TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Operating Policy and Procedure

HSC OP: 50.02, **TTUHSC Employees Indebted to the State of Texas**

PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to establish a policy for employees who are indebted to the State of Texas insofar as the constitution and laws of Texas allow.

REVIEW: This HSC OP will be reviewed on January 1 of each odd-numbered year (ONY) by the Vice President for Human Resources, the Directors of Procurement Services and Accounting Services, with recommendations for revisions forwarded to the Executive Vice President for Finance and Operations by February 1.

POLICY/PROCEDURE:

1. **Authority to Withhold Warrants and Electronic Funds Transfers.** In accordance with Section 403.055 of the Government Code, a warrant or electronic funds transfer may not be issued to a person who has been reported as indebted to the State or has a tax delinquency.

2. **Employee Responsibility.** Employees of TTUHSC and the State of Texas have a responsibility to keep current all indebtedness and obligations to pay debts owed to the State. Examples of obligations that affect an employee's relationship with the State include, but are not limited to, nonpayment of student loans, overpayment of wages or unemployment benefits, failure to pay taxes, failure to pay medical bills owed to TTUHSC or other State operated clinics, failure to pay fines for traffic and parking violations, failure to repay travel advances in excess of approved travel expenses, and failure to pay travel credit card obligations on credit cards issued under a State contract.

3. **Employee Briefing.** Newly hired employees will be briefed at the regularly scheduled new team member orientations on their responsibilities and obligations to TTUHSC and the State of Texas concerning indebtedness.

4. **Departmental Responsibility.** Departments are responsible for contacting their employees regarding overpayment of wages when notified by Payroll and Tax Services.

5. **Indebtedness to State of Texas Agencies.** An employee can be placed on warrant hold with the State of Texas due to nonpayment of debt or other obligations owed to the State. When employees are seeking reimbursement from TTUHSC for travel expenses or for purchasing goods or services and are on warrant hold with the State of Texas, they must obtain a consent letter from the "hold source agency" (i.e., TX Guaranteed Student Loan Corporation, Office of the Attorney General, TTUHSC, etc.) that indicates they are in good standing so that TTUHSC can release the reimbursement check or electronic funds transfer to the employee. The consent document stating that the employee is in good standing must be attached to the travel voucher or the document processed in the Direct Pay system every time reimbursement is requested. A separate consent from the "hold source agency" is required for each individual reimbursement request.