

Operating Policy and Procedure

OP 62.10: Prohibition of Gift of Public Moneys

DATE: July 7, 2022

PURPOSE: This Operating Policy/Procedure (OP) states the university policy prohibiting the use of

state funds in providing gifts to individuals or organizations.

REVIEW: This OP will be reviewed in March of every fourth year by the Chief Procurement

Officer with substantive revisions forwarded to the Senior Vice President for

Administration & Finance and Chief Financial Officer.

POLICY/PROCEDURE

1. <u>Article 3, Section 51, of the Texas Constitution</u> provides in part: "The Legislature shall have no power to make any grant or authorize the making of any grant of public moneys to any individual, association of individuals, municipal or other corporations whatsoever."

This section of the Constitution is intended to guard against the giving or granting of public money for other than public purposes. State funds may be spent only for proper purposes and must be exchanged for adequate public benefits.

- 2. Public funds are those appropriated by the Legislature. At no time shall any officer or other employee of the university use public funds to provide a gift to any individual, association of individuals, corporations, or other entity.
- **3.** The state attorney general has determined that the granting of scholarships within legislative guidelines is not in violation of Article 3, Section 51, of the Texas Constitution since such use serves a public purpose.