



HSC OP: 50.14, **Prohibition of Gift of Public Moneys**

PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to set forth the policy prohibiting the use of state funds in providing gifts to individuals or organizations.

REVIEW: This HSC OP will be reviewed on March 1 of every fourth year (E4Y) by the Director of Accounting Services, with recommendations for revisions forwarded to the Executive Vice President of Finance and Operations by March 15.

POLICY/PROCEDURE:

1. Article 3, Section 51, of the Texas Constitution provides in part: "The Legislature shall have no power to make or 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 moneys 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, or earned through TTUHSC's operations. At no time shall any officer or other employee of TTUHSC use public funds to provide a gift to any individual, association of individuals, municipal, or other corporations, or other entity, **except** when it is approved as an appropriate business expense and funds are derived from local funds not otherwise restricted.
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. Also, the State Attorney General has determined that the use of public funds for providing food and refreshments for a public purpose under conditions and circumstances specifically approved by the Board of Regents is not in violation of Article 3, Section 51.