;
- f. physical abuse of any person on TTU system-owned or controlled property or at TTU system-sponsored or supervised functions or conduct which threatens or endangers the health or safety of any such person;
- g. theft of or damage to the tangible property of the TTU system or of a member of the TTU system community or campus visitor;
- h. unauthorized entry to or use of TTU system facilities;
- i. unlawful manufacture, distribution, dispensing, possession or use of a controlled substance, or any substance the possession or distribution of which is regulated by federal or Texas law, except where the manufacture, distribution, dispensing, possession or use are in accordance with the laws of each;
- j. lewd, indecent, or obscene conduct on TTU system-owned or controlled property or at a TTU system-sponsored or supervised function;
- k. failure to comply with the lawful directions of TTU system officials where such directions are issued in the performance of their duties;
- l. violation of other laws or promulgated TTU system policies or rules;
- m. unauthorized release or removal of any information from university records, including but not limited to patient, student, financial and personnel records;
- n. behavior or activity, on or off campus, that is of such a nature to cause discredit or embarrassment to the university;
- o. commission of an act of moral turpitude, on or off campus, including, but not limited to, sexual harassment, sexual assault, fraud or theft;
- p. criminal or unethical conduct, on or off campus, (including a change in driving status when driving is an essential job function), or employee's failure to report his or her criminal or unethical conduct, that the university could reasonably construe as having an adverse impact on the employee's work performance or work environment, or that would cause discredit or embarrassment to the university.

03.02.2 Conviction notification. Each faculty, staff and/or student employee is required to notify the TTU system of any felony conviction, conviction of a Class A misdemeanor, or any drug, assault or theft conviction no later than five days after such conviction.

03.02.3 Determination of a violation. Determination of a violation of the standards established in this policy shall result in the assessment of a penalty ranging from an oral reprimand to separation from the TTU system.

Regents' Rules: Chapter 07 – Fiscal Management

07.03 Fraud policy. The TTU system is committed to the highest standards of moral and ethical behavior. These

standards and the subject of appropriate behavior are outlined in the operating manuals of the component institutions and in various TTU system and board policies, which should be observed by all TTU system students and employees.

The purpose of this policy is to address fraudulent acts. Fraudulent activity of any kind, including for the benefit of the TTU system, is expressly prohibited. This policy establishes the procedures and responsibilities for reporting and re-solving instances of known or suspected fraudulent acts. For purposes of this policy, fraud is defined as follows:

An intentional perversion of truth for the purpose of inducing another in reliance upon it to part with some valuable thing belonging to him or to surrender a legal right. A false representation of a matter of fact, whether by words or by conduct, by false or misleading allegations, or by concealment of that which should have been disclosed, which deceives and is intended to deceive another so that he shall act upon it to his legal injury. Any kind of artifice employed by one person to deceive another.

07.03.1 For purposes of this policy, the definition of fraud as per the above shall include, but not be limited to, the following:

- a. an intentional or deliberate act;
- b. depriving the TTU system or a person of something of value or gaining an unfair benefit; and
- c. using deception, false suggestions, suppression of truth, or other unfair means which are believed and relied upon.

07.03.2 A fraudulent act may be an illegal, unethical, improper, or dishonest act, including but not limited to:

- a. embezzlement;
- b. misappropriation, misapplication, destruction, removal, or concealment of property;
- c. alteration or falsification of documents;
- d. false claims by students, employees, vendors, or others associated with the TTU system;
- e. theft of any asset including, but not limited to, money, tangible property, trade secrets or intellectual property;
- f. inappropriate use of computer systems, including hacking and software piracy;
- g. bribery, rebate, or kickback;
- h. conflict of interest; or
- i. misrepresentation of facts.

07.03.3 Fraudulent act determination. While a fraudulent act may have criminal and/or civil law consequences, the TTU system is not required to use a determination by a criminal justice authority to criminally prosecute as the basis for determining whether an act is fraudulent. It is the internal determination that the above criteria are present that defines an act as fraudulent under this policy.

07.03.4 Duties and responsibilities. Administrators at all levels of management are accountable for setting the appropriate tone of intolerance for fraudulent acts by strictly displaying the proper attitude toward complying with laws, rules, regulations, and policies, including ethics policies. In addition, administrators should be cognizant of the risks and exposures inherent in their area of responsibility, and should establish and maintain proper internal controls which will provide for the security and accountability of the resources entrusted to them.

Any member of the campus community who has a reasonable basis for believing a fraudulent act has occurred has a responsibility to promptly notify one of the following:

- a. his or her supervisor;
- b. the appropriate administrator;
- c. the OAS; or
- d. the component institution's police department.

Employees who, in good faith, report unlawful activity are protected by the Texas Whistleblower Act against any retaliation by the TTU system for making such a report. The reporting member of the campus community shall refrain from confrontation of the suspect, further examination of the incident, or further discussion of the incident with anyone other than the employee's or student's supervisor or others involved in the resulting review or investigation. Persons found to be making frivolous claims under this policy will be disciplined, up to and including termination of employment or expulsion from the TTU system.

07.03.5 Investigation. Supervisors and administrators at all levels of management who become aware of suspected fraudulent activity are to respond in a consistent and appropriate manner and shall report the suspected activity to the OAS. With the concurrence of the CAE, the supervisor or administrator may treat the incident as an administrative issue and have a qualified individual or individuals perform an objective review as considered necessary.

The OAS has the primary obligation for investigating reported incidents to the extent considered necessary for resolution. The OAS may contact other TTU system departments, including, but not limited to, the Office of General Counsel and the component institution's police department, to establish the necessary team to proceed with the review or investigation. The investigative team will attempt to keep source information as confidential as possible. In those instances where the investigation indicates criminal activity, the investigation shall be turned over to the component institution's police department or other appropriate law enforcement agency. As required by law, the OAS will notify the state auditor's office of suspected fraudulent activity.

All affected departments and/or individuals shall cooperate fully with those performing a review or investigation, including the OAS, law enforcement officials, regulators, and any other parties involved. During all aspects of the review or investigation, the constitutional rights of all persons will be observed. Suspects and others involved in the review or investigation shall be treated consistently without regard to past performance, position held, length of service, race, color, religion, sex, age, disability, national origin, or veteran status.

07.03.6 Disciplinary actions.

- a. Employees found to have participated in fraudulent acts as defined by this policy will be subject to disciplinary action, including termination. Additionally, employees suspected of perpetrating fraudulent acts may be placed on paid administrative leave during the course of the investigation. In those cases where disciplinary action is warranted, the Office of Personnel/Human Resources, Office of the General Counsel, or other appropriate office shall be consulted prior to taking such actions. Criminal or civil actions may be pursued against employees who participate in fraudulent acts.
- b. An employee terminated by reason of involvement in the perpetration of a fraud will ordinarily be terminated without eligibility for rehire. Actions to be taken will be determined without regard to past performance, position held, length of service, race, color, religion, sex, age, disability, national origin, or veteran status.
- c. Students found to have participated in fraudulent acts as defined by this policy will be subject to disciplinary action pursuant to the operating manuals of the component institution. In those cases where disciplinary action is warranted, the Dean of Students, Office of Student Services, Office of the General Counsel, or other appropriate office shall be consulted prior to taking such actions. Additionally, criminal or civil actions may be pursued against students who participate in fraudulent acts. The relationship of other individuals or entities associated with

the TTU system found to have participated in fraudulent acts as defined by this policy will be subject to review, with possible consequences including termination of the relationship. In those cases where action is warranted, the Office of the General Counsel or other appropriate office shall be consulted prior to taking such actions. Additionally, criminal or civil actions may be taken against individuals or entities associated with the TTU system who participate in unlawful acts.

07.03.7 Fraud reporting. The results of investigations conducted by the OAS shall be communicated, either orally or in writing, as determined by the CAE, to the board and to the chancellor and/or other appropriate administrators.

Regents' Rules: Chapter 10 – Intellectual Property Rights

Statement of Basic Philosophy and Objectives

It is recognized that research and scholarship on the part of members of the faculty, staff, and students of the Texas Tech University System* (hereinafter referred to as TTUS) will result in patentable and non-patentable inventions, such as biological and other proprietary materials, plants, manuscripts, computer software, trade secrets, medical treatments, devices, pharmaceuticals and products that are potentially marketable.

It is the policy of the Board of Regents to encourage scholarly activity without regard to potential gains from royalties and other forms of income. In all cases, however, the affected individuals are subject to individual or TTUS obligations under grants, contracts, or research agreements with governmental agencies and sponsors. All TTUS policies will provide adequate recognition and incentives to sponsors, assignees, and creators and will serve the public interest.

1. General Policy

This intellectual property policy, as adopted, shall apply prospectively to all persons employed by the component faculties of TTUS, to all students of TTUS, and to anyone using TTUS facilities or under the supervision of TTUS personnel. Every employee, faculty member, staff member, or student is expected to be aware of the TTUS policies regarding intellectual property and agrees to accept and abide by them as a condition of employment or enrollment. All intellectual property disclosures made prior to the date of this policy shall be governed by the prior established policy.

Unless otherwise specified, copyrightable works are considered intellectual property and shall be governed by the general intellectual property policies set forth herein. It is the intent of this policy to foster the traditional freedoms of the TTUS faculty, staff, and students in matters of publication and invention, through a fair and reasonable balance of the equities among creators, sponsors, and TTUS. The purpose of the policy is to outline the respective rights that members of the faculty, staff, and students have in intellectual materials created while they are affiliated with TTUS.

** TTU and all of its subordinate units; TTUHSC and all of its subordinate units; and ASU and all of its subordinate units.*

As a public institution, TTUS is entrusted with the responsibility to facilitate application of scientific, technical, artistic, and intellectual endeavors of its faculty and staff for public use and to provide for an equitable disposition of interests among the creators (authors and inventors), TTUS, and, where applicable, the sponsoring or contracting funding source.

2. Definitions

For the purposes of this regulation, the following terms are defined as follows:

- a. **Creator:** A creator is an individual subject to this policy who invents, develops, or authors intellectual property as defined below.
- b. **Invention:** A process, method, discovery, device, plant, composition of matter, or other invention that reasonably appears to qualify for protection under United States patent law, Chip Design Protection law or plant protection schemes, whether or not actually patentable. An invention may be the product of a single inventor or a group of inventors who have collaborated on a project.

- c. Copyrightable Work: An original work of authorship which has been fixed in any tangible medium of expression from which it can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device, including but not limited to, books, journals, software, computer programs, musical works, dramatic works, videos, multimedia products, sound recordings, and pictorial and graphical works. A copyrightable work may be the product of a single author or a group of authors who have collaborated on a project.
- d. Trademark (including Service Mark): A distinctive word, design, or graphic symbol, or combination word and design that distinguishes and identifies the goods and services of one party from those of another, such as names or symbols used in conjunction with plant varieties or computer programs.
- e. Tangible Research Property: Tangible items produced in the course of research including such items as biological materials, engineering drawings, integrated circuit chips, computer databases, prototype devices, circuit diagrams, and equipment. Individual items of tangible research property may be associated with one or more intangible properties, such as inventions, copyrightable works and trademarks. An item of tangible research property may be the product of a single creator or a group of individuals who have collaborated on a project.
- f. Intellectual Property: Collectively, all forms of intellectual property including but not limited to inventions, innovations, discoveries, improvements, biological materials, proprietary materials, plants, copyrightable works, trademarks, and tangible research property.
- g. Intellectual Property Committees: Standing committees of component institutions, whose purpose is to provide a forum for discussion of policies and procedures affecting intellectual property and to advise the ORCFR regarding intellectual property matters when called upon, including comment on disputes that may arise regarding the handling of intellectual property and technology transfer and suggestions for policy or procedure changes with respect to this policy. The TTU vice president for research will appoint members of the TTU committee; the TTUHSC executive vice president for academic affairs will appoint members of the TTUHSC committee; the ASU provost and vice president for academic and student affairs will appoint members of the ASU committee. The majority of members of each committee will be faculty members. Each committee will meet at least twice each year, or more often as called by the appropriate vice president or the vice chancellor of ORCFR (ORCFR vice chancellor).
- h. The Office of Research, Commercialization and Federal Relations: The TTUS Office of Research, Commercialization and Federal Relations (ORCFR) administrative office's mission is to promote the transfer of TTUS technologies for society's use and benefit while generating unrestricted income to support research and education. The ORCFR is responsible for administration and implementation of TTUS's intellectual property program, and for assisting and advising TTUS's faculty and staff.
- i. Software: In recent years, the United States Patent and Trademark Office has determined that software which meets certain technical and legal criteria may be patentable. In the case that software originally disclosed as a copyrightable work subsequently is determined to be patentable subject matter, and TTUS chooses to seek patent protection for the software, then such software shall be managed under this regulation as an invention.

3. Ownership

In general, intellectual property made with the use of TTUS facilities or during the course of regularly assigned duties of the faculty and staff automatically is owned by TTUS. Those who are subject to this policy must, and do hereby, assign their rights in all applicable intellectual property to TTUS, except intellectual property which might be owned by third parties pursuant to sponsored research agreements and intellectual property resulting from independent work or approved consulting activities not utilizing TTUS facilities.

a. Ownership Further Defined:

- 1. An invention or tangible research property resulting from activities related to an individual's employment responsibilities and/or with support from TTUS funds, facilities or personnel shall be

owned by TTUS.

2. An invention or tangible research property unrelated to an individual's employment responsibilities that is developed on his or her own time without TTUS support or use of TTUS's facilities is not owned by TTUS.
3. Ownership of an invention or tangible research property developed in the course of or resulting from research supported by a grant or contract with the federal government (or an agency thereof), a state agency or a nonprofit or for-profit non-governmental entity, shall be determined in accordance with the terms of the sponsored grant or contract, or in the absence of such terms, shall be owned by TTUS.

b. Ownership of Copyrightable Works:

TTUS encourages the preparation and publication of copyrightable works that result from teaching, research, scholarly and artistic endeavors by members of the faculty, staff and student body of TTUS. Authors shall be permitted maximum freedom with respect to their copyrightable works, consistent with the obligations to TTUS. Copyrightable works may be created under a variety of circumstances which impact the ownership and subsequent management thereof, as follows:

1. Books, Articles and Similar Works

In keeping with academic tradition, and except to the extent required by the terms of any funding agreement, TTUS does not claim ownership to pedagogical, scholarly or artistic works, regardless of their form of expression. Such works include but are not limited to faculty-prepared works such as textbooks, course materials and refereed literature. Such works include those of students created in the course of their education, such as dissertations, papers and journal articles. Furthermore, TTUS claims no ownership in popular nonfiction, novels, poems, musical compositions or other works of artistic imagination that are not works for hire. If title to copyright in works defined within this section vests in TTUS by law, TTUS will, upon request and to the extent consistent with its legal obligations, convey copyright to the authors of such copyrightable works.

2. Institutional Works or "Works for Hire"

TTUS shall retain ownership of copyrightable works created for institutional purposes in the course of the creator's employment, including but not limited to simultaneous or sequential contributions over time by numerous faculty, staff or students. For instance, work assigned to programmers is institutional work or "work for hire" as defined by law, as is software developed for TTUS purposes by staff working collaboratively. Brochures, training programs, CD ROMs, videos, and manuals for which staff members are hired to develop are other examples of institutional works, or work for hire. TTUS owns all right, title and interest in such institutional works.

3. Works Developed with Significant Use of Resources

Copyrightable works that are not works for hire but are works that are developed with integral and significant use of funds, space, hardware, or facilities administered by TTUS, where use was essential and substantial rather than incidental shall be owned by TTUS. Furthermore, copyrightable works that are not works for hire (see Section (2) above) but are works that are developed in the course of or resulting from research supported by a grant or contract with the federal government (or an agency thereof), a state agency or a non-profit or for-profit nongovernmental entity, or by a private gift or grant to TTUS, shall be determined in accordance with the terms of the sponsored grant or contract, or in the absence of such terms and to the extent consistent with copyright law, shall be owned by TTUS. TTUS recognizes and affirms the traditional academic freedom of its faculty and staff to publish pedagogical, scholarly or artistic works without restriction. In keeping with this philosophy, TTUS will not construe the provision of offices or library facilities as constituting significant use of TTUS resources, except for those instances where the resources were furnished specifically to support the development of such copyrightable works. Nothing in this section is intended to change the traditional manner in which TTUS faculty, staff and employees assign

the copyright ownership of works intended for publication in scholarly journals.

4. Hybrid Works

Changing technology can give rise to creative efforts that fall into more than one category, for example, a book (traditionally owned by the author) coupled with an interactive CD ROM (perhaps software in which TTUS may have rights to under this policy). Such hybrid works should be brought to the attention of the ORCFR which shall negotiate a reasonable sharing arrangement or release as may be appropriate. Should the ORCFR and the creator be unable to agree, the matter shall be finally resolved by the president of the applicable institution.

5. Copyrightable Works Not Owned by TTUS

Authors of copyrightable works that are not owned by TTUS own the copyrights in their works and are free to publish them, register the copyright, and to receive any revenues which may result there from.

Copyrightable works to which TTU has no ownership rights (see foregoing Section 3(b)(1-4) where conditions for TTU ownership are defined) may still be submitted for publication and published by TTUS. Upon TTUS publication acceptance, the independent author shall agree to transfer copyright of the work by contract to the specific TTUS publication. A transfer agreement obtained from the ORCFR shall be executed and maintained in the ORCFR.

4. Research Involving Third Party

In research sponsored by or involving third parties, provisions for the control of and compensation for patents should normally be consistent with the general policy stated herein. However, nothing in this policy shall preclude acceptance of a contract, grant or agreement which provides for ownership of intellectual property by the sponsor with appropriate compensation.

5. Disclosure of Intellectual Property

All intellectual property shall be promptly disclosed to the ORCFR. Disclosure shall be made on a disclosure form prescribed by and available from the ORCFR. Creators shall cooperate with TTUS and the ORCFR in protecting intellectual property rights in the invention. At least once a year, coincidental with a regular board meeting, the ORCFR vice chancellor shall prepare for the chancellor and the board a report listing the titles and a brief description of each disclosure received since the last report.

6. Intellectual Property Administration

When TTUS elects to protect intellectual property in its name, it shall award to the inventor or creator a reasonable share (as defined hereinafter) of net proceeds from royalties or other income or value after deduction of the directly assignable costs of patenting, marketing, licensing and protection of intellectual property rights.

7. Determinations by the ORCFR

The ORCFR for TTUS shall make determinations as to:

- a. the potential value of the intellectual property to TTUS;
- b. the rights and equities of the inventor or creator, TTUS and any third parties; and
- c. the required actions to maximize the benefits of any intellectual property to the public, TTUS, and the creator.

8. Implementation

The following guidelines shall be applicable to license agreements with private entities including those formed primarily for the purpose of developing and/or commercializing intellectual property created at TTUS subject to the

terms of sponsored research agreements which may have led to the creation of such intellectual property:

- A. No entity shall be granted the exclusive rights to the development and/or commercialization of all intellectual property created at TTUS. Agreements should grant rights only on a specific project basis.
- B. If an entity is granted the exclusive rights with respect to a particular invention, product, process or other item of intellectual property, the agreement should provide that such rights will revert to TTUS in the event the entity fails to diligently develop and commercialize the property within a specified period of time that is appropriate to the particular circumstances.
- C. An entity that is granted exclusive rights to develop or commercialize intellectual property that is patentable should be required to reimburse TTUS for all expenses incurred by TTUS in obtaining a patent or, if a patent has not been obtained, should be required to prosecute and bear the expense of obtaining patent protection for the benefit of TTUS and, in either event, the entity should be required to take all actions necessary, including litigation, to protect and preserve such patented rights from infringement.
- D. TTUS and its officers and employees should be protected and indemnified from all liability arising from the development, marketing, or use of the particular intellectual property.
- E. Restrictions on use by the component institution for research and teaching purposes and the publication rights of researchers should be minimized.
- F. If the entity fails to develop and commercialize the property, any and all rights the entity has been granted in TTUS's property shall be returned and granted back to TTUS so that another entity may be offered the right to develop and commercialize the technology.
- G. The entity should be required to comply with all applicable federal, state, and local laws and regulations, particularly those concerning use of animals, biological materials and necessary testing, human subject protection and approval by the Federal Drug Administration or other relevant federal or state agency.
- H. The entity should be required to maintain confidentiality with regard to any unpatented technology or know-how.
- I. An entity that grants a license or sublicense to some other entity for property or technology that is in whole or in part derived from or based on that which is licensed to the entity by TTUS, should be required to share with TTUS: at least 40% of any royalty received by the entity and at least 40% of any equity position to which the entity may be entitled. An entity that participates in additional research and development of property or technology that is licensed may be entitled to a reduction from the above restriction per recommendation by the Director of ORCFR and approval of the president of the respective institution. Such participation means specifically: sponsored research into TTUS, bundling TTUS intellectual property with the entity's existing intellectual property to form joint intellectual property, and/or a specified product development period of over one year with mutually agreed upon milestones.
- J. License agreements should contain such other provisions as may be determined by the ORCFR and the Office of General Counsel to be in the best interest of TTUS.
- K. The ORCFR vice chancellor is authorized to negotiate and execute license agreements that have been:
 - 1. approved by the vice president for research (or the equivalent of that position) of the institution at which the creator is employed; and
 - 2. approved as to form, law, and compliance with the *Regents' Rules* and applicable policies by the vice chancellor and general counsel.

9. Reports to the Board

The chancellor shall report annually to the Board of Regents concerning the status of license agreements, including the distribution of revenues earned from such agreements. The chancellor will inform the board at the first meeting following the end of each calendar quarter of any license agreements entered into by the TTUS ORCFR and not previously reported.

10. Reports to the State of Texas

In compliance with Section 51.912, *Texas Education Code*, the Board of Regents must file a report identifying all employees who have an equity interest in or serve as employees, officers, or members of the board of directors of business entities that have agreements with TTUS relating to the research, development, licensing or exploitation of intellectual property in which TTUS has an ownership interest. The report will be filed in accordance with the requirements of Section 51.005, *Texas Education Code*. The ORCFR will submit the report through the chancellor or his/her designee to the Office of the Board of Regents. The board office will obtain the signature of the chairman of the board and will transmit the report to the Governor's office and other required entities.

11. Board Approval of Employee Participation in Business Entities

- a. For the purposes of this section, the following definitions apply:
 1. "Creator/inventor" means: an employee of TTUS, who conceives, creates, discovers, invents, or develops intellectual property for which TTUS has entered into an intellectual property agreement with an IPA entity.
 2. "Intellectual property agreement" or "IPA" means: an agreement relating to the research, development, licensing, or exploitation of intellectual property in which TTUS has an ownership interest.
 3. "IPA entity" means: a business entity that has an intellectual property agreement with the State of Texas or a political subdivision of the State, including but not limited to TTUS.
- b. Employee who is not the creator/inventor. A TTUS employee who is not the creator/inventor shall not participate as an employee, officer, or member of the governing board of an IPA entity.
- c. Employee who is the creator/inventor.
 1. Subject to all applicable policies relating to ethics, conflict of interest, consulting or outside employment, and disclosure provided in Chapters 03 and 10, *Regents' Rules*, and in institutional operating policies, a creator/inventor who wishes to participate as an employee, officer or member of the governing board of an IPA entity that utilizes intellectual property produced by the creator/inventor may do so only if approved by the board in advance.
 2. After a creator/inventor has received the approval of the board under Section 10.11(c)(1) of this section, the creator/inventor must report to the vice chancellor for technology commercialization and the vice president for research (or the equivalent of that position) of the institution at which the creator/inventor is employed the following:
 - A. the name of the IPA entity and the position or positions in which the creator/inventor participates as an employee, officer, or member of the governing board; and
 - B. within 30 days of the event, any change in the status of the creator/inventor's participation as an employee, officer, or member of the governing board.
- d. Attending or monitoring meetings of the governing board of an IPA entity. To the extent authorized by the agreement between TTUS and the IPA entity, the chancellor, or the designee of the chancellor, may attend or monitor meetings of the governing board of the IPA entity. In such event, the chancellor, or the chancellor's designee, shall act solely as the representative of TTUS and shall not accept any

compensation or expense reimbursement from the IPA entity.

12. Assignment and Protection

1. Creators shall execute appropriate assignment and/or other documents required to set forth effectively the ownership and rights to inventions and tangible research property. Assignment agreements are prescribed by and available from the ORCFR.
2. The ORCFR will determine whether TTUS desires to commit funding to obtain protection for the invention, and shall so notify the creators of the decision. In many cases, before making a final decision, the ORCFR will identify one or more licensees who will bear the cost of obtaining patent protection.
3. In those instances where the creator perceives that delay would jeopardize obtaining the appropriate protection for the invention, the creator may request that TTUS expedite its decision. If TTUS has not acted within six months after a request to expedite, and the creator has cooperated in good faith, TTUS will release its rights and Section 19 shall apply.
4. Copyrightable Works

Agreements permitting a party to use, develop, or otherwise commercialize copyrightable works owned by TTUS are encouraged. The ORCFR has primary responsibility for negotiating with third parties having an interest in using, developing or otherwise commercializing copyrightable works.

13. Obligations to Sponsors

The ORCFR, in cooperation with the respective Office of Research Services or Office of Sponsored Programs, shall coordinate reporting requirements and other obligations to research sponsors regarding inventions or economically significant tangible research property developed under a research contract or grant, including but not limited to obligations to the United States Government under 37CFR Part 401.

14. Distribution of Income from Commercialization and Licensing

- a. Where TTUS has an ownership interest in the intellectual property pursuant to this policy, the following provisions will govern the distribution of royalties and other income, including, but not limited to license fees, prepaid royalties, minimum royalties, running royalties, milestone payments, and sublicense payments, after TTUS has recouped all direct costs associated with the processing of the patent or copyright application and marketing and licensing the technology:

Net Royalty and Other Income	Creator(s)	TTUS	Department*	Unit**
\$0 - \$100,000	50%	30%	10%	10%
\$100,001 - \$500,000	\$50,000 plus 40% of amount over \$100,000	30%	15%	15%
\$500,000 – up	\$210,000 plus 30% of amount over \$500,000	30%	As set by Board of Regents	As set by Board of Regents

* Department, center or institute

** College or school

Net royalties and other income are to be paid according to the above schedule as the net royalties are earned; that is, the individual will receive 50% of the first \$100,000 and 30% of all net royalties over \$100,000. Funds received by the department and college will be placed in unrestricted accounts under their control. Such funds will not be used to substitute for funds budgeted for expenditure in the routine annual operating budget which is approved by the Board of Regents.

- b. This policy recognizes that in addition to the traditional academic units such as departments and colleges, research, and specifically interdisciplinary research, can be sponsored by other academic units, such as centers and institutes. Because of the many different combinations that may occur, this policy cannot specify how the royalties are to be allocated. It is, however, the general policy of Intellectual Property Rights, *Regents' Rules*, to allocate royalties to the units which have provided the substantial level of indirect support that triggers TTUS's ownership of the intellectual property. The policy encourages voluntary agreements between such units prior to the development of intellectual property (to allocate the percentage of royalty share that is appropriate for each unit). In the event that no agreement can be reached prior to the generation of royalties, the president of the applicable institution(s) will resolve the allocation question.

The division of net royalties and other income from patents and copyrights managed by a patent or copyright agent will be controlled by TTUS agreement with such agent, as approved by the TTUS Board of Regents. Any deviation from this rule requires the prior approval of the TTUS Board of Regents.

- c. Copyrightable Works. All monetary proceeds from commercialization of copyrightable works, including royalties, equity interests, and dividends, are the property of the TTUS component from which the work emerged. Income received from commercialization of copyrightable works will be distributed as follows:
1. Institutional Works: TTUS shall be entitled to all income from distribution or commercialization of institutional works.
 2. Works Developed with Significant Use of Resources: In cases where the ORCFR conducts the commercialization or distribution of the copyrightable work on behalf of TTUS, the distribution of income shall be made in accordance with steps outlined in Section (a) above.

In cases where the TTUS unit conducts the commercialization or distribution of the copyrightable work, the distribution of net income after expenses of creation and distribution shall be as follows: 50% to the TTUS unit and 50% to the author.

3. In the event of multiple authors, the authors will agree among themselves as to the distribution of the income accruing to the authors; distribution of the authors' share shall be made only upon receipt of a signed agreement between the authors. In the event that an author is a joint employee of two or more components, or in the event that authors represent two or more components, the components will agree as to the distribution of the income accruing to the components, considering such factors as annualized FTE by component and relative contributions of the authors to the work.

15. Equity and Other Non-monetary Returns

TTUS may negotiate, but shall not be obligated to negotiate, for equity interests in lieu of or in addition to royalty and/or monetary consideration as a part of an agreement relating to intellectual property.

- a. Creators may receive up to 50% of any equity or other non-monetary consideration (or, in TTUS's discretion, its monetary equivalent) received by TTUS or its components under this section. However, TTUS may choose to receive the consideration under terms that restrict its ability to sell, distribute or otherwise deal with the equity interests. In such cases, any restrictions on TTUS's interest shall be equally applicable to the interest of the creator, unless waived or varied in writing and signed by the ORCFR vice chancellor and the creator.
- b. TTUS does not act as a fiduciary for any person concerning equity or other consideration received under the terms of this regulation.
- c. The division of net royalties and other income from patents and copyrights and marketing and licensing the technology managed by a patent or copyright agent will be controlled by TTUS agreement with such agent, as approved by the TTUS Board of Regents. Any deviation from this rule requires the prior approval of the TTUS Board of Regents.

16. Equity Ownership

This policy allows equity ownership and business participation by TTUS faculty, staff, and students consistent with state law as presently stated in Section 51.912, *Texas Education Code*, or any other future statutory provision relating to the subject matter of this intellectual property policy.

17. Trademarks

In most situations, a trademark identifies an item of intellectual property, such as a computer program or a plant variety. In other situations, a trademark identifies an educational, service, public relations, research or training program of TTUS or its components. TTUS, or the applicable TTUS component, owns all right, title and interest in trademarks related to an item of intellectual property owned by TTUS or its components, or to a program of education, service, public relations, research or training program of TTUS or its components. All income from the licensing of a trademark shall belong to TTUS, or the TTUS component, as applicable.

18. Tangible Research Property

- a. TTUS owns all right, title and interest in tangible research property related to an individual's employment responsibilities and/or developed with support from TTUS-administered funds, facilities, equipment or personnel.
- b. For purposes of management of the asset, tangible research property shall be managed as an invention, with distribution of income from the distribution or commercialization of such tangible research property made in accordance with Section 14.

19. Provisions for Release of Rights to Creators

Absent a contractual obligation to a research sponsor, TTUS may release ownership rights to a creator, with the following provisions.

- a. TTUS shall retain for TTUS and all components thereof a perpetual, royalty-free license to use the invention or copyrightable work, and any corresponding patents or copyrights, for research, education and service purposes.
- b. TTUS shall receive a share of all proceeds generated from commercialization of the invention or copyrightable work after the creator has recovered documented out-of-pocket costs for obtaining legal protection for the invention or copyrightable work, the amount of such share to be negotiated at the time of the release. Should the ORCFR and the creator be unable to agree, the matter shall be finally resolved by the president of the applicable institution.
- c. In the case of release of rights to the creator, the creator shall not be entitled to a share of proceeds received by TTUS under Section (b) above.

20. Offers of Intellectual Property

- a. If an individual chooses to offer to TTUS certain intellectual property in which TTUS has no claim, TTUS may accept ownership of the intellectual property provided that:
 - 1) the individual makes the offer to TTUS as if the intellectual property had been created within TTUS;
 - 2) the individual agrees to all provisions (including distribution of income provisions) of this policy;
 - 3) the individual warrants that he or she owns all right, title and interest to the intellectual property, and that to the best of his or her knowledge, the intellectual property does not infringe upon any existing copyright or other legal rights.
- b. The ORCFR will decide whether to accept or reject such offers.
- c. Should TTUS agree to accept the offer of intellectual property, the individual will execute an ORCFR

assignment agreement transferring all right, title, and interest in the intellectual property to TTUS, and acknowledging that the individual agrees to all provisions of this policy. In cases in which the individual has already expended funds toward obtaining patent or other legal protection for the invention, the individual and TTUS may negotiate terms to allow recovery of legal and/or patent expenses from license fees and/or royalty income. Such an agreement would modify normal royalty sharing provisions until such expenses are recovered by the party entitled to recovery of the expenses.

- d. TTUS may accept charitable donations of intellectual property from governmental or private organizations. Upon the transfer of title in the intellectual property to TTUS, the intellectual property will be managed in accordance with this policy.

21. Complaint Procedure

- a. Foreword. The purpose of these procedures is to address complaints of individuals covered by this policy (all persons employed by components of TTUS, all students of TTUS, and anyone using TTUS facilities or under the supervision of TTUS personnel) related to the actions or decisions of the Director and to provide a mechanism for resolving them. Each member of the TTUS faculty and staff shall have the right to a hearing for redress of complaints through established channels.

After the complaint is presented to the Director, the time periods for action prescribed in these procedures are guidelines only but should be followed unless a request for extension is granted for good cause by the vice president for research of the applicable institution. Consideration should be given for TTUS holidays and agreement of the parties.

- b. Complaint Initiation. The complainant will present a written description of the complaint and proposed resolution to the Director within 21 calendar days after the complainant becomes aware of the action constituting the complaint. The complainant and Director will meet within 21 calendar days of receipt by the Director and attempt resolution of the complaint. If resolution is not reached, the Director's written decision will be provided to the complainant within 10 calendar days after the meeting. If the decision is not acceptable to the complainant, or if the Director does not render a written decision within 10 working days, the complainant may proceed as set forth below.
- c. Mediation. The complainant or the ORCFR vice chancellor may request mediation of the dispute within 10 calendar days of the ORCFR vice chancellor's written decision provided under Subsection (b). If the ORCFR vice chancellor and complainant agree, a person acceptable to both parties will mediate the complaint. If the parties are unable to agree upon a mediator within 10 calendar days of the request to mediate, the vice president for research of the applicable institution, or designate, will select a member of the TTUS community, familiar with the area in dispute, to serve as mediator. The complaint will be presented for mediation within 21 calendar days after the mediator has been selected.

If mediation is successful, the complaint process shall end.

If mediation fails to resolve the complaint, the ORCFR vice chancellor will provide a written decision to the complainant within 10 calendar days after the mediation is concluded. If the ORCFR vice chancellor's decision is not acceptable to the complainant, the complainant may proceed as set forth below.

- d. Appeal to the President

- 1) The appeal procedure is initiated by the complainant providing a written request to the president asking that the decision of the ORCFR vice chancellor be reviewed. The complainant will provide copies of the original complaint, written decisions of the ORCFR vice chancellor and a proposed resolution.

The appeal to the president shall be filed within 15 calendar days of the complainant's receipt, or lack thereof, of the written decision of the ORCFR vice chancellor.

The president of the applicable institution, in consultation with the Intellectual Property Committee of

the applicable institution, will select three (3) members of the institution's community to serve on an appeal committee.

Persons selected for service on the committee will be allowed to present to the president reasons why they should be recused from the process.

Following the selection of the three (3) person appeal committee, the president will convene the committee, give the committee its charge, and supply the committee with all relevant documents furnished by the ORCFR vice chancellor and the complainant.

- 2) The president may appoint a faculty member with expertise in the relevant area of intellectual property to serve as a non-voting facilitator to assist the committee in its deliberations.

e. Hearing Committee Process

- 1) Within 21 days of receipt of the request from the president, the hearing committee will hold its hearing. The committee will, prior to the hearing, elect its own chairperson. The chairperson's notice of scheduling a time and place for the hearing will be delivered to the involved parties at least seven calendar days prior to the hearing.
- 2) The hearing will be non-adversarial in nature and conducted in accordance with the procedures established by the committee. The complainant and the ORCFR vice chancellor will be given the opportunity to present each party's position, including the right to present information, written or oral, considered relevant or material to the complaint as determined by the committee. The committee may call such witnesses as it considers appropriate.
- 3) At the conclusion of the hearing, the committee will meet and consider the matter. The majority opinion will constitute the committee's recommendations to the president. A minority opinion may also be submitted to the president. The committee's recommendations to the president shall be advisory in nature.

If the president has appointed a non-voting faculty facilitator as permitted above, the facilitator may attend the hearing and, subject to the will of the committee, may or may not be present during the committee's deliberations.

- f. President's Decision. The president will consider all material submitted and the recommendation of the committee and render a written decision, with copies to the committee, within 15 calendar days of receipt of the committee's recommendations. The president's decision is final.
- g. Resolution by the Parties. The ORCFR vice chancellor and complainant may agree to a resolution of the complaint at any time from institution of the complaint until receipt of the president's decision.

Excerpts from the State Government Code

Chapter 556 Political Activities by Certain Public Entities and Individuals

556.004 Prohibited Acts of Agencies and Individuals

- a. A state agency may not use any money under its control, including appropriated money, to finance or otherwise support the candidacy of a person for an office in the legislative, executive, or judicial branch of state government or of the government of the United States. This prohibition extends to the direct or indirect employment of a person to perform an action described by this subsection.
- b. A state officer or employee may not use a state-owned or state-leased motor vehicle for a purpose described by Subsection (a).

- c. A state officer or employee may not use official authority or influence or permit the use of a program administered by the state agency of which the person is an officer or employee to interfere with or affect the result of an election or nomination of a candidate or to achieve any other political purpose.
- d. A state employee may not coerce, attempt to coerce, command, restrict, attempt to restrict, or prevent the payment, loan, or contribution of anything of value to a person or political organization for a political purpose.
- e. For purposes of Subsection (c), a state officer or employee does not interfere with or affect the results of an election or nomination if the individual's conduct is permitted by a law relating to the individual's office or employment and is not otherwise unlawful.

556.005 Employment of Lobbyist

- a. A state agency may not use appropriated money to employ, as a regular full-time or part-time or contract employee, a person who is required by Chapter 305 to register as a lobbyist. Except for an institution of higher education as defined by Section 61.003, Education Code, a state agency may not use any money under its control to employ or contract with an individual who is required by Chapter 305 to register as a lobbyist.
- b. A state agency may not use appropriated money to pay, on behalf of the agency or an officer or employee of the agency, membership dues to an organization that pays part or all of the salary of a person who is required by Chapter 305 to register as a lobbyist. This subsection does not apply to the payment by a state agency of membership fees under Chapter 81.
- c. A state agency that violates Subsection (a) is subject to a reduction of amounts appropriated for administration by the General Appropriations Act for the biennium following the biennium in which the violation occurs in an amount not to exceed \$100,000 for each violation.
- d. A state agency administering a statewide retirement plan may enter into a contract to receive assistance or advice regarding the qualified tax status of the plan or on other federal matters affecting the administration of the state agency or its programs if the contractor is not required by Chapter 305 to register as a lobbyist.

556.0055 Restrictions on Lobbying Expenditures

- a. A political subdivision or private entity that receives state funds may not use the funds to pay:
 - 1. lobbying expenses incurred by the recipient of the funds;
 - 2. a person or entity that is required to register with the Texas Ethics Commission under Chapter 305;
 - 3. any partner, employee, employer, relative, contractor, consultant, or related entity of a person or entity described by Subdivision (2); or
 - 4. a person or entity that has been hired to represent associations or other entities for the purpose of affecting the outcome of legislation, agency rules, ordinances, or other government policies.
- b. A political subdivision or private entity that violates Subsection (a) is not eligible to receive additional state funds.

556.006 Legislative Lobbying

- a. A state agency may not use appropriated money to attempt to influence the passage or defeat of a legislative measure.
- b. This section does not prohibit a state officer or employee from using state resources to provide public information or to provide information responsive to a request.

556.007 Termination of Employment

A state employee who causes an employee to be discharged, demoted, or otherwise discriminated against for providing information under Section 556.006 (b) or who violates Section 556.004 (c) or (d) is subject to immediate termination of employment.

556.008 Compensation Prohibition

A state agency may not use appropriated money to compensate a state officer or employee who violates Section 556.004 (a), (b), or (c) or Section 556.005 or 556.006 (a), or who is subject to termination under Section 556.007.

556.009 Notice of Prohibitions

- a. A state agency shall provide each officer and employee of the agency a copy of Sections 556.004, 556.005, 556.006, 556.007, and 556.008 and require a signed receipt on delivery. A new copy and receipt are required if one of those provisions is changed.
- b. A state agency shall maintain receipts collected from current officers and employees under this section in a manner accessible for public inspection.

Chapter 57 Personal Financial Disclosures, Standards of Conduct, and Conflict of Interest

Subchapter C. Standards of Conduct and Conflict of Interest Provisions

572.051 Standards of Conduct; State Agency Ethics Policy

- a. A state officer or employee should not:
 - 1) accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;
 - 2) accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired by reason of the official position;
 - 3) accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or employee's official duties;
 - 4) make personal investments that could reasonably be expected to create a substantial conflict between the officer's or employee's private interest and the public interest; or
 - 5) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the officer's or employee's official powers or performed the officer's or employee's official duties in favor of another.
- b. A state employee who violates Subsection (a) or an ethics policy adopted under Subsection (c) is subject to termination of the employee's state employment or another employment-related sanction. Notwithstanding this subsection, a state officer or employee who violates Subsection (a) is subject to any applicable civil or criminal penalty if the violation also constitutes a violation of another statute or rule.
- c. Each state agency shall:
 1. Adopt a written ethics policy for the agency's employees consistent with the standards prescribed by Subsection (a) and other provisions of this subchapter; and
 2. Distribute a copy of the ethics policy and this subchapter to:

- a. Each new employee not later than the third business day after the date the person begins employment with the agency; and
 - b. Each new officer not later than the third business day after the date the person qualifies for office.
- d. The office of the attorney general shall develop, in coordination with the commission, and distribute a model policy that state agencies may use in adopting an agency ethics policy under Subsection (c). A state agency is not required to adopt the model policy developed under this subsection.
- e. Subchapters E and F, Chapter 571, do not apply to a violation of this section.
- f. Notwithstanding Subsection (e), if a person with knowledge of a violation of an agency ethics policy adopted under Subsection (c) that also constitutes a criminal offense under another law of this state reports the violation to an appropriate prosecuting attorney, then, not later than the 60th day after the date a person notifies the prosecuting attorney under this subsection, the prosecuting attorney shall notify the commission of the status of the prosecuting attorney's investigation of the alleged violation. The commission shall, on the request of the prosecuting attorney, assist the prosecuting attorney in investigating the alleged violation. This subsection does not apply to an alleged violation by a member or employee of the commission.

Chapter 2113 Use of Appropriated Money

2113.014 Employee Standards of Conduct

- a. A state agency may not use appropriated money to compensate a state employee who violates a standard of conduct described by Section 572.051.
- b. A state agency shall provide each state employee it employs a copy of this section and the standards of conduct described by Section 572.051 and require a signed receipt on delivery. A new copy and receipt are required if one of those provisions is changed.
- c. A state agency shall maintain receipts collected from current state employees under this section in a manner accessible for public inspection.

Chapter 667 Multiple Employments with State

667.001 General Provisions

- a. This chapter applies to a person who is or may become employed by more than one state agency or institution of higher education.
- b. A person who is employed by more than one state agency or institution of higher education may not receive benefits from the state that exceed the benefits provided for one full-time employee.
- c. The person must be informed of the requirements of this chapter before the person is employed by more than one agency or institution.

667.002 Separate Records Required

Separate vacation and sick leave records must be maintained for each employment.

667.003 Transfer of Leave Balances Prohibited

If the person separates from one employment, the person's leave balances that were accrued under that employment may not be transferred to the remaining employments.

667.004 Accrual of State Service Credit

The person accrues state service credit for all purposes as if the person had only one employment.

667.005 Group Insurance Contribution

The total state contribution toward the person's group insurance is limited to the amount specified in the General Appropriations Act for a full-time active employee.

667.006 Overtime Compensation

- a. Overtime compensation accrues for each employment independently of every other employment, except as provided by Subsection (b).
- b. If the person is subject to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) in an employment, the employing agencies and institutions of higher education shall ensure that the person is compensated for all combined time actually worked that exceeds 40 hours per week in accordance with the overtime provisions of the federal law. The agencies and institutions shall cooperate to determine which agency or institution is responsible for ensuring that the employee is properly compensated according to those provisions.
- c. An employing agency or institution may not use multiple employments of an employee within the same agency or institution for the purpose of:
 1. paying the employee for working more than 40 hours in a week instead of earning compensatory time in accordance with state law; or
 2. paying the employee a greater salary than is allowed for either of the employee's positions.

667.007 Informing Employer about Multiple Employment

The person must inform the person's employing state agencies or institutions of higher education before accepting an additional employment with another agency or institution.

667.008 Special Provisions for Legislative Agencies

If a person's multiple employment involves only legislative agencies and all employments are less than full-time, the person may use paid leave from leave balances in all employments, and on separating from one employment, leave balances accrued under that employment will be transferred to the remaining employments.

667.009 Special Provisions for University Systems

- a. A university system as defined by Section 61.003, Education Code, may establish a policy that defines a person's employment as the total hours the person is assigned:
 - 1) to one component of the system; or
 - 2) to all components of the system.
- b. The policy may apply to a person only if the person is employed by more than one institution of higher education and all the employing institutions are within the same university system.

[Chapter 403 Comptroller of Public Accounts](#)

Subchapter L Property Accounting

Sec. 403.271 Property Accounting System

- a. This subchapter applies to:
 1. all personal property belonging to the state; and
 2. real and personal property acquired by or otherwise under the jurisdiction of the state under 40 U.S.C. Section 483c, 484(j), or 484(k), and Subchapter F, Chapter 2175.
- b. The comptroller shall administer the property accounting system and maintain centralized records based on information supplied by state agencies and the uniform statewide accounting system. The comptroller shall adopt necessary rules for the implementation of the property accounting system, including setting the dollar value amount for capital assets and authorizing exemptions from reporting.
- c. The property accounting system shall constitute, to the extent possible, the fixed asset component of the uniform statewide accounting system.
- d. The comptroller may authorize a state agency to keep property accounting records at the agency's principal office if the agency maintains complete, accurate, and detailed records. When the comptroller makes such a finding, it shall keep summary records of the property held by that agency. The agency shall maintain detailed records in the manner prescribed by the comptroller and shall furnish reports at the time and in the form directed by the comptroller.
- e. A state agency shall mark and identify state property in its possession. The agency shall follow the rules issued by the comptroller in marking state property.

403.272 Responsibility for Property Accounting

- a. A state agency must comply with this subchapter and maintain the property records required.
- b. All personal property owned by the state shall be accounted for by the agency that possesses the property. The comptroller shall define personal property by rule for the purposes of this subchapter. In adopting rules, the comptroller shall consider the value of the property, its expected useful life, and the cost of recordkeeping.

403.273 Property Manager; Property Inventory

- a. The head of each state agency is responsible for the custody and care of property in the agency's possession.
- b. The head of each state agency shall designate a property manager and inform the comptroller of the designation. Subject to comptroller approval, more than one property manager may be designated.
- c. The property manager of a state agency shall maintain the records required and be the custodian of all property possessed by the agency.
- d. When a state agency's property is entrusted to a person other than the agency's property manager, the person to whom the property is entrusted shall provide a written receipt to the manager. A state agency may lend its property to another state agency only if the head of the agency lending the property provides written authorization for the lending. The head of the agency to which the property is lent must execute a written receipt.
- e. A state agency shall conduct an annual physical inventory of all property in its possession. The comptroller may specify the date on which the inventory must be conducted.
- f. Not later than the date prescribed by the comptroller, the head of a state agency shall submit to the comptroller:
 1. a signed statement describing the methods used to conduct the agency's annual physical inventory

- under Subsection (e);
2. a copy of the results of the inventory; and
 3. any other information concerning the inventory that the comptroller requires.
- g. At all times, the property records of a state agency must accurately reflect the property possessed by the agency. Property may be deleted from the agency's records only in accordance with rules adopted by the comptroller.
- h. The state auditor, based on a risk assessment and subject to the legislative audit committee's approval of including the examination in the audit plan under Section 321.013, may periodically examine property records or inventory as necessary to determine if controls are adequate to safeguard state property.

403.274 Change of Agency Head or Property Manager

When the head or property manager of a state agency changes, the outgoing head of the agency or property manager shall complete the form required by the comptroller about property in the agency's possession. The outgoing head of the agency or property manager shall deliver the form to the incoming head of the agency or property manager. After verifying the information on and signing the form, the incoming head of the agency or property manager shall submit a copy of the form to the comptroller.

403.275 Liability for Property Loss

The liability prescribed by this section may attach on a joint and several bases to more than one person in a particular instance. A person is pecuniarily liable for the loss sustained by the state if:

1. agency property disappears, as a result of the failure of the head of an agency, property manager, or agency employee entrusted with the property to exercise reasonable care for its safekeeping;
2. agency property deteriorates as a result of the failure of the head of an agency, property manager, or agency employee entrusted with the property to exercise reasonable care to maintain and service the property; or
3. agency property is damaged or destroyed as a result of an intentional wrongful act or of a negligent act of any state official or employee.

403.276 Reporting to Comptroller and Attorney General

- a. If the head or property manager of a state agency has reasonable cause to believe that any property in the agency's possession has been lost, destroyed, or damaged through the negligence of any state official or employee, the head of the agency or property manager shall report the loss, destruction, or damage to the comptroller and the attorney general not later than the date established by the comptroller. If the head or property manager of a state agency has reasonable cause to believe that any property in the agency's possession has been stolen, the head of the agency or property manager shall report the theft to the comptroller, the attorney general, and the appropriate law enforcement agency not later than the date established by the comptroller.
- b. The attorney general may investigate a report received under Subsection (a).
- c. If an investigation by the attorney general under Subsection (b) reveals that a property loss has been sustained through the negligence of a state official or employee, the attorney general shall make written demand on the official or employee for reimbursement of the loss.
- d. If the demand made by the attorney general under Subsection (c) is refused or disregarded, the attorney general may take legal action to recover the value of the property as the attorney general deems necessary.

- e. Venue for all suits instituted under this section against a state official or employee is in a court of appropriate jurisdiction of Travis County.

403.277 Failure to Keep Records

If a state agency fails to keep the records or fails to take the annual physical inventory required by this subchapter, the comptroller may refuse to draw warrants or initiate electronic funds transfers on behalf of the agency.

403.278 Transfer of Personal Property

- a. A state agency may transfer any personal property of the state in its possession to another state agency with or without reimbursement between the agencies.
- b. When personal property in the possession of one state agency is transferred to the possession of another state agency, the transfers must be reported immediately to the comptroller by the transferor and the transferee on the forms prescribed.

Chapter 62 Sex Offender Registration Program

Subchapter B Registration and Verification Requirement; Related Notice

Art. 62.051. REGISTRATION: GENERAL

Subchapter D

Art. 62.153. Registration of Workers or Students at Institutions of Higher Education

- a. Not later than the later of the seventh day after the date on which the person begins to work or attend school or the first date the applicable authority by policy allows the person to register, a person required to register under Article 62.152 or any other provision of this chapter who is employed, carries on a vocation, or is a student at a public or private institution of higher education in this state shall report that fact to:
 - 1. the authority for campus security for that institution; or
 - 2. if an authority for campus security for that institution does not exist, the local law enforcement authority of:
 - a. the municipality in which the institution is located; or
 - b. the county in which the institution is located, if the institution is not located in a municipality.
- b. A person described by Subsection (a) shall provide the authority for campus security or the local law enforcement authority with all information the person is required to provide under Article 62.051(c).
- c. A person described by Subsection (a) shall notify the authority for campus security or the local law enforcement authority not later than the seventh day after the date of termination of the person's status as a worker or student at the institution.
- d. The authority for campus security or the local law enforcement authority shall promptly forward to the administrative office of the institution any information received from the person under this article and any information received from the department under Article 62.005.
- e. Subsection (a)(2) does not require a person to register with a local law enforcement authority if the person is otherwise required by this chapter to register with that authority.

- f. This article does not impose the requirements of public notification or notification to public or private primary or secondary schools on:
 - 1. an authority for campus security; or
 - 2. a local law enforcement authority, if those requirements relate to a person about whom the authority is not otherwise required by this chapter to make notifications.
- g. Notwithstanding Article 62.059, the requirements of this article supersede those of Article 62.059 for a person required to register under both this article and Article 62.059.

Excerpts from the General Appropriations Act Article IX

Part 4 Grant-Making Provisions

4.03 Grants for Political Polling Prohibited.

None of the funds appropriated by the Act may be granted to or expended by any entity which performs political polling. This prohibition regarding political polling does not apply to a poll conducted by an academic institution as a part of the institution's academic mission that is not conducted for the benefit of a particular candidate or party.

Part 6 General Limitations on Expenditures

6.03 Excess Obligations Prohibited.

- a. An agency specified in this Act may not incur an obligation in excess of the amounts appropriated to it for the respective objects or purposes named.
- b. As a specific exception to Subsection (a) the Comptroller of Public Accounts may determine that a proposed installment purchase arrangement is cost effective and certify this finding in response to an agency request.
- c. A determination made by the Comptroller of Public Accounts under Subsection (b) may be made for obligations incurred for the purchase or lease of automated information system equipment only if the agency has on file with the Legislative Budget Board a Biennial Operating Plan, including any amendments to the Biennial Operating Plan, and the plan has been approved by the Legislative Budget Board.
- d. If this section is violated, the State Auditor shall certify the fact of the violation and the amount of over-obligation to the Comptroller, and the Comptroller shall deduct an amount equivalent to the over-obligation from the salary or other compensation due the responsible disbursing or requisitioning officer or employer, and apply the amount to the payment of the obligation.
- e. This provision is specified pursuant to §10, Article XVI, Texas Constitution.

If there is a discrepancy between the official TTUS Board of Regents' Rules, the State Government Code, the General Appropriations Act and the wording in this document, the official TTUS Board of Regents' Rules, the State Government Code, and the General Appropriations Act prevail.