

JUL 27 1973

REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENT TO CHAPTER III, SECTION 13 (TRAVEL EXPENSES). --Section 13 of Chapter III of Part Two of the Regents' Rules and Regulations was amended by:

- a. Changing Subdivision 13.431 of Subsection 13.4 of Section 13 to read as follows:

13.431 In-State--A per diem allowance, in lieu of actual expenses for meals and lodging, will be paid at the rate of \$18.00 per calendar day, and at the rate of \$4.50 for each period of six (6) hours or fraction thereof (at least 2 hours).

- b. Changing Subdivision 13.442 of Subsection 13.4 of Section 13 to read as follows:

13.442 An employee who is traveling on official University business in-state for a continuous period of a minimum of six (6) hours but less than twenty-four (24) hours which does involve over-night stay will be reimbursed for meals and lodging in an amount not in excess of \$18.00 at the rate of \$4.50 for each six (6) hour period involved or fraction thereof (at least 2 hours).

- c. Changing Subdivision 13.472 of Subsection 13.4 of Section 13 and its Subdivisions 13.4722, 13.4723 and 14.4724 to read as follows:

13.472 Private Motor Vehicle.--An employee traveling in his personally owned motor vehicle shall be reimbursed at the rate of twelve cents (12¢) per mile on the basis of the shortest practical route between points. No additional expense incidental to the operation of such motor vehicle shall be allowed.

- 13.4722 When two or more employees travel in a single private motor vehicle, only one shall receive a transportation allowance, but this provision shall not preclude each traveler from receiving a per diem allowance.
- 13.4723 When two, three, or four officials or employees of System Administration or one of the component institutions of The University of Texas System with the same itinerary on the same dates are required to travel on the same official state business for which travel reimbursement for mileage in a personal motor vehicle is claimed, mileage reimbursement will be claimed and allowed for only one of the employees except as provided hereafter. If more than four employees attend such meeting or conference in more than one motor vehicle, full mileage reimbursement shall be allowed for one motor vehicle for each four employees and for any fraction in excess of a multiple of four employees. If, in any instance, it is not feasible for these officials or employees to travel in the same motor vehicle, then prior official approval from the Chancellor for System Administration, or the head of the component institution for employees of that institution, shall be obtained and shall be considered as authorization and the basis for reimbursement for travel for each person authorized to use his personal motor vehicle in such travel.
- 13.4724 Reimbursement for out-of-state transportation for the use of personally owned motor vehicles together with per diem shall never exceed the cost of the lowest available commercial airline fare from the nearest airport and the per diem (or other allowance established in lieu thereof) required had the employee traveled by such conveyance. The determination of the allowances due owners of personally owned motor vehicles in compliance with this paragraph shall be as follows: (1) Per diem shall be determined by use of an airline schedule which would have sufficed for the performance of the official business. (2) Expenses of transportation to airfields from points where airports are not available shall be allowed in addition to the cost of the lowest available commercial airline fare. (3) When additional passengers are conveyed on out-of-state trips in personally owned motor vehicles they shall receive as their expenses per diem based on motor vehicle travel time. (4) Persons traveling to points not served by airlines shall receive mileage and per diem based on actual miles traveled and other expenses as authorized elsewhere in these regulations.

- d. Changing Subdivision 13.473 of Subsection 13.4 of Section 13 to read as follows:

13.473 Private Airplane.--The current Appropriation Bill provides that the rate of reimbursement to executive heads for travel in their personally owned airplanes within and outside the boundaries of Texas and between points of necessary official business shall be sixteen cents (16¢) per highway mile. The rate for reimbursement for other state employees for such travel in their personally owned airplanes shall be twelve cents (12¢) per highway mile.

- e. Changing Subsection 13.49 of Subsection 13.4 of Section 13 to read as follows:

13.49 Exceptions to Per Diem Allowance.--Executive heads of component institutions shall be reimbursed for their actual meals, lodging, and incidental expenses (exclusive of expenses related to motor vehicles for which transportation is paid) when traveling on official business either in or out of the state.

- f. Changing Subdivision 13.4(10)2 of Subsection 13.4 of Section 13 to read as follows:

13.4(10)2 Gifts, Grants, and Designated Funds.--Reimbursement of travel expenses paid from Gifts, Grants, and Designated Funds will be as follows:

- (a) For grants from or derived from Federal or State agencies, travel allowances shall be paid as specified in the foregoing general travel regulations, Subsections 13.43 through 13.49.
- (b) For other gifts, grants, trust or designated funds, travel allowances may be for actual expenses for meals, lodging and airport parking, not to exceed \$35.00 per day. The transportation allowance will be as specified in Subsection 13.47 of the foregoing general travel regulations.

The provisions of both (a) and (b) above are subject to the terms, provisions and conditions of the particular gifts, grants, or funds involved. Further exceptions to these provisions may be in accordance with specific authorization by the Board of Regents with certain designated funds. Likewise, when anticipated living costs are unusually low for those engaged in travel, the person authorizing the travel may reduce the allowance for all or any part of the travel, provided that the employee shall be notified of such reduced allowance before being allowed to incur any expense. When not otherwise prohibited by the terms of the gift or grant, employees may also be reimbursed for required registration fees or similar expenses incurred in attending meetings of organizations or associations. Receipts for lodging, registration fees, or similar

expenses shall be obtained and attached to the expense voucher. Project Directors, Principal Investigators, Departmental Chairmen, or other authorized personnel under a gift or grant who travel in their personally owned airplanes on necessary official business may be reimbursed at the rate of twelve cents (12¢) per highway mile for in-state travel. The same rate shall apply to out-of-state travel, subject to the limitation that the mileage reimbursement shall not exceed the amount equal to the number of persons flying by private plane times the lowest available airline fare.

JUN 1 1973

REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER XI. --Chapter XI of Part Two of the Regents' Rules and Regulations was amended as follows to be effective immediately:

- (1) The heading of Chapter XI of Part Two of the Regents' Rules and Regulations was amended to read as follows:

CONTRACTS AND GRANTS FOR RESEARCH, TRAINING, AND  
EDUCATIONAL SERVICES, INCLUDING  
INSTITUTIONAL SUPPORT GRANTS

- (2) Sections 1, 2, 3 and 4 of Chapter XI of Part Two of the Regents' Rules and Regulations were deleted and the following substituted in lieu thereof:

- Sec. 1. Contracts, grants, and agreements from or with outside agencies for research, training, and educational services, including institutional support grants, shall be approved by the chief administrative officer and ratified by the Board of Regents via the institutional dockets.
  - 1.1 The Office of the Chancellor will issue special instructions for those contracts and grants requiring special approvals other than the above.
  - 1.2 Funds shall not be encumbered or expended under any contract or grant prior to the approval of the contract or grant as indicated above.
  - 1.3 Institutional support grants include NSF Institutional Grants for Science, NIH General Research Support Grants, Health Professions Education Improvement and/or Capitation Grant Programs, and other such grants awarded on a formula basis rather than a budgeted project basis.
- Sec. 2. Proposals for such contracts, grants, and agreements, whether with government agencies, industry, foundations, or other private granting agencies, shall be initiated by the faculty member (or other appropriate official who will direct the work) and shall be approved by designated administrative officials, including the chief administrative officer. Proposals to private foundations for support should be forwarded via the Office of the Chancellor for further approval. The chief business officer at each component institution is responsible for the business aspects of the proposals.
- Sec. 3. Copies of contracts, grants, and agreements specified in Section 1 of this chapter shall be filed with the Office of the Secretary to the Board of Regents, together with a copy of the proposal or application, if any, that resulted in the contract, grant, or agreement.
- Sec. 4. Detailed budgets are generally included in the proposals that result in a contract or grant for a specific research, training, or educational project, and expenditures should conform to such budgets, unless amended by authorized procedures. For those institutional or "formula" type grants identified in Subsection 1.3 of Section 1 of this chapter, a proposed budget must be submitted to the Office of the Chancellor for review, approval, and submission to the Board of Regents.

APR 24 1973 REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER IX (RELATING TO OFFICE OF INVESTMENTS, TRUSTS AND LANDS). --Chapter IX, Part Two of the Regents' Rules and Regulations was unanimously amended to be effective immediately by deleting Section 1 and its Subsections 1.1, 1.2, 1.3 and 1.4, Subdivisions 2.233 and its subdivisions, 2.51 and 2.52, and Subsection 2.6 and its subdivisions of Section 2, Subsections 5.1 and 5.2 of Section 5, Section 6 and its subsections, and Section 7 and its subsections and substituting in lieu thereof the following:

Sec. 1 Authorizations re Sales, Assignments, Conveyances, Receipt of Property and Proxies.

1.1 Authority to Sell, Assign, and Transfer Securities Held by the Permanent University Fund. --The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands (or

any Trust Officer), and the Treasurer of the State of Texas (or the Acting Treasurer of the State of Texas) are jointly authorized to sell, assign, and transfer any and all of the bonds, stocks, notes, and other evidences of indebtedness and ownership of any description, whatever, owned by the Permanent University Fund of The University of Texas System (formerly The University of Texas) and registered in the name of "The University of Texas," "The University of Texas System," "The University of Texas for Permanent University Fund, a State Endowment Fund, Austin, Texas," "The University of Texas System for Permanent University Fund, a State Endowment Fund, Austin, Texas," "Permanent University Fund of The University of Texas," "Permanent University Fund of The University of Texas System," or in any other form of registration of such securities held for the account of the Permanent University Fund of The University of Texas System.

- 1.2 Authority to Sell, Assign, and Transfer Securities Held by the Board of Regents of The University of Texas System. --The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands, and/or any Trust Officer are each authorized to sell, assign, and transfer any and all bonds, stocks, notes, and other evidences of indebtedness and ownership of any description, whatever, registered in the name of the Board of Regents of The University of Texas System (formerly the Board of Regents of The University of Texas) in whatever manner, including all fiduciary capacities, and including those registered in the names of trusts or foundations managed and controlled by said Board of Regents.
- 1.3 Authority to Execute Instruments Relating to Land and Mineral Interests. -- The Chairman of the Board of Regents, the Vice-Chairman, the Deputy Chancellor for Administration, and the Associate Deputy Chancellor for Investments, Trusts and Lands are each authorized to execute conveyances, deeds, surface and/or mineral leases, easements, rights of way, oil and gas division orders, and transfer orders, geophysical and material source permits, water contracts, pooling and unitization agreements, and any other instruments as may be necessary or appropriate from time to time, relating to the handling, management, control, and disposition of any real estate or mineral interests held or controlled by the Board of Regents of The University of Texas System as a part of the Permanent University Fund or as a part of any trust or special fund.
- 1.4 Authority to Receive and Collect Money and/or Property. --The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands, and/or any Trust Officer are each authorized and empowered to ask, demand, collect, recover, and receive any and all sums of money, debts, dues, rights, property, effects, or demands, whatever, due, payable, or belonging, or that may become due, payable, or belonging to any of the above funds, from any person or persons, whatever, and to execute any and all necessary or proper receipts, releases, and discharges therefor.
  - 2.233 Implementation of FHA Mortgage Loan Purchase program: The Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands and/or any Trust Officer, are each authorized
    - 2.2331 To recommend the Seller-servicers with which Purchase and Servicing Agreements should be made, and after approval by the Board of Regents, to execute the Purchase and Servicing Agreements on the approved forms.

- 2.2332 To perform such acts and execute such documents as may be necessary from time to time in carrying out the provisions of any such Purchase and Servicing Agreement, including authority to accept or reject loans tendered under such agreements, to execute releases of the liens securing any loan or loans when paid in full, and to execute assignments of any notes and liens when appropriate to do so.
- 2.2333 To take any and all steps as may be considered necessary or advisable to protect the interest of the Permanent University Fund in event of default occurring with respect to any FHA Insured First Mortgage note held by such Fund. Not by way of limitation, but by way of illustration only, such authority shall include power to acquire title on behalf of the Board of Regents to the property securing any such note, by Trustees sale, foreclosure, or otherwise; to execute on behalf of the Board of Regents the necessary deed conveying the properties so acquired to the Federal Housing Administration; to handle any properties so acquired pending conveyance to the Federal Housing Administration; and to incur and pay such reasonable expenses as may be necessary in the acquisition and care of any such properties.
- 2.51 As a general rule, stock rights received are to be exercised. In each instance, exercise or sale of the rights is to be made at the discretion of the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands.
- 2.52 As a general rule, fractional shares received from stock dividends, etc., are to be sold. In each instance, the decision to round out fractional shares or to sell will be made by the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands.
- 2.6 Implementation of Policies.
  - 2.61 Approved List. A list of companies whose stocks are considered suitable for purchase or retention shall, after consultation with the Staff Investment Committee, the Investment Counsel, and the Investment Advisory Committee, be submitted by the Deputy Chancellor for Administration, or the Associate Deputy Chancellor for Investments, Trusts and Lands for approval by the Board of Regents through the Regents' Land and Investment Committee. In similar manner, recommendations regarding additions to and deletions from such list shall be submitted for the Regents' approval.
  - 2.62 Authority regarding purchase and sale of securities. Within the limitations of these Rules and Regulations, the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands is authorized to buy, sell or exchange, from time to time, securities issued by the companies within the approved list, provided that sales in any one calendar month of stocks owned shall not exceed 2 1/2% of the book value of the Permanent University Fund. With the approval of the Chairman of the Land and Investment Committee, or the Chairman of the Board



of Regents, the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may sell stocks in excess of 2 1/2%, but not in excess of 5%, of the value of the Permanent University Fund. Sales of stocks in any one month in excess of 5% of the value of the Permanent University Fund require prior approval of the Board of Regents.

- 2.63 Exchange of Bonds. The Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands is authorized to exchange bonds owned from time to time, on a par for par basis (with such cash adjustments as may be required) for other eligible bonds or obligations. In any such exchange the cost of the bonds exchanged out (plus or minus the cash adjustment involved) shall be carried forward as the cost of the bonds or obligations acquired, even though the sale and purchase may be effected through different brokers.
- 2.64 Advice of Investment Advisory Committee. --The Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands shall seek the advice and counsel of the Investment Advisory Committee at its regular quarterly meetings on all of the major matters involving the Permanent University Fund.
- 2.65 Reports of purchases, sales, and exchanges of Investments. -- All purchases, sales, and exchanges of Investments shall be reported for ratification by the Board of Regents through the Regents' Land and Investment Committee at each meeting of the Board.

- 5.1 Membership. --The Staff Investment Committee shall consist of the Deputy Chancellor for Administration, the Associate Deputy Chancellor for Investments, Trusts and Lands, the Investment Officer, and such other members as may be designated from time to time by the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands.
- 5.2 Duties. --The Staff Investment Committee shall cooperate and advise with the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands on matters relating to the management of investments for which he is responsible.

Sec. 6 Investment Advisory Committee. --To assist and advise with Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands on matters relating to the management of investments for which he is responsible, the Investment Advisory Committee, heretofore established, shall be continued. The following rules shall apply to such Committee:

- 6.1 Membership. --The four members of the Committee shall be selected because of their particular qualifications and experience in the field of investments, with primary emphasis being placed on their experience in bond and corporate stock investments.
- 6.2 Selection Procedure. --Appointments to such Committee shall be made by the Board of Regents after recommendation by the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands.
- 6.3 Term of Office and Compensation. --Each member shall serve a four year term on a rotating basis, with the term of one member expiring each August 31, and shall be compensated at the rate of \$100 per meeting attended.

- 6.4 Meetings. -- Meetings shall be held quarterly and at such other dates as may be considered advisable by the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands.

Sec. 7 Brokerage Firms.

- 7.1 Approved List. -- Normally, purchase and sale transactions shall be effected through firms approved by the Board of Regents after recommendation by the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands. Where the best interests of The University of Texas System seem to require it, such transactions may be effected through such other broker or brokers as the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may approve.
- 7.2 Unlisted Securities. -- Purchases and sales will generally be effected through brokers on the approved list. Where the best interests of The University of Texas System seem to require it, such transactions may be effected through such broker or brokers as the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may select.
- 7.3 Block Transactions. -- Block purchases and sales will generally be effected through brokers on the approved list. Where the best interests of The University of Texas System seem to require it, such transactions may be effected through such broker or brokers as the Deputy Chancellor for Administration or the Associate Deputy Chancellor for Investments, Trusts and Lands may select.

APR 24 1973

REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER VI (RELATING TO FRINGE BENEFITS). --Chapter VI of Part Two of the Regents' Rules and Regulations was amended as follows to be effective immediately:

- (1) Chapter VI of the Regents' Rules and Regulations, Part Two, was amended by deleting Subsections 1.2, 1.7, 4.2 and 5.1, and substituting in lieu thereof the following subsections and subdivisions:

- 1.2 Effective September 1, 1972, any employee of The University of Texas System employed at least one-half time, whether paid on a monthly or hourly basis, and provided his employment will continue for a period of four and one-half (4 1/2) consecutive months, is eligible for and required by law to participate in the Teacher Retirement System, which became effective for teacher members September 1, 1937, and for auxiliary members September 1, 1949, except:
- 1.21 persons eligible at those times who executed waivers within the period allowed by law and have not revoked such waiver if later permitted;
  - 1.22 members of the Employees Retirement System, about which information is given later; and
  - 1.23 participants under the Optional Retirement Program, about which information is given later.
- 1.7 Eligibility for retirement benefits is as follows:
- 1.71 With ten years creditable service upon reaching age 65, member is entitled to retire with full benefits based on service rendered and salary earned. A teacher member is entitled to minimum benefits of \$75 per month. An auxiliary employee is entitled to minimum benefits of \$60 per month.
  - 1.72 With fifteen years creditable service upon reaching age 55, member is entitled to retire at reduced actuarial equivalent of benefit payable at age 65.
  - 1.73 With twenty years creditable service upon reaching age 60, member is entitled to retire with full benefits based on service rendered and salary earned. A teacher member is entitled to minimum benefits of \$130 per month. An auxiliary employee is entitled to minimum benefits of \$95 per month.
  - 1.74 With twenty years creditable service upon reaching age 55 or with thirty years creditable service at any age, member is entitled to retire at reduced actuarial equivalent of benefit payable at age 60.

- 4.2 Any employee employed at least one-half time is eligible for coverage, provided his employment will continue for a period of four and one-half (4 1/2) consecutive months. An insured employee's spouse and unmarried children between the ages of 19 and 25 may also be covered.

Sec. 5 Group Term Life Insurance

- 5.1 The University of Texas System carries a master group term life insurance policy, applicable to all component institutions, with the Aetna Life Insurance Company for a "One Year Term Plan." Premiums are payable monthly in advance, by payroll deduction, increase for each person with each year of age, and are payable entirely by the individual. The program is optional and is available to any employee employed at least one-half time, provided his employment will continue for a period of four and one-half (4 1/2) consecutive months; new employees are notified of their eligibility by the personnel office at the time of employment.
- (2) Chapter VI of the Regents' Rules and Regulations, Part Two, was amended by adding a new section and subsections to be numbered Section 6 and Subsections 6.1 through 6.12 as set out below and by renumbering the present Sections 6 and 7 as Sections 7 and 8 and appropriately numbering their subsections:

Sec. 6 Supplemental Cash Value Paid-Up at Age 65 Life Insurance Plan

- 6.1 Supplemental Group Cash Value Paid-Up at Age 65 Life Insurance was made available to employees of The University of Texas System by a rider to the group term life insurance master policy with the Aetna Life Insurance Company. Premiums remain level and are based on the age of the insured at the time he enrolls or, if he increases coverage, his age at the time he changes the amount of insurance. The program is optional and is available to any employee insured under the maximum (two times annual earnings) group term life insurance who has not attained age 65. In order to be eligible for group term life insurance, an individual must be employed at least one-half time, to continue for a period of four and one-half (4 1/2) consecutive months. New employees are notified of their eligibility at the time of employment. The plan became effective initially April 1, 1972.
- 6.2 The amount of insurance available is based on a schedule of annual earnings and is in units of \$5,000, \$10,000, or \$15,000. Annual earnings for academic personnel shall be the nine month or twelve month rate, as applicable. Annual earnings for nonacademic personnel shall be the twelve month rate. For personnel paid on an hourly basis, the annual earnings shall be the hourly rate times 2,080 hours. When an employee becomes eligible for a greater amount of insurance, a new request form must be completed, and coverage will become effective on the annual renewal date, April 1st, of this plan.

- 6.3 No medical examination is required if application is made for insurance within sixty (60) days from date of employment. After sixty (60) days the insurance company will require that the employee furnish evidence of insurability at his own expense before he can obtain the insurance.
- 6.4 If an employee elects a lesser amount of insurance than annual earnings permit, or does not take an insurance increase that he is eligible for, he will be unable to elect an additional amount of insurance, regardless of the circumstances, without evidence of insurability. No medical examination is required if evidence of insurability is accepted by the company after review, but if it is not accepted, the applicant must have a medical examination at his own expense.
- 6.5 Beneficiaries are designated by the insured on the application forms and may be changed during the life of the policy upon application to the business or personnel offices. Each insured receives a certificate issued by the company and transmitted through the business office or personnel office.
- 6.6 The Plan provides employees with the option, upon retirement at age 65, to elect either the cash value of the policy or life insurance protection after age 65 that is paid-up, and requires no further premium payments. If an employee leaves The University of Texas System prior to retirement, he has the option of electing the cash value of the policy or taking his paid-up insurance with him.
- 6.7 A waiver of premium is provided for an insured who becomes totally and permanently disabled before age sixty (60). Provided disability has lasted nine months and proofs of disability are accepted, contributions will cease and no further contributions will be required as long as the employee remains disabled.
- 6.8 Benefits at death are payable to the beneficiary in lump sums or in regular installments. Upon notification of death of an insured, the personnel officer assists in the preparation of the required records to be sent to the insurance company.
- 6.9 Participation in this plan terminates when the employee terminates unless the insured retires under bona-fide retirement provisions of the Teacher Retirement System, the Employee's Retirement System, or the Optional Retirement Program. A person may continue to keep the coverage, however, during a period of temporary lay-off or official leave of absence by paying a sufficient amount in advance through the business office of the appropriate component institution to cover contributions that will become due during the period of leave.
- 6.10 The life insurance under this plan will cease at the end of the last policy month for which a contribution was made, except, that if death should occur within 31 days thereafter, the death benefits will be payable. Within this 31-day period, by making application and paying the first premium to the Aetna Life Insurance Company, one may convert a part of his cash value insurance to an individual life insurance policy or any regular whole life or endowment plan. The part that is convertible is the difference between the amount of insurance in force and the amount of paid-up insurance available in accordance with the non-forfeiture provision of the plan. The premiums will be based on the age of the insured at the time of conversion.

- 6.11 When an employee terminates and he does not wish to convert to another insurance plan, he may elect to withdraw the cash value or keep the amount of paid-up insurance he is entitled to without making another premium payment. Cash value is available only upon termination of employment.
- 6.12 The insured employee may not borrow against the cash value of his policy.

(3) Chapter VI of the Regents' Rules and Regulations, Part Two, was amended by deleting Subsection 6.1 (renumbered as 7.1) and Subsection 7.1 (renumbered as 8.1) by substituting in lieu thereof the following and by moving the present Section 8 to follow the subsections of Section 10 and renumbering it Section 11:

- 7.1 The University of Texas System carries a master group long term disability income insurance policy, covering all institutions, with the Aetna Life Insurance Company. Premiums are payable monthly in advance, by payroll deduction, and the rate applies to the monthly rate of basic earnings of each covered employee regardless of age. The program is optional and is available to any employee employed at least one-half time, provided his employment will continue for a period of four and one-half (4 1/2) consecutive months. New employees are notified of their eligibility by the personnel office at the time of employment. The plan became effective initially on October 1, 1965.
- 8.1 Group Accident Insurance was made available to employees of The University of Texas System by a rider to the Long Term Disability Insurance Master Policy with the Aetna Life Insurance Company. The Group Accident Plan became effective February 1, 1968, and is available to any employee under age 70 employed at least one-half time, provided his employment will continue for a period of four and one-half (4 1/2) months. Eligible employees can join the plan either during the first 60 days of their employment or during an annual enrollment period in December of each year for coverage effective February 1.

JAN. 26 1973

REGENTS' RULES AND REGULATIONS, PART TWO: AMENDMENTS TO CHAPTER II AND CHAPTER III. --Chapters II and III of Part Two of the Regents' Rules and Regulations were amended as follows to be effective immediately:

1. Amend Chapter II of Part Two of the Regents' Rules and Regulations by deleting Section 7 .
2. Amend Section 8 of Chapter III of Part Two of the Regents' Rules and Regulations by deleting that section and its Subsections 8.1 and 8.2 and substituting in lieu thereof the following and adding a new Sub-section 8.3:

Sec. 8 Vouchers Payable from State Funds (All funds on deposit in State Treasury)

In accordance with the statutes, all payment from funds in the State Treasury shall be on voucher forms as prescribed by the State Comptroller. Current requirements for certifications or affidavits as to correctness of such vouchers follow:

- 8.1 Vendor or payee certification will be accepted but is not required except as indicated in Subsection 8.2. Otherwise, voucher certification by an authorized officer of the institution is acceptable, provided the voucher is supported by vendor invoices. This certification requirement is applicable to purchases through the State Board of Control.
- 8.2 Payments for professional fees and services, telephone bills, travel expense accounts, and other items not needing State Board of Control approval, require voucher certification by the vendor or payee.
- 8.3 Vendor affidavits are required by law on vouchers covering payment to newspapers or other periodicals for advertising or published notices.

3. Amend Section 11 of Chapter III of Part Two of the Regents' Rules and Regulations by deleting that section and substituting in lieu thereof the following:

Sec. 11 Institutional Membership Dues. --Funds of The University of Texas System may be used to pay membership fees only in educational, scientific, or other associations, in which the System, or a component institution thereof, is an institutional member, with memberships approved by the chief administrative officers. Such other approvals as may be required by law shall also be secured.

4. Amend Section 13 of Chapter III of Part Two of the Regents' Rules and Regulations by deleting Subdivision 13.432 of Subsection 13.43, Subdivisions 13.471, 13.4712, 13.4724 and 13.473 of Subsection 13.47, Subsection 13.48 and Subdivision 13.4(10)2 of Subsection 13.4(10) and substituting in lieu thereof the following:

- 13.432 Out-of-State--Actual cost of meals, lodging, and airport parking fees, not to exceed \$35.00 per day. Receipts are required for the lodging to be reimbursed.
- 13.471 Rented or Public Conveyance Including Taxis. --An employee traveling by rented or public conveyance, or the commercial transportation company furnishing same, is entitled to a transportation allowance equal to the actual cost of necessary transportation for performing official business.

The allowance for air transportation shall be the lowest available airline fare. Payment of said transportation allowance may be made by either of the following methods, upon selection by the Chancellor or the head of the component institution, in advance of authorized official travel.

- 13.4712 The Chancellor or chief administrative officers or their delegates may request commercial transportation companies to furnish required transportation for official business to designated employees of System Administration or such institutions upon the presentation to cooperating transportation companies of transportation requests approved by the Chancellor or the head of the institution requesting such transportation. The transportation request shall specify the class of transportation authorized, which shall be for the lowest fare available. The monthly billings for such transportation services from the transportation company will be vouchered on a regular purchase voucher, showing in detail why each trip listed was necessary in the operation and maintenance of the institution.



13.4724 Reimbursement for out-of-state transportation for the use of personally owned automobiles together with per diem shall never exceed the cost of the lowest available commercial airline fare from the nearest airport and the per diem (or other allowance established in lieu thereof) required had the employee traveled by such conveyance. The determination of the allowances due owners of personally owned automobiles in compliance with this paragraph shall be as follows: (1) Per diem shall be determined by use of an airline schedule which would have sufficed for the performance of the official business. (2) Expenses of transportation to airfields from points where airports are not available shall be allowed in addition to the cost of the lowest available commercial airline fare. (3) When additional passengers are conveyed on out-of-state trips in personally owned automobiles they shall receive as their expenses per diem based on automobile travel time. (4) Persons traveling to points not served by airlines shall receive mileage and per diem based on actual miles traveled and other expenses as authorized elsewhere in these regulations.

13.473 Private Airplane. --The current Appropriation Bill provides that the rate of reimbursement to executive heads for travel in their personally owned airplanes within and outside the boundaries of Texas and between points of necessary official business shall be sixteen cents (16¢) per highway mile. The rate for reimbursement for other state employees for such travel in their personally owned airplanes shall be ten cents (10¢) per highway mile.

13.48 Reimbursement for Dues or Registration Fees. --Reimbursement will not be allowed for dues, registration fees, or similar expenses incurred in joining or attending any type of organizations or associations unless the membership is in the name of the State of Texas and/or The University of Texas System or a component institution thereof. Receipts for such dues or registration fees shall be obtained and attached to the expense account. If reimbursement is claimed, vouchers shall include a statement that the membership is in the name of The University of Texas System or the appropriate component institution thereof.

13.4(10)2 Gifts, Grants, and Designated Funds. --Reimbursement of travel expenses paid from Gifts, Grants, and Designated Funds will be as follows:  
(a) For grants from or derived from Federal or state agencies, travel allowances shall be paid as specified in the foregoing general travel regulations, Subsections 13.43 through 13.49.

(b) For other gifts, grants, trust or designated funds, travel allowances may be for actual expenses for meals, lodging and airport parking, not to exceed \$35.00 per day. The transportation allowance will be as specified in Subsection 13.47 of the foregoing general travel regulations.

The provisions of both (a) and (b) above are subject to the terms, provisions and conditions of the particular gifts, grants, or funds involved. Further exceptions to these provisions may be in accordance with specific authorization by the Board of Regents with certain designated funds. Likewise, when anticipated living costs are unusually low for those engaged in travel, the person authorizing the travel may reduce the allowance for all or any part of the travel, provided that the employee shall be notified of such reduced allowance before being allowed to incur any expense. When not otherwise prohibited by the terms of the gift or grant, employees may also be reimbursed for required registration fees or similar expenses incurred in attending meetings of organizations or associations. Receipts for lodging, registration fees, or similar expenses shall be obtained and attached to the expense voucher. Project Directors, Principal Investigators, Departmental Chairmen, or other authorized personnel under a gift or grant who travel in their personally owned airplanes on necessary official business may be reimbursed at the rate of ten (10¢) per highway mile for in-state travel. The same rate shall apply to out-of-state travel, subject to the limitation that the mileage reimbursement shall not exceed the amount equal to the number of persons flying by private plane times the lowest available airline fare.

1. Subsection 2.2 and its subdivisions of Section 2 of Chapter V were deleted and the following substituted in lieu thereof:
  - 2.2 Maternity Leave
    - 2.21 Upon request, a leave of absence without pay shall be granted to regular employees for maternity reasons. A pregnant employee who wishes to retain her position or comparable position may be granted such leave for a "reasonable period" of time as determined by the individual circumstances of her case with due consideration being given to the well-being of the employee and to the interests of the institution.
    - 2.22 A "reasonable period" is considered to not exceed three months prior to the anticipated delivery date and to not exceed three months after the delivery date, unless the employee presents a written statement from her physician which alters this period of leave of absence.
    - 2.23 A statement encompassing the details of a maternity leave shall be entered in the remarks section of the appropriate Personnel Action Form.
    - 2.24 Accrued sick leave shall be granted in conjunction with maternity leave and shall be governed by the policy on sick leave. Also, vacation leave and sick leave do not accrue while on maternity leave.
    - 2.25 A replacement may be provided on a temporary basis during the employee's absence.
2. Subsections 9.5 and 9.14 of Section 9 of Chapter VI were deleted and the following substituted in lieu thereof:
  - 9.5 A physical examination by a designated physician is required for all persons to be covered, and before the individual's name can be placed on the payroll, the executed original of the examination form must be filed in the System Personnel Office. The Supervisor furnishes a list of physicians for these examinations that must be approved by the System Personnel Director. The physician's fee is paid by the System Personnel Office for each examination. Persons who fail to pass the physical examination cannot be covered by the insurance. They may be employed only after signing a waiver of all rights.
  - 9.14 The System Personnel Office shall issue an annual report through proper channels to the Deputy Chancellor for Administration and to the Secretary to the Board of Regents for the information of the members of the Board which shall include at least the following information for each component institution: the total claims and number of days lost, total compensation and medical benefits paid, total amount paid to private physicians and component institutions for physical examinations performed, receipts, and total expenditures including allocation of overhead. The report shall also include the balance in the fund at the beginning of the fiscal year, total receipts including interest, total disbursements, and balance in the fund at the end of the fiscal year.