



TEXAS TECH UNIVERSITY

Operating Policy and Procedure

OP 62.36: Financial Administration of TTU Office of the Provost Activities

DATE: April 20, 2015

PURPOSE: The purpose of this Operating Policy/Procedure (OP) is to establish policies and procedures for the financial administration of Office of the Provost activities sponsored, co-sponsored, or otherwise given under the auspices of the university or any of its units.

REVIEW: This OP will be reviewed in October of every fourth year by the assistant vice president and controller (AVPC) and the Office of the Provost with recommended revisions forwarded to the chief operating officer and senior vice president for administration and finance (COO/SVPAF) and the provost and senior vice president (PSVP). This OP will be reviewed again in 2013.

POLICY/PROCEDURE

1. Policy

The Office of the Provost includes numerous programs and offerings, some of which are funded from Texas Tech University funds and others that receive no direct TTU funding. Those activities that do not receive direct TTU funding should be financially self-supporting with the fees charged for these activities covering costs associated with the activity. Educational and general funds appropriated for support of regular curricular offerings of the university should not be utilized for promoting or conducting these activities. The Office of the Provost organizational unit conducting a program activity must make provisions for funding the establishment and maintenance of a reserve to maintain at least a cash balance at all times.

2. Procedures

a. Financial Approval of Activities

- (1) The proponent of a new or continuing activity will prepare an operating budget (see attachment) and forward it through normal administrative channels to the Office of the Provost and the AVPC for review and/or approval. If estimated revenues exceed \$50,000, the operating budget will be forwarded to the PSVP and the COO/SVPAF for approval and necessary processing. Budgets will not be approved for new or continuing activities that have not been approved as prescribed above.
- (2) Activities that involve a budget or budget adjustment of more than \$250,000 require the Board of Regents' approval; activities that involve a budget or budget adjustment of more than \$100,000 to \$250,000 require the chancellor's approval; activities that involve a budget or budget adjustment of less than \$100,000 require the president's approval. Budget adjustment approvals are itemized in Section 07.04.5, *Regents' Rules*.

- (3) All income and expense related to a specific program or activity should be recorded in an account or sub-account established for that particular program or activity. Related programs or programs with multiple sections and/or locations will be grouped into one account whenever practicable in order to reduce the number of accounts.

b. Types of Accounts

The Office of the Provost activities will operate as designated fund accounts with the following exceptions:

- (1) Sponsored projects will operate as current restricted fund accounts and will require approval by the Office of Research Services.
- (2) Gift funds received in support of the Office of the Provost programs will operate as current restricted funds and will be processed through the Office of Institutional Advancement.
- (3) Gift funds for K-12 scholarships will be processed through the Office of Institutional Advancement but will be recorded as tuition and fees in the respective designated account, unless the gift is to an endowment.
- (4) Gift funds for K-12 scholarships where recipients have **not** been pre-selected will operate as current restricted funds and will be processed through the Office of Institutional Advancement.

A committee will be established to evaluate applications for scholarships and grant awards.

- (5) Funds for programs for professional associations that are sponsored by members of the TTU faculty or staff will operate as agency funds.

Funds received as sponsorships or gifts to these programs will be treated as fees, not as gifts. These are not gifts to TTU.

- (6) If an activity is funded from two or more fund sources, multiple budgets and accounts may be required to account separately for sponsored project funds and/or for gift funds in amounts of \$1,000 or more.

c. Time Lines for Internal Short Courses and Professional Association Programs

To reasonably ensure a successful outcome, sufficient lead-time is necessary for adequate planning. Guidelines for contracting services from the Office of the Provost are as follows:

- Short Courses – 6 months prior to the proposed date of the course
- National Conferences – 12 months prior to the proposed date of the conference
- International Conferences – 18 months prior to the proposed date of the conference

d. Allowable Expenditures

All expenditures must be made for a lawful purpose that is directly related to the specific program activity.

When a participant is charged a fee that includes lodging, food, refreshments, or entertainment, a statement to this effect shall be included in the promotional and solicitation material for the activity.

e. Unallowable Expenditures or Transfers

The following types of expenditures are not authorized from the Office of the Provost activity accounts:

- (1) Those for alcoholic beverages unless used for instructional purposes or specifically approved as a conference expense;
- (2) Those prohibited by law, the Board of Regents, and/or institutional policy; and
- (3) Those where any member of the faculty, staff, or student body contributes services to the activities at no cost but requests, instead, that funds in an amount not to exceed the estimated value of the contributed services be transferred to another account for the following purposes:
 - (a) Unrestricted cost-of-education activities, scholarships, or other purposes not directly related to the program activity; or
 - (b) Activities controlled by or subject to control by the person proposing to make the contribution.

[Attachment: Request for Operating Budget or Budget Revision](#)
