**Discretionary Budgets and FSS/PPS No. 03.08**

**Expenditures Issue No. 8**

**Effective Date: 07/14/2023**

**Next Review Date: 11/01/2028 (E5Y)**

**Sr. Reviewer: Assistant Vice President and Treasurer**

**POLICY STATEMENT**

*Texas State University will ensure all discretionary budgets and expenditures are carried out effectively to guarantee that fiscal, legal, and politically sound spending practices are followed.*

1. **SCOPE**
   1. This Finance and Support Services (FSS) policy and procedures statement establishes policy guidelines for providing sound financial stewardship through accounting, budgeting, monetary management systems, and fundraising activities that maximize Texas State University's fiscal posture.
   2. A limited amount of discretionary (auxiliary, designated, and unrestricted gift) funds will be allocated annually for food, refreshments, or achievement awards (e.g., faculty receptions, commencement, retirement receptions, award banquets, school receptions, division receptions, receptions for important guest speakers).
   3. [UPPS No. 03.01.03](https://policies.txstate.edu/university-policies/03-01-03.html), Allowable Purchases of Awards and Flowers establishes the policy for the purchase of awards and flowers.
2. **BUDGET PREPARATION PROCEDURES FOR DISCRETIONARY EXPENDITURES**

02.01 Presidential Functions – The director of Special Projects is responsible for presidential functions (e.g., breakfasts, luncheons, dinners at the president's home), university functions (e.g., service awards), LBJ Picnic, dedications, and Texas State University System (TSUS) Board of Regents events. Alcohol purchases for these events must be routed through the assistant vice president and Treasurer (AVPT).

02.02 Division or College Functions – For division or college functions, the AVPT will prepare a budget for food, refreshments, or achievement awards for each division and each college in consultation with the executive vice president for Operations, Chief Financial Officer. The AVPT may consult with the provost and executive vice president for Academic Affairs regarding allocations to the colleges, for commencement, and to the Center for the Study of the Southwest.

The AVPT may consult with the vice president for Information Technology regarding the allocation for the Southwest Writers Collection.

02.03 University Functions – For other university functions, the AVPT

will prepare budgets using the following guidelines:

1. Academic Enrichment – Funds are allocated for refreshments and plaques for the annual Presidential Seminar.
2. Special Receptions – A budget is set aside to help pay for special receptions (e.g., for faculty and regular staff retiring with 15 or more years of service, $400 per reception or $200 per reception with 10-15 years of service, for vice presidents or deans promoted to other universities, and for employees resigning with 15 years or more of service). All [requests](https://gato-docs.its.txstate.edu/jcr:ecbde18e-91ba-4ada-a19d-2fa1324903fe/Retirement%20Request%20Form%20(Revised).doc) for funds must be submitted to the AVPT for appro[val](https://gato-docs.its.txstate.edu/jcr:ecbde18e-91ba-4ada-a19d-2fa1324903fe/Retirement%20Request%20Form%20(Revised).doc). Exceptions can be made with the approval of the appropriate division vice president and the executive vice president for Operations, Chief Financial Officer.
3. New Faculty Orientation – Funds are allocated to the AVP, Human Resources for New Faculty Orientation.
4. Division Appreciation Events – Funds are allocated to the President's Office, Athletics Director, Office of the Provost and Executive Vice President for Academic Affairs (non-faculty only), and to each vice president office for division appreciation events. Using personnel reports, a calculation of $10 per employee determines the annual allocation.
5. President's Cabinet Retreat – The AVPT will seek budget information from the vice president and chief of staff to the president.
6. Program for Excellence – The AVPT will seek budget information from the associate provost for Academic Affairs.

02.04 The AVPT will merge all budgets into one and determine if available funding sources will be sufficient for the new budget.

a. If funding is sufficient, the budget allocations will be sent out by the AVPT. The AVPT will provide each account manager instructions for Payment Request by e-NPO and [Texas Sales and Use Tax Resale Certificate form](https://gato-docs.its.txstate.edu/jcr:36111a0c-243e-4e4b-ae2f-d07448bfdaf2/Texas%20Sales%20and%20Use%20Resale%20and%20Exemption%20Certificates.pdf) upon notification of their allocations.

b. If funding is insufficient, the AVPT will submit a request for increased funds to the executive vice president for Operations, Chief Financial Officer.

**03. FSS RETIREMENTS**

03.01 FSS Retirement Letters – A retirement letter to a retiring employee is optional. Employees with 15 years or more of service may receive a letter from the executive vice president for Operations, Chief Financial Officer. An employee with less than 15 years of service may be sent a retirement letter by their department head.

03.02 FSS Retirement Plaques – An engraved retirement plaque is optional. The FSS Division will present an engraved plaque to any FSS employee that retires after 10 years of service within their division.

1. **PROCEDURE REGARDING OUT-OF-CYCLE NEEDS** 
   1. During the fiscal year, budget increases and new budgets may be necessary. These will be submitted by the AVPT to the executive vice president for Operations, Chief Financial Officer.
2. **PROCEDURES FOR DISCRETIONARY FUND PURCHASES** 
   1. A purchase requisition must be used for the purchase of food, refreshments, or achievement awards from vendors. Purchase requisitions will be released by the AVPT to Procurement Services for handling.
   2. A purchase of food, refreshments, or achievement awards made by the special account manager, or designee, using personal funds does not require a purchase requisition, and reimbursement must be requested using the e-NPO process.
   3. Procurement cards may be obtained from the Treasurer’s Office for acquisition of items when neither a requisition nor reimbursement of funds is used.
3. **REVIEWER OF THIS PPS** 
   1. Reviewer of this PPS includes the following:

PositionDate

Assistant Vice President Nov 1 E5Y

and Treasurer

1. **CERTIFICATION STATEMENT**

This PPS has been approved by the following individuals in their official capacities and represents Texas State Finance and Support Services policy and procedure from the date of this document until superseded.

Assistant Vice President and Treasurer; senior reviewer of this PPS

Executive Vice President for Operations, Chief Financial Officer