



**Administrative Council
Midwestern State University
Approval via Electronic Vote**

July 22, 2025

Meeting No. 25-04

The Administrative Council approved the policies listed below via email during the voting period July 17 – July 22, 2025. Notification of approval was received from the following members: Dr. Marcy Brown Marsden, Mr. Paul Chappell, Ms. Dawn Fisher, Dr. Kristen Garrison, Ms. Julie Gaynor, Dr. Keith Lamb, Mr. Kyle Owen, Ms. Megan Riedel, Dr. Dawn Slavens, Mr. Jeff Spoeri, Mr. Chris Stovall, and Mr. Kyle Williams.

- I. MSU OP 14.10: Foreign Sources and Transaction Reporting
- II. MSU OP 30.01: Approval and Execution of University Contracts
- III. MSU OP 32.04: Disclosure of Certain Gifts from Foreign Persons
- IV. MSU OP 52.20: Ethics Policy for Employees of Midwestern State University


Stacia Haynie, Chair


Betsy Tucker, Secretary



MIDWESTERN STATE UNIVERSITY

Operating Policies & Procedures Manual

University Operating Policy/Procedure (“OP”) OP 14.10: Foreign Sources and Transaction Reporting

Approval Authority:	President
Policy Type:	University Operating Policy and Procedure
Policy Owners:	Vice President for Administration and Finance Vice President for University Advancement
Responsible Office:	Business Office
Next Scheduled Review:	03/01/2027. This OP will be reviewed in March every two years, or as needed, by the MSU Business Office. Substantive revisions will be routed through administrative channels to the Vice President for Administration and Finance and the Vice President for University Advancement and on to the President for approval.

I. Purpose:

The purpose of this OP of Midwestern State University ("MSU" or "University"), a component institution of the Texas Tech University (“TTU”) System, is to assure that MSU complies with federal and state requirements for reporting foreign sources or transactions.

II. Definitions (specific to this policy)

For purposes of this OP:

- A. **Affiliated Entity** means an entity whose primary purpose is to benefit MSU as outlined in [TTU System Regulation 04.04, Affiliated Entities](#).
- B. **Contract** means an agreement for the acquisition by purchase, lease, or barter of property or services by the foreign source (i.e., revenue contracts) for the direct benefit or use of either party. For the purposes of this policy, contracts also include sponsored project agreements, licensing agreements, and student sponsorship agreements (tuition and fee contracts).
- C. **Foreign Source** means a foreign government or any agency thereof, a legal entity created under the laws of a foreign state, an individual who is not a citizen or national of the United States or a trust territory or protectorate thereof, or an agent acting on behalf of a foreign source.

- D. **Gift** means any gift of money or property to MSU or to an affiliated entity, for the benefit of MSU.

III. Policy/Procedure

- A. It is the policy of MSU to submit disclosures of financial transactions and/or support from foreign sources in accordance with federal regulations, state law, and institutional policy, including [TTU System Regulation 01.03](#). In the event there are federal or state law changes or there is a discrepancy between this OP and federal or state laws, any laws that are more restrictive than this OP will prevail.
- B. Certain federal and state agencies require disclosures for financial transactions and/or support of gifts from and contracts with a foreign source, whether received directly or indirectly through an affiliate entity or intermediary. Required disclosures include, but are not limited to, the following:
1. Department of Education Section 117 – In accordance with Section 117 of the Higher Education Act (“HEA”) of 1965, as amended ([20 U.S.C. 1011f](#));
 2. Department of Education HEA Title VI reporting – In accordance with [20 U.S.C. 1132-7](#);
 3. National Science Foundation FFDR – In accordance with Section 10339B, Foreign Financial Support, of the CHIPS & Science Act of 2022 ([42 U.S.C. § 19040](#)) (P.L. 117-167) (the “CHIPS Act”);
 4. Texas Higher Education Coordinating Board – In accordance with Texas [Executive Order No. GA-48](#) (includes requirement that MSU submit the same reporting to the Texas Higher Education Board (THECB) that MSU submitted under 20 U.S.C. § 1011f referenced above); and
 5. Bureau of Economic Analysis (“BEA”) Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons – In accordance with International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, [22 U.S.C. 3101-3108](#)).
- C. The MSU Business Office collects data for all incoming gifts from and revenue contracts with foreign sources from applicable departments and affiliate entities for a given reporting period.
1. Gifts include those received by MSU, or an affiliated entity for the benefit of MSU, during the reporting period where applicable. Pledges are not reported until funds are actually received.
 2. Contracts may be assessed based on the value as of the date of execution or as revenue is received under a given contract, depending on each agency’s disclosure reporting requirements where applicable. Where exact amounts are not specific in a contact document, MSU will use a reasonable valuation methodology where applicable.

Department/Affiliate	
Internal Departments	Purchasing and Contract Management
	University Advancement
	MSU Business Office
	Office of Sponsored Programs and Research
Affiliated Entities per TTU System Regulation 04.04: Affiliated Entities	Wichita Falls Museum of Art at Midwestern State University
	Midwestern State University Alumni Association
	Midwestern State University Foundation, Inc.

- D. The MSU Business Office aggregates revenue data and summarizes by source. Where the value, considered alone or in combination with all other gifts from or contracts with that foreign source, exceeds the applicable reporting threshold, a disclosure report is prepared as required.
- E. For the BEA Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons, Payroll & Tax Services provides data for purchases from foreign persons to the MSU Business Office for system-level reporting as required.
- F. Responsibilities
1. Business Office
 - a. Maintain accounting records of sponsored project agreements established with foreign sources;
 - b. Aggregate, evaluate, and report foreign gift and revenue contract disclosures to external federal and state agencies and TTU System Accounting & Reporting as applicable and as required;

- c. Maintain detailed internal procedures outlining the varying requirements of each agency; and
 - d. Monitor industry and peer compliance news to keep reporting requirements up-to-date and document new and/or changing requirements for compliance.
 - e. Maintain records of transactions related to student sponsorship agreements, wires, and checks from foreign sources; and
 - f. Provide applicable data for wires, checks, and contract billing transactions to Accounting Services as required for reporting.
 - g. Maintain records and contracts related to student sponsorship agreements and provide applicable data to the Business Office as required for reporting.
2. University Advancement
- Maintain records of gifts received from foreign sources to provide applicable data to the MSU Business Office in accordance with MSU OP 32.04: Disclosure of Certain Gifts from Foreign Persons, and as required for reporting.
3. Office of Sponsored Programs and Research
- Maintain records of licensing agreements to provide applicable data to the Business Office as required for reporting.
4. Purchasing and Contract Management Office
- Maintain records of revenue contracts properly submitted to Purchasing in accordance with MSU OP 30.01: Approval and Execution of University Contracts, including records of purchases from foreign persons, and provide applicable data to the MSU Business Office as required for reporting.
- Maintain records and contracts related to student sponsorship agreements and provide applicable data to the Business Office as required for reporting.

VI. Related Statutes, Rules/Regulations, Policies, Forms, and Websites

Related /Statutes/Rules/Executive Orders

[20 U.S.C. § 1011f](#) (MSU required to report receiving a gift from or entering into a contract with a foreign source, the value of which is \$250,000 or more, considered alone or in combination with other gifts from or contracts with that foreign source within a calendar year)

[Executive Order No. GA-48](#) (includes requirement that MSU submit the same reporting to the Texas Higher Education Board (THECB) that MSU submitted under [20 U.S.C. § 1011f](#) referenced above)

Related TTU System *Regents' Rules* and Regulations

[TTU System Regulation 01.03, Foreign Source Disclosure – Standards of Practice](#)
[TTU System Regulation 07.16, Foreign Adversaries – Gifts and Travel](#)

Related MSU Policies

[OP 32.04: Disclosure of Certain Gifts from Foreign Sources](#)

Related Forms

[Attachment A – MSU Foreign Adversary Nations Travel Form](#)

[Attachment B – MSU Gifts from Foreign Sources Report Form](#)

Related Websites

[MSU Business Office](#)

[MSU Office of University Advancement](#)

VII. Responsible Office

Contact: MSU Business Office

Phone: (940) 397-4101

E-mail: bus.office@msutexas.edu

VIII. Revision History

24 July 2025: Adopted and approved as Operating Policy and Procedure (“OP”) 14.10: Foreign Sources and Transaction Reporting by MSU President Stacia Haynie to comply with the Texas Governor’s [Executive Order No. GA-48](#), and TTU System Regulations [TTU System Regulation 01.03, Foreign Source Disclosure – Standards of Practice](#) and [TTU System Regulation 07.16, Foreign Adversaries – Gifts and Travel](#) .



MIDWESTERN STATE UNIVERSITY

Operating Policies & Procedures Manual

University Operating Policy/Procedure (“OP”)

OP 30.01: Approval and Execution of University Contracts

Approval Authority:	President
Policy Type:	University Operating Policy and Procedure
Policy Owner:	Vice President for Administration and Finance
Responsible Office:	Director of Purchasing and Contract Management
Next Scheduled Review:	09/01/2025 (This OP will be reviewed in September of every odd year, or as needed, by the MSU Director of Purchasing and Contract Management with recommended revisions forwarded through the Vice President for Administration and Finance to the President.)

I. Policy Statement/Purposes

Midwestern State University (“MSU” or “University”) is a component institution of the Texas Tech University System (“System” or “TTUS”). The purposes of this OP are to: (1) outline the policy/procedures to be followed in the development, negotiation, approval, and execution of all contracts between MSU and other parties; (2) establish consistent guidance for managing performance and/or compliance with contract requirements throughout the term of the contract; and (3) comply with applicable federal/state statutes and regulations and TTUS *Regents’ Rules* and Regulations. Contract administration has an essential role in the procurement process and helps ensure the University is obtaining the best value.

II. Application of Policy

- A. This policy will apply to all contracts for the initial periods, amendments, and extensions, except for construction contracts processed through the TTUS Office of Facilities Planning and Construction.
- B. No staff, faculty, student, or agent has the authority to commit MSU or the TTUS for any purpose (i.e., enter into contracts) except as authorized in [Section 07.12, TTUS Regents’ Rules](#) and this OP. A contract that is not approved or executed (signed) in accordance with this OP is void. An individual executing a contract on behalf of a state agency, without the authority to do so, may be personally liable for damages flowing from repudiation of the contract. See *Thomas, Richardson, Runden & Company, Inc. v. State of Texas*, 683 S.W.2d 100 (Tex. App. - Tyler 1985 writ refused no reversible error).

III. Definitions

For purposes of this OP:

Auxiliary Enterprise: Furnishes Goods or Services to students, faculty, staff and the general public for a fee, and are managed as a self-supporting activity. Examples include, but are not limited to: residence halls, food services, intercollegiate athletics, and college stores.

Consulting Services: The Services of studying and advising an Institution per [Texas Government Code § 2254.021](#). Consulting Services must be approved by the TTUS Board of Regents per [TTUS Regents' Rules Chapter 07](#). See also Sections IV.C.7.b and IV.D.1.i of this OP. An individual or firm that provides these Consulting Services to MSU and does not involve the traditional relationship of employer and employee will be defined as a Consultant.

Contract: A legally binding written agreement executed between MSU and a third party in which the parties agree to perform in accordance with the obligations therein. Contracts include, but are not limited to, letter agreements, cooperative agreements, memorandums of understanding (MOU), interagency contracts, grants, loans, easements, licenses, leases, permits and restrictions on acceptances of gifts and bequests. Other parties includes, but are not limited to federal, state and local agencies, nonprofit organizations, private businesses, corporations, limited liability entities, partnerships, and individuals. [TTUS Regents' Rules Chapter 07](#). Component institutions may require formal review and signature on other related legal documents (e.g., Non-disclosure agreements).

Contract Administration: Following the award of a contract, the department-level actions to oversee full compliance with all of the terms and conditions contained within a contract.

Contract Administrator (CA): The Contract Administrator is the department-level individual responsible for adherence to all provisions contained within a Contract and for managing the performance of a Contract.

Contract Close-out: The process conducted at the completion of the Contract during which the Contract Administrator confirms and documents compliance with the terms and conditions of the Contract, final Deliverables are received, and outstanding payments are made.

Contract Management: The complete contracting process from planning through contract administration and concluding with contract close-out.

Contract Manager (CM): A person who: (A) is employed by a state agency; and (B) has significant Contract Management duties for the state agency, as determined by the agency in consultation with the state auditor ([Texas Government Code §2262.001\(3\)](#)). This is the MSU Purchasing and Contract Administration Office representative.

Contractor: An individual or legal entity that has a Contract to provide Goods or Services to MSU. A Contractor includes, but is not limited to, federal, state, and local

agencies; nonprofit organizations; private businesses; corporations; partnerships; and individuals. Used interchangeably with the term “Vendor.”

Critical Infrastructure: Means a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility.

Deliverable: A unit or increment of work required by the Contract, including such items as Goods, Services, reports, or documentation.

Department: The college, unit, division, or office within MSU requesting a contract.

Goods: Supplies, materials, or equipment as defined in [Texas Government Code § 2155.001](#). Goods do not include Services or real property.

Historically Underutilized Business (HUB): A for-profit entity with its principal place of business in the State of Texas that is at least 51% owned by a Black American, Hispanic American, woman, Asian Pacific American, Native American, or disabled veteran as defined in [Texas Government Code § 2161.001](#). See also [Texas Comptroller HUB website](#).

Office of General Counsel (OGC): Serves as legal counsel for the Texas Tech University System and includes the MSU Office of General Counsel which provides legal counsel to the MSU administration on a variety of issues encompassing multiple areas of law including litigation, compliance obligations, employment matters, student issues, policy matters, real estate, and contracts.

Procurement (Procure): Purchasing, renting, leasing, or otherwise acquiring any Goods or Services, including all functions that pertain to the acquisition through Contract Close-out.

Proprietary Purchase (or sole source): Is justified only when an equivalent Good or Service is not available or not suitable. A written justification must be provided by the originating department when a Specification requirement limits consideration to one Contractor, one unique Good(s), or one Service provider, and the amount of the purchase exceeds the informal Bid threshold at MSU. Price and personal preferences are not acceptable as determining factors. The MSU Purchasing and Contract Management Office reserves the right to require additional quotes or Bids for a Proprietary Purchase.

Purchase Order: A legal document issued to a contractor that formalizes the terms and conditions of any purchase of goods and services.

Respondent: An individual or legal entity submitting a Response to a Solicitation.

Service(s): The furnishing of labor, time, and effort by a Contractor or Auxiliary Enterprise, which may involve to a lesser degree, the delivery or supply of Goods.

Specification(s): Description of the requirements for Goods or Services, including the Scope of Work, to be fulfilled by a Contractor.

Scope of Work (SOW): A detailed, written description of the conceptual requirements contained within the Specifications.

Solicitation: A purpose of gathering information or entering into a Contract.

Vendor: An individual or business or governmental entity that has a Contract to provide Goods or Services to an Institution. Used interchangeably with the term “Contractor.”

IV. Policy/Procedure

A. Training

1. MSU officers and employees authorized to execute contracts for the University or to exercise discretion in awarding contracts, are required to receive training, including training in ethics, selection of appropriate procurement methods, and information resources purchasing technologies. [Texas Education Code § 51.9337\(b\)\(5\)](#) and [Texas Government Code § 656.051\(c\)](#). [Texas Government Code § 656.052](#) outlines information pertaining to the training and certification of managers. However, this section explicitly does not apply to institutions of higher education. As such, the training and certification outlined under this section (656.052) is not required. MSU, in evaluating its own unique contract needs, voluntarily chooses to require its procurement personnel to participate in the Comptroller-administered training and certification program(s) or to develop their own unique program(s) specific to their needs.
2. It is the individual officer’s or employee’s responsibility to comply with the training requirements. The Comptroller has established and administers a system of training, continuing education, and certification for institutional purchasing personnel. Institutional purchasers and contract management personnel must receive training to the extent required by the Comptroller under [Texas Government Code § 656.051](#). Such employee who is required to receive training may not participate in MSU purchases unless the employee has received the required training or received equivalent training from a national association recognized by the Comptroller. [Texas Government Code § 656.051](#).
3. In accordance with [Texas Education Code § 51.9337](#) and [TTUS Regents’ Rule 07.12.1.h](#), MSU and TTUS officers and employees authorized to execute contracts on behalf of MSU or TTUS or to exercise discretion in awarding contracts are required to receive training, including training in ethics, selection of appropriate procurement methods, and information resources procurement technologies.

Training is required for faculty and staff who:

- a. Have contract signature authority, which is delegated by the TTUS *Regents’ Rules* and as outlined in this OP;
- b. Are assigned a financial manager role; and
- c. Are delegated signature authority.

Faculty and staff are responsible for ensuring that the required training is completed every year. An e-mail notification will be sent out when the training is due and timely completion of the training monitored by MSU’s Human Resources Department in conjunction with the Purchasing and Contract Management Office. For any questions relating to the mandatory training, please e-

mail contracts@msutexas.edu Employees who do not comply with this training requirement are subject to disciplinary action.

B. Ethical Standards and Policies

1. General

[Texas Education Code §51.9337\(b\)](#) requires the TTUS Board of Regents to establish a code of ethics for institutional officers and employees, including provisions governing authority to execute contracts or exercise discretion in awarding contracts. For further information, refer to TTUS *Regents' Rules Chapter 02* and *Chapter 03* and MSU's Operating Policies and Procedures (listed below).

TTUS and MSU personnel involved with procurement must adhere to the highest level of professionalism in discharging their official duties. The nature of procurement functions makes it critical that everyone in the process remain independent and free from the perception of impropriety. Any erosion of public trust or any shadow of impropriety is detrimental to the integrity of the process. Consequently, the credibility of a procurement program requires the establishment of a clear set of guidelines and rules. Such guidelines and rules are designed to prevent actual and potential contractors from influencing State agency employees or officials in discharging their official duties. Furthermore, these guidelines and rules will help prevent the System or MSU employees' or officials' independent judgment from being compromised.

2. Conflicts – Rules and Policies

MSU is required to have policies governing conflicts of interest, conflicts of commitment, and outside activities ensuring that the primary responsibility of officers and employees is to accomplish the duties and responsibilities assigned to that position. [Texas Education Code § 51.9337\(c\)\(2\)](#).

Following are links to TTUS *Regents' Rules* and Regulations and MSU institutional operating policies and procedures (OPs) related to conflict policies and ethical standards:

Texas Tech University System:

[Regents' Rules](#)

[System Regulation 01.05 Ethical Conduct and Required Training](#)

Midwestern State University:

[OP 02.40 Conflict of Commitment, and Outside Employment and Activities](#)

[OP 02.42 Institutional Compliance and Ethics Program](#)

[OP 52.20 Ethics Policy for Employees of Midwestern State University](#)

3. Ethics Training

See above Section IV.A (Training) of this OP and [Texas Government Code § 656.051](#).

4. Standards of Conduct of Officers and Employees

As State officers or employees, each System and Institutional officer or employee is expected to comply with the applicable ethical standards and policies, as well as all federal, State, and local laws, as the officer or employee will be subject to disciplinary action for a violation of those laws. [Texas Education Code § 51.9337\(c\)\(1\)](#). A violation by an officer or employee may subject the individual to disciplinary action and any applicable civil or criminal penalty if the violation constitutes a violation of another Statute or rule.

In accordance with [Texas Government Code Chapter 572, Subchapter C, § 572.051](#), Standards of Conduct and Conflict of Interest Provisions, a State officer or employee shall not:

- a. Accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;
- b. Accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired by reason of the officer's or employee's position;
- c. Accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or employee's official duties;
- d. Make personal investments or engage in other activities, including having a direct or indirect financial or other interest, engaging in a business transaction or professional activity, or incurring any obligation that could reasonably be expected to create a substantial conflict with the proper discharge of the officer's or employee's duties related to the public interest;
- e. Intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised their official powers or performed official duties in favor of another; or
- f. Act as an agent for another person or entity in the negotiation of the terms of an agreement relating to the provision of money, services, or property to the TTUS or MSU.

5. Ethical Behavior

In accordance with [TTUS Regents' Rule 03.01.2](#), officers and employees shall:

- a. Obey all federal, state, and local laws or be subject to disciplinary action for a violation of those laws;
- b. Put forth honest effort in the performance of their duties;
- c. Not make unauthorized commitments or promises of any kind purporting to bind TTUS or MSU;
- d. Not use their public office for private gain;
- e. Act impartially and not give preferential treatment to any private or public organization or individual;

- f. Protect and conserve public property, including all MSU resources, and not use it for anything other than authorized activities;
 - g. Promptly disclose waste, fraud, abuse, and corruption to appropriate authorities;
 - h. Adhere to all laws, regulations, and policies that provide equal opportunity for all persons regardless of sex, sexual orientation, gender identity, gender expression, race, national origin, religion, age, disability, status as a covered veteran, genetic information, or other legally protected categories, classes, or characteristics;
 - i. Endeavor to avoid any action(s) that would create the appearance that they are violating the law or the ethical standards of TTUS;
 - j. If involved in procurement for TTUS, disclose to TTUS in the manner prescribed by the MSU Operating Policy any actual or potential conflict(s) of interest that is known by the employee or official with respect to any contract with a private vendor or bid for the purchase of goods or services from a private vendor by TTUS at any time during: (i) the procurement process, from the initial request for bids for the purchase of goods or services from the private vendor until the completed final delivery of the goods or services; or (ii) the term of the contract with a private vendor; however, for a contract for the purchase of goods or services solicited through a purchase order, this subsection only applies if the amount of the purchase order exceeds \$25,000; and
 - k. Participate in regular training concerning ethical standards and policies of TTUS.
6. Disclosure of Potential Conflicts by MSU Officials and Employees; Prohibited Contracts
- a. MSU Procurement of Goods or Services is subject to [Texas Government Code, Chapter 2261, Subchapter F - Ethics, Reporting, and Approval Requirements for Certain Contracts](#), which also applies to related contracts and contract management activities. MSU employees and officials involved in procurement for MSU must disclose to MSU, as required by State law, TTUS Regents' Rules and Regulation, or MSU Operating Policies and Procedures or other applicable policies, any potential conflict of interest that is known by the employee or official with respect to any contract or purchase of goods or services from a contractor by MSU. [Texas Government Code § 2261.252\(a\)](#).
 - b. Under [Texas Government Code § 2261.252\(b\)](#), if any of the following MSU employees or officials or certain family members of employees or officials have a financial interest in a private vendor, MSU as a State agency is unable to enter into a contract for the purchase of goods or services with the person:
 - (1) a member of the agency's governing body (i.e. TTUS Board of Regents);
 - (2) the governing official (i.e., the TTUS Chancellor), executive director (i.e., the MSU President), general counsel (i.e. Vice Chancellor and General Counsel; MSU General Counsel), MSU Chief Procurement Officer, or procurement director of the agency (i.e., MSU); or

- (3) a family member related to an employee or official described by (a) or (b) within the second degree by affinity or consanguinity.

There is a financial interest under [Texas Government Code § 2261.252\(c\)](#), if the employee or official:

- (1) owns or controls, directly or indirectly, an ownership interest of at least one percent (1%) in the person, including the right to share in profits, proceeds, or capital gains; or
- (2) could reasonably foresee that a contract with the person could result in a financial benefit to the employee or official, or family member within the second degree of affinity or consanguinity.

See also [TTUS Regents' Rule 07.12.2](#) (Prohibited Contracts).

- c. An e-mail notification will be sent out when the required report due and timely completion of the report is monitored by MSU's Human Resources Department in conjunction with the Purchasing and Contract Management Office. For any questions relating to the mandatory reporting, please e-mail human.resources@msutexas.edu or contracts@msutexas.edu. Employees who do not comply with this reporting requirement are subject to disciplinary action.

7. Conflict of Interest; Disclosure, Representations, and Warranties by Potential Contractors and Respondents; Employment of Current and Former Institution Employees

- a. To avoid conflicts of interest, MSU shall request all potential contractors and respondents to disclose, in their response to solicitations and during the term of any resulting contract, any actual or potential conflicts of interest in their proposed provision of goods or services or other performance under any contracts resulting from the solicitations.

When applicable, and in accordance with [Texas Government Code §§ 2252.908\(e\)-\(f\)](#), potential contractors and respondents shall submit a disclosure certificate of interested parties on the form prescribed by the Texas Ethics Commission, and MSU shall acknowledge receipt of the certificate, both of which shall be accomplished through the website available at: https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

MSU may not enter into a contract with a contractor or respondent which requires Regents' approval prior to execution or has a value of at least \$1 million without the requisite disclosures by potential contractor(s) or respondent(s). [Texas Government Code § 2252.908](#). This requirement does not apply to the following:

- (1) A contract where the governing body has properly delegated authority to execute the contract and the governing body does not participate in selecting the contractor ([Texas Ethics Commission, Chapter 46](#)); or

- (2) A sponsored research contract of MSU; an interagency contract of an MSU; or a contract related to health and human services if the value cannot be determined at time of execution and any qualified contractor is eligible for the contract ([Texas Government Code §2252.908\(c\)](#)).
- b. In responses, potential contractors and respondents are required to:
 - (1) Represent and warrant that contractor's or respondent's provision of services or other performance under the contract will not constitute an actual or potential conflict of interest and represent and warrant that it will not reasonably create even the appearance of impropriety;
 - (2) Disclose any current or former employees who are current or former employees of MSU;
 - (3) Disclose any proposed personnel who are, or are related to, current or former employees of MSU;
 - (4) Represent and warrant that contractor or respondent has not given and will not give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of MSU in connection with the solicitation or any resulting contract; and
 - (5) Verify that it or any of its principals (including, but not limited to, an owner, proprietor, sole or majority shareholder, director, president, or managing partner) are not debarred, suspended, or otherwise excluded from doing business with TTUS or any of its component institutions. MSU shall also verify that an entity or principals are not debarred, suspended, or otherwise excluded to confirm that no contracts are awarded, extended, or renewed.
- 8. Contracts with Former or Retired Employees

The following restrictions also apply to potential contractors and respondents:

- a. [Texas Government Code § 2252.901](#), Contracts with Former or Retired Agency Employees. MSU may not enter into an employment contract, a professional services contract, or consulting services contract with a former or retired employee before the first anniversary of the last date on which the individual was employed by MSU **if appropriated funds** are used to make payments under the contract. Such contracts may be made with an employer of a former or retired employee within one year if the individual does not perform services on procurements or projects on which the individual worked while employed by the institution.
- b. [Texas Government Code § 2254.033](#), Restriction on Former Employees of a State Agency. An individual who offers to provide consulting services to MSU and who was employed by MSU or another State agency at any time during the prior two years shall disclose in the offer the nature of previous employment, the date employment was terminated, and annual rate of compensation for the employment at the time of termination.

- c. [Texas Government Code § 572.069](#), Certain Employment for former State Officer or Employee Restricted. A former State officer or employee of a State agency who during the period of State service or employment participated on behalf of a State agency in a procurement or contract negotiation involving a person may not accept employment from that person before the second anniversary of the date the contract is signed or the procurement is terminated or withdrawn.
- 9. Nepotism: State Auditor's Office Disclosure Statement for Procurement Personnel

In accordance with [Texas Government Code § 2262.004](#), before MSU may award a major contract, defined as a contract with a value of at least \$1 million, for the purchase of goods or services to a business entity, each of MSU's procurement personnel working on the contract must submit a completed disclosure statement to the administrative head of the state agency or their designee. Procurement personnel must disclose, on the form prescribed by the State Auditor's Office, any relationship about which the procurement personnel is aware with an employee, a partner, a major stockholder, a paid consultant with a contract with the business entity the value of which exceeds \$25,000, or other owner of the business entity that is within the degree of kinship described by [Texas Government Code § 573.002](#).

C. General Guidelines for Processing Contracts

- 1. Purpose
 - a. MSU contracts for goods and services to advance its mission, duties, and obligations as a component institution of TTUS and a Texas institution of higher education. TTUS and MSU are committed to compliance with all State and local laws, regulations, and rules applicable to contracting.
 - b. Written contracts shall be executed whenever MSU enters into a binding agreement with another party that involves any material consideration. The written contract requirement may be satisfied by a formal purchase order as determined by MSU's chief fiscal officer or her/his designee.
- 2. Contract Management Handbook
 - a. All contracts are subject to the requirements detailed in the Contract Management Handbook adopted by the TTUS, which may be accessed here: [TTUS Contract Management Handbook](#). Pursuant to TTUS *Regents' Rules*, in the event there is a conflict with language in the Handbook, applicable federal or state statutes or regulations shall prevail, followed by TTUS *Regents' Rules* and Regulations, MSU Operating Policies and Procedures, and the Handbook.
 - b. In accordance with [TTUS Regents' Rule 07.12.1.g](#), the University's Purchasing and Contract Management Office, working together with the MSU General Counsel, must ensure the following contract review procedures, including a contract review checklist, for all MSU contracts:

- (1) All contracts are in writing and in the name of the University (not in the name of a department or an individual);
 - (2) Contracts comply with applicable federal and state law and regulations (including state purchasing requirements), and applicable [TTUS Regents' Rules and Regulations](#), University policies and procedures, and the [TTU System Contract Management Handbook](#);
 - (3) Contracts are properly reviewed and approved prior to being signed by a person with delegated authority and evidenced by a properly completed Contract Routing Sheet;
 - (4) Contracts are properly maintained in accordance with the University's records management policy and records retention schedule and all state reporting requirements are completed in a timely manner and proper form;
 - (5) Contracts are monitored to ensure proper execution and performance; and
 - (6) The contract review procedures will be annually assessed and identified improvements implemented.
- c. The contract review procedures shall also apply to any amendment, alteration, change, change order, correction, extension, modification, or renewal of a signed contract.
3. Role of the Contract Originating Department
- a. The department originating the contract shall be fully responsible for the origination, management, and funding of its requested contracts as set forth in *System Regents' Rules and Regulations*, and MSU operating policies and procedures. This includes reading, analyzing, as necessary each contract before it is submitted to the MSU Purchasing and Contract Management Office to ensure that it accurately reflects the parties' responsibilities, contains all necessary terms and conditions, accurately and fully reflects the proposed academic or business arrangement, and that the department is able to comply with all contract requirements.
 - b. The Department Requesting Procurement of Goods or Services Shall First Review the Following Operating Policies/Procedures (OPs):
 - [Conflict of Interest and Commitment, OP 02.40](#)
 - [Use of Consultants, OP 30.03](#)
 - [Professional Services, OP 30.04](#)
 - [Historically Underutilized Businesses, OP 54.03](#)
 - [Purchase of Goods and Services, OP 54.01](#)

A [contract process flowchart](#) is provided for guidance. Please contact the Purchasing and Contract Management Office for assistance.
 - c. OGC promulgates contracting forms and templates for use by TTUS and component institutions are available on the [OGC website](#). In addition, the

OGC website contains contract provisions which may be incorporated by reference into form contracts. To the extent possible, the current version of all OGC-approved forms should be used, without revision, except as to: (1) scope of the goods to be purchased or services to be provided, (2) business terms, and (3) vendor information. Any revision to any substantive legal term of an OGC-approved form must be approved by OGC prior to execution of the contract.

Use the OGC-approved templates available from the Purchasing and Contract Management Office:

(1) Clinical and Affiliation Contracts:

- For student internship agreements, use: *Institutional Affiliation Agreement Student Internship* template
- For clinical agreements, use: *Combined Clinical (PT & Nursing)* template
- For teaching affiliation agreements, use: *Field Placement Interagency Affiliation Agreement* template
- For clinical and affiliation agreements, use: *Clinical and Affiliation Contract Routing Sheet*

(2) General and Professional Contracts:

- For guest speakers, guest lecturers, or performing artists who are not covered under a performing agency contract, please use one of the following templates:
 - If the total fee is \$500 or less, use: *University Notice \$500 and Under* template
 - If MSU is only paying for travel, use: *University Notice Travel Only* template
 - If the total fee is over \$500, use: *University Contract* template
- For guest speakers, guest lecturers, or performing artists covered under an agency contract, submit the agency contract and technical rider, if applicable, to [purchasing and contract management@msutexas.edu](mailto:purchasing_and_contract_management@msutexas.edu). A *Performance Presentation Addendum* may be required.
- Use the *Professional Consulting Services Contract* template to develop contracts for consulting or other services.
- If it is necessary to amend a signed contract, complete the *Contract Amendment* template and complete a *Contract Routing Sheet*, then send to: [purchasing and contract management@msutexas.edu](mailto:purchasing_and_contract_management@msutexas.edu).

Contact the Purchasing and Contract Management Office if you have questions or need assistance with developing or amending contracts.

d. Department Responsibilities Prior to Submitting Contracts to Purchasing and Contract Management Office:

Departments must ensure that MSU operating policies and procedures are followed prior to submitting contracts to the Contracting Office:

- (1) Departments requesting to enter into a contract must first determine what type of procurement is required and if other vendor quotes are necessary according to [Purchase of Goods and Services, OP 54.01](#) (see [Contract Process Flowchart](#)). The Purchasing and Contract Management Office will assist departments with determining required competitive bidding.
 - (2) Departments are responsible for ensuring that funding is available and allowable (see Allowable – Non-allowable Expenditures list) for expense contracts. The department's purchase requisitioner will create an online requisition for financial managers to approve and attach the contract documents in Banner for departments to view. Procurement must be secured prior to commencement of services or receipt of goods.
 - (3) Departments must assign a contract administrator to each contract. Contract administrator's responsibilities are outlined below in Section IV.G - Departmental Responsibilities as Contract Administrator (CA).
 - (4) Contract administrators are responsible for ensuring that all expenditure and revenue transactions are in compliance with MSU operating policies and the requirements of each contract.
- e. Contract Submission to the Purchasing and Contract Management Office:
- (1) If possible, please initiate contract requests at least six (6) weeks prior to the start date of the Contract to allow ample time for review and approval.
 - (2) If a vendor contract is received, please e-mail it to contracts@msutexas.edu and complete the [MSU Contract Routing Sheet](#). The Purchasing and Contract Management Office will review the contract and negotiate terms with the vendor, then notify the department of any changes.
 - (3) For all non-template contracts, the Purchasing and Contract Management Office will require vendors to sign the *Contract Dispute Resolution* form or the [Contract Addendum](#) template, depending on the vendor contract terms and conditions.
 - (4) All vendors and individuals doing business with MSU must have a signed W-9 on file in order to process a purchase order and related payment. The Purchasing and Contract Management Office will request vendors and individuals to complete the *W-9 Form* if a W-9 has not been completed within the last 18 months.
 - (5) Departments using an approved contract template must follow the template instructions and email it to contracts@msutexas.edu for approval.
 - (6) The Purchasing and Contract Management Office will route all contracts and amendments that involve information technology components or services to the Office of Information Technology (IT) for review and approval.

- (7) Do not sign a contract unless it has been reviewed and approved by the Purchasing and Contract Management Office and, if required, by OGC.

4. Procurement and Contracting Guidelines

- a. Prior to submitting any contract to OGC for review, the proposed transaction must go through all applicable procurement and contracting requirements required by applicable law as well as TTUS and MSU policies and contracting offices, including the requirements that state agencies and institutions of higher education use E-Verify, and state contractors and subcontractors enroll in E-Verify to qualify for public contracts. Review by OGC does not limit or waive the requirements of MSU's operating policies and procedures, including but not limited to review, revision, and/or approval by MSU's contracting office.
- b. In accordance with [Executive Order No. GA-48](#), the University shall require any company that submits a bid or proposal with respect to a contract for goods and services to certify that the company, and, if applicable, any of its holding companies or subsidiaries, is not:
 - (1) Listed in Section 889 of the 2019 National Defense Authorization Act ("NDAA"); or
 - (2) Listed in Section 1260H of the 2021 NDAA; or
 - (3) Owned by the government of a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. § 791.4; or
 - (4) Controlled by any governing or regulatory body located in a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. §791.4.

MSU must not enter into a new contract, contract extension, or contract renewal for a good or service with any company that meets any of the above-listed criteria. However, if the University can sufficiently demonstrate that: (a) the good or service is necessary for the University to fulfill a core function that directly benefits Texans and (b) the good or service can *only* be provided by an entity that meets one of the above-listed criteria, then MSU may enter into a new contract, contract renewal, or contract extension with such entity for no more than one year from the date of the issuance of [Executive Order No. GA-48](#), and NEVER thereafter.

- c. MSU's HUB coordinator shall:
 - (1) Coordinate training programs to recruit HUBs and to assist HUBs in conducting business with TTUS and its component institutions;
 - (2) Report required information to the Office of the State Comptroller;
 - (3) Match HUBs with key TTUS staff to ensure that HUBs interact with the appropriate personnel of TTUS; and

- (4) Make a good faith effort to increase the award of goods and service contracts to HUBs in accordance with state statutes and the promulgated rules of the Office of the State Comptroller.

See [Section 07.13, TTUS Regents' Rules \(HUBs\)](#).

- d. Insurance requirements for vendors contracting with TTUS and its component institutions are set by the System Office of Risk Management, and can be found [here](#). Any changes to insurance requirements other than professional liability insurance requirements must be approved by MSU's contracting office in consultation with the TTUS [Office of Risk Management](#). Changes to insurance requirements other than professional liability insurance requirements in OGC-approved forms do not require OGC review if such changes are reviewed and approved by the Office of Risk Management. Any changes to professional liability insurance requirements must be approved by OGC.
- e. The department/unit requesting the Goods or Services in consultation with the Purchasing and Contract Management Office shall determine if a competitive solicitation is required. See OP 54.01: Purchase of Goods and Services.
- f. For Contracts that require an expenditure, the department/unit shall submit a requisition in Banner, and electronically attach the draft Contract and a signed Contract Routing Sheet demonstrating it has adequate funding and departmental approval. If the Contract does not require an expenditure of MSU funds, the Contract and signed Contract Routing Sheet shall be e-mailed to the MSU Purchasing and Contract Management Office at contracts@msutexas.edu or sent through campus mail.
- g. In accordance with [Executive Order No. GA-48](#), the University (Purchasing and Contract Management Office working jointly with the Human Resources Office) must include in the minimum qualifications of the job descriptions of all contracted positions that research, work on, or have access to critical infrastructure the requirement that to be hired for and to continue to be employed in that position is the ability to maintain the security and integrity of the University's critical infrastructure.
- h. The MSU Purchasing and Contract Management Office will work with the department/unit and the Contractor to develop and negotiate a mutually satisfactory Contract that complies with the Contract Management Handbook and applicable statutes.
- i. The Purchasing and Contract Management Office will obtain review and signature approval from the appropriate TTUS/MSU officials and the Contractor. Only individuals delegated authority or by express authority of the Chancellor or MSU President may sign Contracts. A copy of the delegation of signature authority should be attached to the routing sheet for any contract signed pursuant to it.
- j. A fully executed Contract will be retained in the MSU Purchasing and Contract Management Office contract repository system and distributed to

both the department/unit and the Contractor along with a summary of obligations.

5. General Counsel Review of Contracts

- a. TTUS *Regents' Rule* 02.03.2(b)(2) requires General Counsel review of all significant transactions. The MSU Office of General Counsel reviews, revises, and comments on contracts' legal terms to ensure compliance with applicable laws, regulations, rules, and best practices, and assist contracting offices and departments in negotiating final agreements. The OGC is not responsible for the business terms or operational aspects contained in the contracts. And if a contract requires the approval of the Board of Regents, OGC review does not constitute approval by the Board.
- b. The following contracts are deemed significant transactions by TTUS Regulation 07.03.3.a and must be submitted to OGC for review prior to execution:
 - (1) Any contract requiring approval by the Board of Regents, pursuant to the Regents' Rules. Such contracts may include, but are not limited to, those for more than \$1,000,000 over the life of the contract, contracts with a term longer than 4 years (unless it may be terminated without cause within 120 days), and any agreement for the transfer or lease of real property.
 - (2) Any contract with an annual contract value greater than \$500,000 (OGC approval is not needed for (1) Purchase Orders that do not include legal terms; or (2) Texas Comptroller negotiated vendor contracts).
 - (3) Any contract with an annual contract value of \$250,000 through \$500,000 unless:
 - (a) On an OGC-approved contract form; or
 - (b) On a vendor-approved form, with the OGC-approved contract addendum attached.
 - (4) Any contract involving the sharing, transfer, or processing of sensitive data, including student, employee, or medical records (e.g., FERPA-protected data, HR records, protected health information), records of financial transactions (i.e., credit card numbers and bank account information).
 - (5) Any contract with businesses or entities in foreign countries.
 - (6) Any contracts for events, activities, or travel involving students and inherently risky or dangerous activities unless on an OGC-approved form (e.g., charter flights, high-adventure recreation). Note: OGC has approved standard forms for charter busses and flights.
 - (7) Any coaching contracts.
 - (8) Any contract for clinical or administrative health care services (even if on an OGC-approved form).
 - (9) Any contract for consulting services valued at \$25,000 or above.

- (10) Any settlement agreement.
- (11) Any contract, regardless of the contract value or form use, which the Institution's administration, contracting office, IT department, or purchasing department or any individual school or program believes should reasonably require OGC review given the risks, nature, or uncertainty involved in the agreement.
- (12) OGC may grant a written exception to the review requirements set forth above if, after consideration and discussion with the submitting department/unit and the Purchasing and Contract Management Office, OGC determines such exception is in the best interest of MSU.

6. Contract Renewals

- a. The MSU Purchasing and Contract Management Office is the office of record for all MSU Contracts subject to this OP. This responsibility requires that the Director of Purchasing and Contract Management and her/his delegates maintain files of all Contracts that fall under the purview of the office.
- b. Contact the Purchasing and Contract Management Office for assistance with renewal contracts or follow these steps:
 - (1) For non-template contracts previously approved by the Purchasing and Contract Management Office, departments must submit the appropriate contract routing sheet and a copy of the renewal quote to the Purchasing and Contract Management Office at contracts@msutexas.edu. Please note on the contract routing sheet that the contract is a renewal and was previously approved by the Purchasing and Contract Management.
 - (2) All non-template renewal contracts not previously reviewed by the Purchasing and Contract Management Office must be submitted to contracts@msutexas.edu for review. Departments must submit a copy of the contract and appropriate contract routing sheet. Please note on the contract routing sheet that the contract is a renewal. If applicable, the Purchasing and Contract Management Office will negotiate terms with vendors.

D. Contract Approval Process

1. Contract Routing Sheet

Each TTUS component institution is required to establish a policy or maintain a matrix clearly detailing the types and values of contracts for which contracting authority is required by the Board of Regents or is delegated to the President of a component institution and further delegated to officers and employees of the institution. See section VII.H (Contract Formation/Delegation of Authority) of the TTUS Contract Management Handbook.

A [Contract Routing Sheet](#) prepared in accordance with Section IV.C.2.b. (3) of this OP must be attached to the contract and approved as indicated below:

Contract Term	Rule, Regulation, and/or MSU OP	Review / Approval Required
a. <u>Contracts that total in excess of \$1,000,000 per annum.</u> This requirement applies to both cash and non-cash considerations. Upon recommendation of the Chancellor, Board approval is required, unless a different consideration is specified by <i>Regents' Rule</i> 07.12.	<i>Regents' Rule</i> 07.12.3.a MSU OP 30.01 § IV.D.1.a	Board of Regents; Board may delegate approval and signature authority to the Chancellor or MSU President
b. <u>Contracts that total in excess of \$1,000,000 over the entire term of the contract but the per annum amount is less than \$1,000,000.</u> This requirement applies to both cash and non-cash considerations. The Board has delegated approval authority to the MSU President, or the President's designee. Information about such contracts that are approved by the MSU President under this delegation of authority shall be provided to the Board as an information item at the next regular Board meeting.	<i>Regents' Rule</i> 07.12.4.a MSU OP 30.01 § IV.D.1.b	MSU President or President's Designee
c. <u>Contracts for sponsored program projects in excess of \$1,000,000 per annum.</u> The Board has delegated to the MSU President, or the President's designee, the authority to approve the proposals and execute and sign such contracts.	<i>Regents' Rule</i> 07.12.4.b MSU OP 30.01 § IV.D.1.c	MSU President or Designee: Provost and Vice President for Academic Affairs; Vice President for Administration & Finance; Vice President for University

<p>Sponsored program projects are those grants, contracts, and cooperative agreements from either the public or private sectors that support research, instructional, and service projects. <u>Note:</u> A list of such contracts for sponsored program projects in excess of \$1,000,000 per annum shall be provided to the Board as an information item at the next regular Board meeting.</p>		<p>Advancement; and Appropriate Vice President</p>
<p>d. <u>Contracts that involve a stated or implied consideration of \$1,000,000 or less per annum.</u> Approval is required by the MSU President, or the President's designee. This requirement is applicable to both cash and non-cash considerations. Such contracts may be signed by the President or the President's designee.</p>	<p><i>Regents' Rules</i> 07.12.3 07.12.4.a 07.12.6.a MSU OP 30.01 § IV.D.1.d</p>	<p>MSU President or President's Designee</p>
<p>e. <u>Any amendment, extension, or renewal of a contract</u> with a value that exceeds 25% of the value of the original contract approved by the Board or that increases the value of the original contract to more than \$1,000,000 per annum of the contract unless the authority to exceed the approved amount is expressly delegated by the Board or</p>	<p><i>Regents' Rule</i> 07.12.3.b MSU OP 30.01 § IV.D.1.e</p>	<p>Board of Regents</p>

an exception is expressly adopted by the Board for that contract.		
<p>f. <u>Any amendment, extension, or renewal of a contract that does not cause the per annum amount of the contract to exceed \$1,000,000.</u> Approval of the MSU President, or the President's designee, is required who may also sign the amendment, extension, or renewal. This requirement is applicable to both cash and non-cash considerations. Information about such contracts that are approved by the MSU President under this delegation of authority shall be provided to the Board as an information item at the next regular Board meeting.</p>	<p><i>Regents' Rules</i> 07.12.3 07.12.4.a 07.12.6.b</p> <p>MSU OP 30.01 § IV.D.1.f</p>	MSU President or President's Designee
<p>g. <u>Contracts for the purchase of goods/services with a value exceeding \$5,000,000.</u> The MSU Director of Purchasing/Contract Management must submit to the Board:</p> <p>(1) verification that the solicitation and purchasing methods and contractor selection comply with state law and TTUS/MSU policies; and</p>	<p><i>Regents' Rule</i> 07.12.3.c</p> <p>MSU OP 30.01 § IV.D.1.g</p>	Board of Regents

<p>(2) information on any potential issue that may arise in the solicitation, purchasing, or contractor selection process.</p>		
<p>h. <u>Contracts involving a sale or lease of land and/or improvements thereon, or a commitment of funds or other resources for more than four years</u> (as stated in <i>Regents' Rule</i> 07.12.1.d(1) and referenced in Section II.C of this OP):</p> <p>(1) Upon recommendation of the Chancellor, Board approval is required for contracts or agreements that involve:</p> <p>(a) contracts that involve:</p> <p>(b) a sale or purchase of land and/or improvements thereon, or</p> <p>(c) a lease of land and/or improvements thereon for more than four years, where a TTUS entity is either the lessor or the lessee.</p> <p>(2) Contracts that may be terminated without cause with notice of 180 days or less are excepted from the requirements of Section 07.12.3.d (1), <i>Regents' Rules</i>.</p>	<p><i>Regents' Rule</i> 07.12.3.d</p> <p>MSU OP 30.01 § IV.D.1.h</p>	<p>Board of Regents</p>

<p>i. <u>Consultant contracts with initial consideration in excess of \$100,000:</u></p> <p>(1) Upon recommendation of the Chancellor, Board approval is required prior to execution of the contract and prior to the execution of all modifications that increase the contract's consideration.</p> <p>(2) Consulting contract with an initial consideration in excess of \$100,000 may be executed prior to Board approval if:</p> <p>(a) the contract includes a provision limiting total amount to be paid to consultant to no more than \$100,000 unless and until agreement approved by the Board;</p> <p>(b) the Vice Chancellor/Chief Financial Officer in consultation with the Chancellor and MSU President and MSU chief financial officer provides approval to execute contract with initial consideration in excess of \$100,000; and</p> <p>(c) an agenda item is provided for Board</p>	<p><i>Regents' Rule</i> 07.12.3.e</p> <p>MSU OP 30.01 § IV.D.1.i</p>	<p>Board of Regents</p>
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approval at its next Board meeting.		
<p>j. <u>Consultant contracts with initial consideration of \$100,000 or less:</u></p> <p>(1) Board approval not required, but the Vice Chancellor and Chief Financial Officer, in consultation with the Chancellor, MSU President, and MSU Chief Financial Officer, shall review consulting contracts of \$100,000 or less prior to execution of the contract by the Chancellor or MSU President, as appropriate.</p> <p>(2) A report of the contract shall be provided as an information agenda item at the next Board meeting.</p> <p>(3) Approval of the Board is required prior to execution for any modification to a consulting contract where the initial consideration was \$100,000 or less and the modification will cause the total consideration to exceed \$100,000</p> <p>For purposes of this section, a search firm is a service provider and not deemed to be a consultant.</p>	<p><i>Regents' Rule</i> 07.12.4.e</p> <p>MSU OP 30.01 § IV.D.1.j</p>	<p>Board of Regents approval <i>not</i> required, but Vice Chancellor and Chief Financial Officer, in consultation with the Chancellor, President of MSU, and Chief Financial Officer of MSU, shall review consulting contracts of \$100,000 or less prior to execution of the contract by the Chancellor or President, as appropriate; provided, however, approval of the Board <i>is</i> required prior to any modification to a consulting contract where the initial consideration was \$100,000 or less and the modification will cause the total consideration to exceed \$100,000</p>

<p>k. <u>Employment contracts and agreements:</u></p> <p>(1) Include letter agreements and memoranda of understanding.</p> <p>(2) Except as provided in subsection (3) below, employment agreements containing one or more of the following provisions must be approved by the Board:</p> <p>(a) employment contracts having a total value (including cash and non-cash considerations) over the entire term of the contract of more than \$1,000,000;</p> <p>(b) employment contracts having a term longer than four (4) years;</p> <p>(c) employment contracts that allow for settlement or other payments on the termination of the contract to exceed an amount equal to the discounted net present cash value of the contract on termination at the U.S. Treasury rate that matches the remaining term of the contract;</p> <p>(d) employment contracts allowing for development</p>	<p><i>Regents' Rules</i></p> <p>07.12.3.f; 07.12.6.a 02.03.1.b(2); 02.03.3.b 02.03.9</p> <p>MSU OP 30.01 § IV.D.1.k</p>	<p>Board of Regents; MSU President as otherwise provided</p>
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<p>leave that is inconsistent with Section 04.05, <i>Regents' Rules</i>, and/or MSU operating policies; or</p> <p>(e) employment contracts awarding tenure in any way that varies from the applicable operating policies on the award of tenure.</p> <p>(3) The following are excepted from section (2) above, but to the extent any excepted contract has a value exceeding \$1,000,000, the Board has delegated approval and signature authority for the contract to the MSU President:</p> <p>(a) <u>Employment agreements for the MSU President</u> are governed by Section 02.03.1.b(2), <i>Regents' Rules</i> (which requires a recommendation by the Chancellor and approval of the Board).</p> <p>(b) <u>Athletic employment agreements</u> (intercollegiate athletics programs):</p> <p>i. <u>Athletic director and head coaches</u></p>		
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<p>employment contracts and modifications and extensions do not require Board approval if: the total value (including cash and non-cash considerations) over the entire term of the contract is \$2,000,000 or less; and the term of the contract does not exceed five years. For athletic directors, such contracts, modifications, and extensions require final approval of the MSU President, with prior notification to the Chancellor; for head coaches, the recommendation of the athletic director and final approval of the MSU President, with prior notification to the Chancellor.</p> <p>ii. <u>Assistant coaches</u> employment contracts and modifications</p>		
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<p>and extensions do not require the Board approval if: the total value (including cash and non-cash considerations) over the entire term of the contract is \$1,000,000 or less; and the term of the contract does not exceed three years. Such contracts, modifications, and extensions require the recommendation of the athletic director and final approval of the MSU President, with prior notification to the Chancellor.</p>		
<p>1. <u>Contracts involving the initial placement of vending machines, games, or any other coin operated food, refreshment, and amusement devices placed in service in any facility owned, operated, or controlled by MSU.</u> Upon recommendation of the Chancellor, Board approval is required for such contracts. The MSU President, or the President's designee, is delegated the authority to</p>	<p><i>Regents' Rule</i> 07.12.3.g</p> <p>MSU OP 30.01 § IV.D.1.1</p>	<p>Board of Regents; MSU President or President's Designee delegated authority to determine and approve location of vending machines, games, or other coin operated food, refreshment, and amusement devices</p>

determine and approve the location of vending machines, games, or other coin operated food, refreshment, and amusement devices placed in all buildings and property under the charge and control of MSU.		
m. <u>Contracts to license the sale of alcoholic beverages by a third-party vendor at a MSU facility</u> shall be approved by the MSU President or President's designee. Before any such approval is granted, the President shall notify the Chancellor.	<i>Regents' Rule</i> 07.12.3.h MSU OP 30.01 § IV.D.1.m	MSU President or President's Designee with prior notification to Chancellor
n. <u>When an emergency or exigent circumstances exist and it is not feasible or practical to convene a quorum of the Board within the time in which action is needed.</u> Unless prohibited by law, approval may be given for a contract proposal submitted by the Chancellor, or the Chancellor's designee, by verbal approval of the Chair of the Board or of the Chair of the Board's Finance and Administration Committee. Contracts approved in this manner shall be presented to the Board as an information item at the next Board meeting.	<i>Regents' Rule</i> 07.12.3.i MSU OP 30.01 § IV.D.1.n	Chair of the Board or the Chair of the Board's Finance and Administration Committee for contract proposal submitted by Chancellor or Chancellor's designee

<p>o. <u>Contracts related to construction projects for MSU as provided by Chapter 08, Regents' Rules.</u> The Board has delegated to the Chancellor and the MSU President the authority to execute and sign contracts related to such construction projects.</p>	<p><i>Regents' Rules</i> 07.12.4.d; 08.01.6</p> <p>MSU OP 30.01 § IV.D.1.o</p>	<p>Chancellor or MSU President, as applicable, or their designated representatives, shall execute all construction contracts as authorized by the Board</p>
<p>p. <u>Contracts involving proposed gifts and grants.</u> At its next meeting and before public announcement, the Board shall consider formal acceptance of unrestricted gifts and grants over \$1,000,000, and restricted gifts and grants over \$250,000, including gifts-in-kind. Acceptance of all gifts of real property, regardless of value, type, location or designated use of the funds to be derived there from, must be approved by the Board. The Chancellor, or the Chancellor's designee, shall approve the acceptance of gifts and grants for which the approval of the Board is not required.</p>	<p><i>Regents' Rules,</i> Chapter 06 – Gift and Grant Acceptance</p> <p>MSU OP 30.01 § IV.D.1.p</p>	<p>Board of Regents; Chancellor or Chancellor's Designee shall approve acceptance of gifts/grants not requiring Board approval</p>
<p>q. <u>Contracts of \$100,000 or more, but less than \$1,000,000 per annum.</u></p>	<p>MSU OP 30.01 § IV.D.1.q</p>	<p>MSU President</p>
<p>r. <u>Contracts of less than \$100,000 per year.</u></p>	<p>MSU OP 30.01 § IV.D.1.r</p>	<p>MSU President or President's Designee or Appropriate Vice President</p>

s. <u>Licenses or other conveyances of intellectual property owned or controlled by the University.</u>	MSU OP 30.01 § IV.D.1.t	MSU President or President's Designee
t. <u>Contracts involving non-monetary affiliation, articulation, and clinical agreements.</u>	MSU OP 30.01 § IV.D.1.t	MSU President; Provost and Vice President for Academic Affairs; or other appropriate Vice President
u. <u>Fiscal approval of contracts of \$50,000 or more per year.</u>	MSU OP 30.01 § IV.D.1.u	MSU President
v. <u>Fiscal approval of contracts of \$25,000 or more per year.</u>	MSU OP 30.01 § IV.D.1.v	MSU Vice President for Administration and Finance
w. <u>Approval of all contracts for information technology.</u>	MSU OP 30.01 § IV.D.1.w	MSU Vice President for Administration and Finance
x. <u>Contracts that involve division and/or conference membership in the National Collegiate Athletic Association (NCAA).</u>	MSU OP 30.01 § IV.D.1.x	Board of Regents
y. <u>Review of MSU contracts by General Counsel</u> as required by TTUS Regulation 07.03.3.a - Contracting.	TTUS Regulation 07.03.3.a - Contracting MSU OP 30.01 § IV.C.5; IV.D.1.y	MSU General Counsel

2. Contracts shall not be divided to fall within lower levels of approval.
3. For the purpose of determining whether a contract requires approval from the Board of Regents, any option(s) to extend or renew a contract shall be counted in the overall term of the contract.

4. Contracts requiring Board approval must be timely submitted for inclusion in the agenda for the next Board meeting by the deadline set by the System [Office of the Board of Regents](#) or as otherwise permitted by the *Regents' Rules*.
5. In the event an executed contract is subsequently found to be required by law or by TTUS *Regents' Rule* 07.12 (Contracting Policies and Procedures) to be approved by and/or executed by the Board of Regents, the contract shall continue in full force and effect, but shall be submitted as a consent item at the next available Board meeting.

E. Contract Signature Authorization Process

1. Contract Signature Authority

Contracts may only be signed by persons with signature authority in accordance with applicable TTUS *Regents' Rules* and Regulations and this OP, as specifically delegated in writing by the Chancellor or MSU President. Prior to signing a contract, the contract review process must be completed as outlined in Section IV.D above of this OP. According to Section 07.12.4.c, TTUS *Regents' Rules*, component institution contracts may be signed by the President or by the President's designee. The President of MSU has approved the following contract signature authority:

Contract Term	<i>Regents' Rule</i> and/or MSU OP	Signature Approval
Contract signature authorization for contracts required to be approved by the Board of Regents in accordance with Section IV.D (Contract Approval Process) of this OP, unless otherwise specified by the Board.	<i>Regents' Rule</i> 07.12.3 MSU OP 30.01 § IV.E	Board of Regents unless delegated to Chancellor or MSU President or President's designee
Contract signature authorization for <u>contracts less than \$1,000,000 per annum and entire term of contract.</u>		President or President's designee
Contract signature authorization for contracts less than \$100,000 per annum or more but less than \$500,000 per year.		President or President's designee
Provisions in the <i>Regents' Rules</i> regarding employment contracts and agreements shall govern the signature approval.	<i>Regents' Rules</i> 07.12.3.f; 02.03.1.b(2); 02.03.9;	Board of Regents; MSU President/Designee, as delegated

Contract Term	Regents' Rule and/or MSU OP	Signature Approval
	07.12.6.a MSU OP 30.01 § IV.D.1.k	
Contract signature authorization for licenses or other conveyances of intellectual property owned or controlled by the University.		President or President's designee
Contract signature authorization for all contracts of less than \$100,000 per year.		President or Appropriate Vice President
Contract signature authorization for all contracts involving grants for sponsored research, including institutional support grants.		President or Appropriate Vice President
Contract signature authorization for all non-monetary affiliation and clinical agreements.		President or Provost and Vice President for Academic Affairs
Contract signature authorization for all contracts for information technology.		President or the Vice President for Administration and Finance

2. Delegations of Signature Authority

- a. Delegations of signature authority to a designate may be made as authorized by [Regents' Rule 07.12 \(Contracting Policies and Procedures\)](#) of the TTUS Board of Regents. See also Section VII.H (Contract Formation/Delegation of Authority), of the Contract Management TTUS Contract Management Handbook.
- b. At the University level, only the President and the Vice President for Administration and Finance may delegate signature authority and it must be in writing, specify the need for compliance with these contract approval and signature authorization requirements, and be retained by the party making the delegation and the party receiving the delegation. A copy of the delegation shall be sent to the University's Assistant Vice President for Administration and Finance and Controller, MSU General Counsel, and the MSU Purchasing

and Contract Management Office. In addition, a copy of the delegation of signature authority should be attached to the routing sheet for any contract signed pursuant to it.

3. Once contracts are signed, the University's Purchasing and Contract Management Office will create purchase orders (except for contracts not involving a purchase, e.g., affiliation or facility use agreements).
4. Approval and signature execution of a contract pursuant to TTUS *Regents' Rule* 07.12 constitutes approval to establish an operating budget, when applicable, which must not exceed the consideration of the contract. The operating budget then shall be considered approved in accordance with the provisions of Section 07.04, *Regents' Rules*, and related implementing procedures.

F. Purchasing and Contract Management Office Responsibilities as Contract Manager (CM)

The responsibilities of the MSU Purchasing and Contract Management Office include:

1. Verifying that all Contracts subject to this policy are in compliance with Texas state and federal laws and MSU Operating Policies and Procedures, including the requirements that state agencies and institutions of higher education use E-Verify, and state contractors and subcontractors enroll in E-Verify to qualify for public contracts;
2. Ensuring that all expenditure and revenue transactions comply with federal, state, and MSU Operating Policies and Procedures;
3. Ensuring that Contracts subject to this policy are reviewed and signed by the appropriate personnel and signatory;
4. Serving as the repository for MSU Contracts, subject to this policy and MSU records retention policies (see [OP 02.34: Records Management Policy](#));
5. Verifying that the Contractor is eligible to contract with MSU/TTUS in accordance with federal and state laws;
6. Verifying that bonds and insurance are provided and are compliant with the requirements of the Contract and MSU/TTUS requirements;
7. Ensuring that risk is analyzed and eliminated or reduced through insurance or contract provisions;
8. Ensuring that departments encumber the funding for expense Contracts and that payments are made in compliance with the requirements of the Contract and OP 54.01, Purchase of Goods and Services;
9. Providing oversight to departments ensuring that each Contract is performed in accordance with the terms and conditions of the Contract as required by this OP;

10. Managing the Contract renewal and expiration process; and
11. Providing enhanced contract monitoring as required by policy.
12. In accordance with [Executive Order No. GA-48](#), routinely reviewing critical infrastructure contractors (e.g., criminal history and continuous connections to the government or political apparatus of a foreign adversary) to ensure they remain able to maintain the security and integrity of the University's critical infrastructure. To facilitate these reviews, the Texas Department of Public ("DPS") safety is required to contract with a cyber intelligence company or other similar third-party that can conduct these reviews for the University; alternatively, if the University would like to directly contract for these review services, the University shall consult with DPS before procuring services.

G. Departmental/Unit Responsibilities as Contract Administrator (CA)

1. The primary post-award responsibilities of the CA include, but are not limited to:
 - a. Completing a *New Organization Request form* with the Contracting Budget Office, if a contract requires creating a new revenue or expense account.
 - b. Serving as the point of contact for disseminating instructions regarding the SOW to the Contractor.
 - c. Establishing scope of authority, clear lines of communication and reporting, and specific individuals who will interact directly with a Contractor.
 - d. Managing MSU assets used in Contract performance.
 - e. Providing access to MSU facilities, equipment, data, personnel, materials, and information.
 - f. Identifying, documenting, and resolving minor disputes with a Contractor in a timely manner.
 - g. Implementing a quality control and assurance process.
 - h. Maintaining appropriate documentation as required by the applicable retention guidelines.
 - i. Documenting significant events including deficiencies, deliverables, and milestones.
 - j. Monitoring the Contractor's progress and performance to confirm Goods or Services conform to the Contract requirements.
 - k. Inspecting and approving the final Goods or Services received and providing documentation of acceptance to the Contract Manager.
 - l. Monitoring budgets to verify sufficient funds are available for the duration of the Contract.
 - m. Monitoring default terms and conditions in the Contract.

- n. Authorizing payments consistent with the Contract documents and in accordance with MSU Operating Policies and Procedures.
 - o. Validating contract revenue, such as commissions and incentives.
 - p. Performing the Contract Close-out responsibilities.
2. Contract Administrators are not authorized to:
- a. Instruct a Contractor to start work prior to a fully executed Contract and receipt of any required bonds and insurance or other requirements.
 - b. Alter the scope or terms of the Contract without a formal Contract amendment processed through the Purchasing and Contract Management Office.
 - c. Approve changes to the HUB Subcontracting Plan or approve substitutions or additions of Subcontractors without written approval from the Purchasing and Contract Management Office.
 - d. Extend the term of the Contract without execution of formal Contract Amendment processed through the Purchasing and Contract Management Office.
 - e. Allow the Contractor to incur any obligations outside of the scope of the Contract.

H. Contract Monitoring

1. CA Review Duties
- a. Payment Review and Authorization
 - (1) All requests for payments (e.g., invoices) will be reviewed and authorized by the appropriate CA prior to payment.
 - (2) If requests for payment submittals are not in compliance with the terms of the contract/agreement and/or the contractor has not performed in accordance with the terms, conditions, or requirements of the contract/agreement, the CA must notify the contractor and the Purchasing and Contract Management Office within ten days of the payment due date. The Purchasing and Contract Management Office will assist the CA in discussing with the contractor reasons for non-payment.
 - b. The CA shall document all non-compliant performance by the contractor and submit the documentation to the Purchasing and Contract Management Office immediately.
2. Random and Planned File Reviews
- a. Contract performance reviews: The CA shall conduct a review of the contract.
 - b. Such reviews, at a minimum, will seek to ensure the following:

- (1) The contractor is in compliance with the terms, conditions, and requirements of the contract.
- (2) MSU is in compliance with the terms, conditions, and requirements of the contract.
- (3) Purchase orders issued under the contract are in compliance with the terms, conditions, and requirements of the contract, if applicable.
- (4) Payments are in compliance with the terms and conditions of the contract.

I. Contract Closeout

1. Contract closeout begins when the contract has been physically complete; i.e., all services have been performed and products delivered. Closeout is completed when all administrative actions have been completed, all disputes settled, and final payments have been made. This process requires close coordination between the MSU Purchasing and Contract Management Office, other relevant MSU administrative offices, and the vendor. Contract closeout is an important aspect of contract administration.
2. Closeout File Contents (if applicable):
 - a. Encumbrance documentation or purchase order
 - b. Addenda
 - c. Fully executed copy of contract (both parties' signatures)
 - d. Submitted proposals
 - e. RFP
 - f. Best and final offers
 - g. Proposal tabulation
 - h. Appropriate justification
 - i. Award recommendation
 - j. HUB participation plans and supporting documentation (greater than \$100,000)
 - k. Correspondence
 - l. Vendor/Contract performance form
 - m. Review reports

J. Inquiries

Any questions concerning this OP should be directed to the Purchasing and Contract Management Office, 940.397.4277, or e-mailed to [MSU Purchasing and Contract Management Office](#).

K. Prior Contracts

Contracts signed and approved in accordance with policies and procedures in effect prior to the effective date of this OP shall remain in full force and effect, but modifications or extensions to such contracts must be approved and signed in accordance with the provisions of this OP.

V. Related Statutes, Rules, Policies, and Forms

Related Statutes/Rules/Executive Orders

Texas Education Code §51.9337(b)(3)

Texas Government Code §2261 (State Contracting Standards and Oversight)

[Executive Order No. GA-48](#)

Foreign Adversaries list under [15 C.F.R. § 791.4](#)

TTUS *Regents' Rule* 02.01.2 - Employment Agreements for Component Presidents

TTUS *Regents' Rule* 07.04 – Budget Rules and Procedures

TTUS *Regents' Rule* 07.12 – Contracting Policies and Procedures

TTUS Regulation 07.03 – Contracting

[TTUS Contract Management Handbook](#)

Related OPs

[OP 02.40: Conflict of Interest and Commitment](#)

[OP 30.04: Professional Services](#)

[OP 30.05: Use of Private Consultants](#)

[OP 54.01 Purchase of Goods and Services](#)

[OP 54.03: Historically Underutilized Businesses](#)

Related Forms

[Contract Process Flowchart](#)

[MSU Contract Routing Sheet](#)

[Vendor Performance Form](#)

VI. Responsible Office

Contact: MSU Director of Purchasing and Contract Management

Phone: 940-397-4277

E-mail: tracy.nichols@msutexas.edu

VII. Revision History

10 Nov. 1989: Adopted and approved by the MSU Board of Regents as MSU Policy and Procedure 2.24: Board Contract Signing Authorization.

10 Aug. 2012: MSU Board of Regents completely revised and renamed MSU Policy and Procedure 2.24: Approval and Execution of University Contracts.

9 May 2014: MSU Board of Regents approves revisions to the approval requirements for contracts involving grant proposals for sponsored research, including institutional support grants, articulation agreements, and contracts for

professional and consulting services; and the Vice President for Business Affairs and Finance is authorized to execute delegations of signature authority.

- 14 Feb. 2019: The MSU Board of Regents approved a revision concerning the Board's required approval of interagency agreements through the Texas General Land Office for purchases of electricity and natural gas that exceed \$2 million per year and 10 years (instead of 7years).
- 5 Aug. 2021: Renumbered by the MSU Board of Regents as Operating Policy and Procedure ("OP") 30.01: Approval and Execution of University Contracts.
- 22 Sept. 2023: Completely revised to align with TTUS *Regents' Rules* and Regulations. Adopted and approved by MSU President Stacia Haynie.
- 24 July 2025: Revised to comply with [Executive Order No. GA-48](#) by adding a definition of critical infrastructure in Section III, and the requirements in Sections IV.C.4.b and g and IV.F.12. Adopted and approved by MSU President Stacia Haynie.



MIDWESTERN STATE UNIVERSITY

Operating Policies & Procedures Manual

University Operating Policy/Procedure (“OP”)

OP 32.04: Disclosure of Certain Gifts from Foreign Persons

Approval Authority:	President
Policy Type:	University Operating Policy and Procedure
Policy Owners:	Vice President for Administration and Finance Vice President for University Advancement
Responsible Office:	MSU Business Office
Next Scheduled Review:	03/01/2027. This OP will be reviewed in March every two years, or as needed, by the MSU Business Office. Substantive revisions will be routed through administrative channels to the Vice President for Administration and Finance and the Vice President for University Advancement and on to the President for approval.

I. Purpose

The purpose of this OP of Midwestern State University ("MSU" or "University"), a component institution of the Texas Tech University (“TTU”) System, is to assure that MSU complies with federal and state law requiring disclosure of certain gifts made to MSU from foreign persons or agents as referenced in MSU [System Regulation 01.03, Foreign Source Disclosure – Standards of Practice](#) and [TTU System Regulation 07.16, Foreign Adversaries – Gifts and Travel](#).

II. Definitions (specific to this policy)

For purposes of this OP:

- A. **Foreign Source** means a foreign government or any agency thereof, a legal entity created under the laws of a foreign state, an individual who is not a citizen or national of the United States or a trust territory or protectorate thereof, or an agent acting on behalf of a foreign source.
- B. **Gift** means any gift of money or property to or for the benefit of MSU.
- C. **Personnel** means a University or TTU System employee (an individual who receives a W-2 or 1042-S from the TTU System or University, including full- and part-time faculty, staff, and students) or other individual who does not receive a W-2 or 1042-S from the TTU System or University, but who may be classified as staff, researcher,

scholar, or professor at the University. This includes personnel funded by another university/entity or those who are self-funded. The definition of Personnel may be expanded to include other individuals and/or classifications of individuals as designated by the University.

- D. **Prohibited Country** means a country on the U. S. Department of Commerce's foreign adversaries list under [15 C.F.R. § 791.4](#).

III. Policy/Procedure

- A. Any MSU faculty member, staff member, student, or student organization who is approached by a potential donor who is either a foreign source or a representative of a foreign source must immediately contact the MSU Vice President for Administration and Finance (bus.office@msutexas.edu) via the [Attachment B – MSU Gifts from Foreign Sources Report Form](#) with the following information about the potential gift:
1. Name of the donor;
 2. Value or amount of the gift;
 3. The date of the gift;
 4. The donor's country of citizenship or, if unknown, the principal residence for a foreign source who is an individual;
 5. The donor's country of creation, or, if unknown, the principal place of business for a foreign source which is a legal entity; and
 6. Any restrictions or conditions placed on the gift by the donor and whether any other donors have attempted to impose similar conditions upon their gifts within the current fiscal year.

In accordance with [TTU System Regulation 07.16: Foreign Adversaries – Gifts and Travel](#), [MSU OP 52.20: Ethics Policy for Employees of MSU](#) (§ D.8.a – Benefits, Gifts, and Honoraria Foreign Travel; and § E.2.e – Prohibited Benefits), and by directive of Texas Governor's [Executive Order No. GA-48](#)—as amended and/or codified—no Personnel of the University shall accept any gift, regardless of value, from an entity associated with or travel to, for professional purposes, a Prohibited Country. University Personnel who are approached by any such group(s) representing any of the Prohibited Countries offering gifts or travel shall report such offer(s) to the MSU Vice President for Administration and Finance (bus.office@msutexas.edu) via the [Attachment B – MSU Gifts from Foreign Sources Report Form](#), and any violations of this ethics policy to the University's Human Resources Office (human.resources@msutexas.edu) or anonymously to the University's [Fraud and Misconduct Hotline](#).

- B. In accordance with TTU System Regulation 07.16 referenced above, University donor forms shall include an attestation of compliance with [Executive Order No. GA-](#)

[48](#) for any gift to the University regardless of gift value. For illustrative purposes, the following attestation would suffice in most circumstances:

Donor(s), by their signature(s) below, attest that this gift is in compliance with Executive Order No. GA-48 issued by the Governor of the State of Texas and that Donor(s) is/are not associated with a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R. § 791.4.

- C. The MSU Business Office is responsible for fulfilling all foreign gift reporting requirements, as outlined under MSU OP 14.10: Foreign Sources and Transactions Reporting. If the gift is accepted by MSU, the Vice President for Administration and Finance (or designee) will be responsible for the filing of the disclosure statement with the Secretary of the Department of Education, in accordance with 20 U.S.C. §1011f, and filing the disclosure statement with the Texas Higher Education Coordinating Board.

MSU shall submit a foreign source gift report to the Secretary of the Department of Education's Federal Student Aid (“FSA”) Case Management Team no later than the January 31 or July 31 (whichever is sooner) following the receipt of the gift from a foreign source valued at \$250,000 or more, either alone or when considered in combination with all other gifts from that foreign source within a calendar year.

VI. Related Statutes, Rules/Regulations, Policies, Forms, and Websites

Related /Statutes/Rules/Executive Orders

[20 U.S.C. § 1011f](#)

Foreign Adversaries list under [15 C.F.R. § 791.4](#)

[Executive Order No. GA-48](#)

Related TTU System Regents’ Rules and Regulations

[TTU System Regulation 01.03, Foreign Source Disclosure – Standards of Practice](#)

[TTU System Regulation 07.16, Foreign Adversaries – Gifts and Travel](#)

Related MSU Policies

[OP 14.10: Foreign Sources and Transactions Reporting](#)

[OP 52.20: Ethics Policy for Employees of MSU](#) (Sections D.8 - Foreign Travel - and E.2.e – Prohibited Benefits)

Related Forms

[Attachment A – MSU Foreign Adversary Nations Travel Form](#)

[Attachment B – MSU Gifts from Foreign Sources Report Form](#)

Related Websites

[MSU Business Office](#)

[MSU Office of University Advancement](#)

VII. Responsible Office

Contact: MSU Business Office
Phone: (940) 397-4101
E-mail: bus.office@msutexas.edu

VIII. Revision History

24 July 2025: Adopted and approved by MSU President Stacia Haynie as Operating Policy and Procedure (“OP”) 32.04: Disclosure of Certain Gifts from Foreign Persons.



MIDWESTERN STATE UNIVERSITY

Operating Policies & Procedures Manual

University Operating Policy/Procedure (“OP”)

OP 52.20: Ethics Policy for Employees of Midwestern State University

Approval Authority:	President
Policy Type:	University Operating Policy and Procedure
Policy Owner:	Vice President for Administration and Finance
Responsible Office:	Director of Human Resources
Next Scheduled Review:	09/01/2027. This OP will be reviewed in June of odd-numbered years, or as needed, by the Director of Human Resources with substantive revisions forwarded through the Vice President for Administration and Finance to the President.

A. Introduction

It is of the highest importance that the people of the State of Texas have complete confidence in the integrity of their public servants. This need is especially critical in the area of state-supported higher education. The responsibility for educating and training the future leaders of the state and nation carries with it the duty to adhere to the highest ethical standards and principles. It is for this reason that this statement of ethical principles and standards and its accompanying guidelines are promulgated by the Board of Regents of Midwestern State University (“MSU” or “University”), a component institution of the Texas Tech University (“TTU”) System. These principles, standards, and guidelines shall apply as appropriate to all persons employed by MSU regardless of rank or position.

In the event of a conflict between the terms of this policy and any existing policy, this policy will take precedence. If a topic has also been addressed in other policy statements or manuals of MSU, the procedures and statements contained therein are hereby reaffirmed and made a part hereof for all purposes. For more information, see [MSU OP 02.40: Conflict of Interest, Conflict of Commitment, and Outside Employment and Activities](#).

B. General Principles and Standards of Ethical Conduct

Each officer and employee of MSU is expected to obey all federal, state, and local laws and is subject to disciplinary action for a violation of those laws.

Principles of Ethical Conduct:

1. MSU employees shall not hold financial interests that are in conflict with the performance of their official duties and responsibilities.

2. MSU employees shall not engage in any financial transaction in order to further any private interest using non-public information which they obtain in the course of their employment.
3. MSU employees shall put forth honest effort in the performance of their duties.
4. MSU employees shall make no unauthorized commitments or promises of any kind purporting to bind MSU.
5. MSU employees shall not use their public offices for private gain. Consultation by employees for remuneration is not prohibited as long as state resources are not utilized.
6. MSU employees shall act impartially and not give preferential treatment to any private or public organization or individual with the expectation of personal gain.
7. MSU employees shall protect and conserve public property and shall not use it for other than authorized activities.
8. MSU employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official duties and responsibilities.
9. MSU employees shall promptly disclose waste, fraud, abuse, and corruption to appropriate authorities.
10. MSU employees shall adhere to the laws, regulations, and policies that provide equal opportunity for all persons regardless of race, color, religion, sex, national origin, age, or disability.
11. MSU employees shall endeavor to avoid any actions that would create the appearance that they are violating the law or the ethical standards of MSU.
12. MSU employees shall not utilize University computers in a manner that is contrary to the mission of the University.

Standards of Ethical Conduct:

1. An MSU employee should not accept any gift, favor, or service that might reasonably tend to influence the employee in the discharge of official duties or that the employee knows or should know is being offered with the intent to influence the employee's official conduct.
2. An MSU employee should not accept other employment or engage in a business or professional activity that the employee might reasonably expect would require or induce the employee to disclose confidential information acquired by reason of the official position.
3. An MSU employee should not accept other employment or compensation that could reasonably be expected to impair the employee's independence of judgment in the performance of the employee's official duties.
4. An MSU employee should not make personal investments that could reasonably be expected to create a substantial conflict between the employee's private interest and the public interest.
5. An MSU employee should not intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the employee's official duties in favor of another.

[NOTE: Replaces former MSU Policy 3.346 (Standards of Conduct for State Employees); see Texas Government Code 572.051(a)]

C. Conflicts of Interest

A conflict of interest is a significant outside interest of a MSU employee or one of the employee's immediate family members that could directly or significantly affect the employee's performance of their University responsibilities. The proper discharge of an employee's university responsibilities could be directly or significantly affected if the employment, service, activity or interest: (a) might tend to influence the way the employee performs his or her University responsibilities, or the employee knows or should know the interest is or has been offered with the intent to influence the employee's conduct or decisions; (b) could reasonably be expected to impair the employee's judgment in performing his or her University responsibilities; or (c) might require or induce the employee to disclose confidential or proprietary information acquired through the performance of University responsibilities.

Conflicts of interest are prohibited. University employees may not have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in substantial conflict with the proper discharge of the employee's duties for the University. MSU employees must comply with applicable disclosure, approval, and management plan requirements in MSU OP 02.40: Conflict of Interest, Conflict of Commitment, and Outside Employment and Activities.

1. Ethics Commission Financial Disclosure Statements

The President of the academic institution is required to file a financial statement with the Texas Ethics Commission annually. Forms prescribed by the commission shall be utilized.

2. Disclosure of Interest for Non-CEO's

All MSU employees who are authorized to execute contracts on behalf of MSU, who exercise discretion with regard to the management of MSU, or who exercise discretion with regard to the investment or management of MSU funds shall file annually with the President a report disclosing the following information regarding themselves, their spouses, and their dependent children (if the reporting individual had actual control over that activity at any time during the preceding calendar year.):

- a. The names and addresses of all corporations and not-for-profits, for which the person serves as a member of the governing board in the capacity of a director, advisory director, trustee, or others
- b. The names and addresses of all corporations for which the person serves as an executive officer.
- c. The name and address of any partnership, limited partnership, proprietorship, or other business association of which the person is a partner, joint venture, or owner.
- d. The amount of any compensation received for services related to a., b., and c. above, including any benefits, direct or indirect. From any partnership, limited partnership, proprietorship, or other business association of which the person is a partner, joint venture, or owner.

- e. All business entities in which the person holds a controlling interest or is the principal shareholder.
 - f. All business entities in which the person owns a ten percent (10%) or greater interest, whether voting or nonvoting, in shares, stock, or otherwise, or receives ten percent (10%) or more of the profits, proceeds or capital gains.
 - g. Whether the person is employed by any business entity (including self-employment), and the name and address of the employing entity.
 - h. Whether any of the business entities described in a. through g. above, have any relationship to MSU, and a brief description of such relationship, if known.
3. Disclosure of Interest in Property to be acquired
- As state officers, members of the Board of Regents and the President is are required by [Tex. Gov't Code 553.002](#) to disclose any legal or equitable interest in property that is to be acquired with public funds. Such disclosure shall be made by filing an affidavit containing specific information as required by statute. The affidavit must be filed with the county clerk of the county in which the individual resides and the county clerk of each county in which the property is located. Such filing must be completed within ten (10) days before the date on which the property is to be acquired by purchase or condemnation. "Public funds" includes only funds collected by or through a government.
4. Disclosure of Potential Conflicts of Interest; Certain Contracts Prohibited
- a. An MSU employee or official who is involved in procurement or in contract management shall disclose to his/her immediate supervisor any potential conflict of interest specified by state law or MSU policy that is known by the employee or official with respect to any contract with a private vendor or bid for the purchase of goods or services from a private vendor by MSU.
 - b. MSU may not enter into a contract for the purchase of goods or services with a private vendor with whom any of the following MSU employees or officials have a financial interest:
 - (1) a member of MSU's Board of Regents;
 - (2) the president, general counsel, chief procurement officer, or procurement director of MSU; or
 - (3) a family member related to an employee or official described by subdivision (1) or (2) within the second degree by affinity or consanguinity.
 - c. An MSU employee or official has a financial interest in a person if the employee or official:
 - (1) owns or controls, directly or indirectly, an ownership interest of at least one percent in the person, including the right to share in profits, proceeds, or capital gains; or
 - (2) could reasonably foresee that a contract with the person could result in a financial benefit to the employee or official.
 - d. A financial interest prohibited by this section does not include a retirement plan, a blind trust, insurance coverage, or an ownership interest of less than one percent in a corporation.

[See [Texas Government Code 2261.252](#)]

5. Prohibition against University Employee Acting as Agent for another Person in Negotiation of Agreement to Provide Money, Services, or Property to the University
University employees may not act as an agent for another person in the negotiation of the terms of an agreement relating to the provision of money services, or property to the University.

[See [Texas Education Code 51.9337\(c\)\(6\)](#)]

6. Conflicts of Commitment and Outside Employment and Activities
A conflict of commitment involves a situation in which the time or effort that an MSU employee devotes to an outside employment or activity directly or significantly interferes with the employee's fulfillment of their University responsibilities or when the employee uses state property without authority in connection with the employee's outside employment, board service, or other activity.

Conflicts of commitment are prohibited. The primary responsibility of MSU employees is to accomplish the duties and responsibilities assigned to their respective positions. Activities on behalf of outside entities or individuals must not interfere with an employee's fulfillment of his or her duties and responsibilities to the University. Such conflicts of commitment may arise regardless of the location of these activities (on or off campus), the type of outside entity (individual, for-profit, not-for-profit, or government), or the level of compensation (compensated or non-compensated).

- a. Any outside employment of the President, the Provost and Vice President for Academic Affairs, or Vice Presidents, including service on the Board of Directors of a corporation shall be approved in advance by the Chairperson of the Board of Regents, or the Chairperson's designee.
- b. MSU employees must comply with applicable disclosure, approval, and management plan requirements in [MSU OP 02.40: Conflict of Interest, Conflict of Commitment, and Outside Employment and Activities](#).

D. Travel

Detailed MSU policies regarding travel regulations may be found in sections 2-15 through 2-18 of the MSU Handbook of Fiscal Regulations and Procedures, or by contacting the MSU Business Office.

1. Transportation, Meals, and Lodging
 - a. MSU employees are entitled to receive the following when traveling to conduct official state business:
 - (1) Actual cost of lodging and meals for in-state travel, except that the reimbursements may not exceed the current maximum established by law, in order to receive such reimbursement, the employee must be on duty away from headquarters, and stay overnight. Actual receipts for lodging must be provided.
 - (2) For out-of-state travel, employees may receive actual costs for lodging and a per diem for meals not to exceed the locality-based allowance provided by the

Federal Travel Regulations for lodging and meals unless the State Comptroller determines in advance of the travel that local conditions warrant a change in the lodging rate for a particular location. Actual receipts for lodging must be provided.

(3) Exceptions:

The university will allow the full cost of lodging only under the following conditions:

- (a) Where the employee can evidence cost benefit of staying at a specific hotel.
- (b) Where attendance at a program or conference is necessary for the university to maintain a program or accreditation.
- (c) Where the employee is an officer of a professional organization or has been invited as a speaker or presenter for a professional program.
Only departmental local funds may be used for reimbursements under these exemptions and appropriate justification must be attached to travel vouchers submitted for payment.

2. Improper Travel Reimbursement

When an MSU employee engages in travel for which compensation is to be received from any source other than MSU funds, the employee shall not submit a claim under the provisions of the MSU travel regulations. An MSU employee who receives an overpayment for a travel expense shall reimburse MSU for the overpayment.

3. "Official Business" for Purpose of Travel

To qualify for travel reimbursements and use of MSU vehicles, the purpose of a trip must be "state business" or "official business" of MSU. State or official business is the accomplishment of a governmental function directly entrusted to MSU, including the reasonably necessary means and methods to accomplish that function.

4. Per Diem for Employees Travel under Contracts and Grants

Employees traveling under contracts and grants (federal, state, private) shall be reimbursed for travel expenses and allowances on the same basis as other MSU employees, except in those instance where the terms of the contract or grant specify travel guidelines and reimbursement rates which differ from State of Texas reimbursement rates.

5. Travel Bonus (Frequent Flyer) Awards

MSU employees who earn credit with airlines, hotels, car rental companies, etc., for official travel are not required to account for such credit or to use such for official travel only.

6. State Credit Cards

MSU employees may not use state credit cards for personal expenses. State credit cards may only be used for legitimate MSU travel business expenses. Payment of charges on individual cards is the sole responsibility of the individual employee. MSU shall not be responsible for the charges, regardless of the types of charges. Employees may use state credit cards to charge for items that, while they qualify as official business, are not fully reimbursable under state and/or MSU guidelines for reimbursement.

7. Official Travel by Spouses and Relatives of Employees

Spouses and other relatives of employees may qualify to have travel expenses paid by MSU if their presence at a function or on a trip is for an official purpose benefitting MSU and/or the State of Texas. All such travel must be approved in advance by the President. In making a determination of whether the presence of a spouse or relative is for an official purpose, the factors to be considered are the nature and duties of the employee's office, the traditional role, if any of the employee's spouse or relative, the purpose of the particular trip, and the spouse or relative's connection with that purpose. Request for reimbursement of expenses or for direct departmental payment of travel expenses for such persons must be approved in writing by the President.

8. Foreign Travel

Requests for any travel related to official state business outside of the United States for which travel expenses are to be advanced or reimbursed must be approved in writing (may be electronically) by the President or her/his designee (divisional cabinet officer where applicable) in advance of the travel. This requirement does not apply to travel to Canada, Mexico or any state or possession of the United States. [See Texas Government Code 660.024]

a. By directive of the Texas Governor's [Executive Order GA-48](#) - as amended and/or codified – and in accordance with [TTU System Regulation 07.16: Foreign Adversaries – Gifts and Travel](#):

- (1) MSU personnel shall not accept any gift, regardless of value, from an entity associated with or travel to, for *professional* purposes, a country on the U. S. Department of Commerce's foreign adversaries list under [15 C.F.R. § 791.4](#);
- (2) MSU personnel who are approached by any such group(s) representing any of the prohibited countries offering gifts or travel shall report such offer(s), or alleged violation(s) of this policy to the MSU Vice President for Administration and Finance (bus.office@msutexas.edu);
- (3) MSU personnel must notify the MSU Director of Human Resources (human.resources@msutexas.edu) of any *personal* travel to a foreign-adversary nation *prior* to their travel and submit a post-travel brief outlining details of the trip, including the dates and purpose of travel;
- (4) To comply with this law, MSU personnel must complete the [Attachment A – MSU Foreign Adversary Nations Travel Form](#) and e-mail it to the MSU Director of Human Resources (human.resources@msutexas.edu); and
- (5) MSU personnel can report being approached by groups representing these countries, that offer gifts or travel, to the MSU Vice President for Administration and Finance (bus.office@msutexas.edu) via the [Attachment B – MSU Gifts from Foreign Sources Report Form](#) and any violations of this ethics policy to the University's Human Resources Office (human.resources@msutexas.edu) or anonymously to the University's [Fraud and Misconduct Hotline](#).

See also [MSU OP 32.04: Disclosure of Certain Gifts from Foreign Persons](#).

E. Benefits, Gifts, and Honoraria

A "benefit" is anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare an employee has a direct and substantial interest.

1. Bribery

No MSU employee may solicit, offer, or accept any benefit in exchange for his or her decision, opinion, recommendation, vote, or other exercises of official power or discretion. A benefit that is otherwise allowed by MSU policy is nevertheless prohibited if it is offered in exchange for official action, as described above.

2. Prohibited Benefits

An MSU employee who exercises discretion in connection with contracts, purchases, payments, claims and other pecuniary transactions or government may not solicit, accept or agree to accept any benefit from any person the employee knows is interested in or is likely to become interested in any contract, purchase, payment, claim, or transaction involving the employee's discretion. This prohibition does not apply to:

- a. Gifts or other benefits conferred on account of kinship or a personal, professional or business relationship independent of the employee's status as an MSU employee;
- b. A fee prescribed by law to be received by the employee or any other benefit to which the employee is lawfully entitled or for which he or she gives legitimate consideration in a capacity other than as an MSU employee;
- c. A gift, award, or memento that is received from a lobbyist who is required to make reports under Chapter 305 of the Government Code; and
- d. Items having a value of less than \$50, not including cash or negotiable instruments. An employee who receives an unsolicited benefit that he or she is prohibited from accepting by law may donate the benefit to a governmental entity that has the authority to accept the gift or may donate the benefit to a recognized tax-exempt charitable organization formed for education, religious, or scientific purposes.
- e. By directive of the [Texas Governor's Executive Order GA-48](#) - as amended and/or codified – and in accordance with [TTU System Regulation 07.16: Foreign Adversaries – Gifts and Travel](#):

- (1) No personnel of MSU shall accept any gift, regardless of value, from an entity associated with or travel to, for professional purposes, a country on the U. S. Department of Commerce's foreign adversaries list under [15 C.F.R. § 791.4](#); and
- (2) MSU personnel who are approached by any such group(s) representing any of the prohibited countries offering gifts or travel shall report such offer(s), or alleged violation(s) of this policy to the MSU Vice President for Administration and Finance (bus.office@msutexas.edu). See [Attachment B – MSU Gifts from Foreign Sources Report Form](#).

See also [MSU OP 32.04: Disclosure of Certain Gifts from Foreign Persons](#).

3. Food, Lodging, Transportation, and Entertainment Received as a Guest

An MSU employee may accept food, lodging, transportation, or entertainment from persons or entities he or she knows or reasonably should know are interested in or likely to become interested in a contract, purchase, payment, claim, decision, or transaction involving the exercise of the employee's discretion only if the employee is a "guest" as defined by Texas law. An employee is a "guest" if the person or a representative of the entity providing the food, lodging, transportation, or entertainment is present at the time the food, lodging, transportation, or entertainment is received or enjoyed by the employee. All such travel by employees of MSU must be approved in advance by the President. The President is required to report any such benefits valued at over \$250 on the annual disclosure statement filed with the Texas Ethics Commission.

4. Gift Items

An MSU employee shall disclose to his or her respective Vice President (Provost and Vice President for Academic Affairs) any gift received in the course of official business having a value of more than \$50. The President shall make such disclosures to the Board of Regents.

5. Benefits from Friends, Relatives, and Associates

An MSU employee may accept benefits from personal friends, relatives, or business associates with whom he or she has a relationship independent of his or her official status, so long as the benefit is not offered in exchange for official action or decision.

6. Awards

An MSU employee may accept plaques and similar recognition awards, including achievement and recognition awards from MSU.

7. Honoraria

An MSU employee may not solicit, accept, or agree to accept an honorarium in consideration for services he or she would not have been asked to provide but for his or her official position or duties. This prohibition includes a request for or acceptance of a payment made to a third party if made in exchange for such services. However, he or she may accept the direct provision of or reimbursement for expenses for transportation and lodging incurred in connection with a speaking engagement at a conference or similar event. Meals provided as part of the event or reimbursement for actual expenses for meals may also be accepted. Participation by the employee must be more than merely perfunctory.

F. Public Officials and Political Activities

1. Entertainment

If an MSU employee provides tickets to a public official to allow the official and/or his guests to attend an event, an officer or employee of MSU will serve as host to the official, and must attend the event.

2. Perishable Food Items

An MSU employee may provide public officials with small, infrequent gifts of perishable food items delivered to the offices of the public officials. These are not considered to be "benefits" for purposes of the provision of the Penal Code prohibiting such.

3. Expenses for Public Officials

MSU may pay expenses in order to furnish information to state officials relevant to their official positions, including presentations about the programs and services of MSU.

4. Use of Official Authority Prohibited

No MSU employee may use his or her official authority or influence, or permit the use of a program administered by MSU, to interfere with or affect the result of an election or nomination of a candidate or to achieve any other political purpose. No MSU employee may do any act or attempt to interfere with anyone who seeks to pay, lend, or contribute private funds or private property to a person or political organization for political purposes. Any MSU employee who violates either of these provisions is subject to immediate termination of employment, in accordance with the Texas Government Code.

5. Use of MSU Funds or Property

No MSU employee shall expend or authorize the expenditure of any MSU funds, services or supplies for the purpose of influencing the outcome of any election, or the passage or defeat of any legislative measure. No MSU funds may be expended for the payment of full or partial salary of any employee who is also the paid lobbyist of any individual, firm, association, or corporation.

6. Voting and Political Participation

As employees of the State of Texas, MSU employees have the rights of freedom of association and political participation guaranteed by the state and federal constitutions, except as limited by valid state laws. MSU employees shall be allowed sufficient time off to vote in public elections with deduction from pay or from accrued leave time.

7. Employees as Candidates and Officeholders

MSU employees may run for election and serve as members of the governing bodies of school districts, cities, towns, or other local governmental districts. No campaign activities may be conducted during official business hours unless the employee has requested and received permission to use leave time for such purpose. Any employee elected to such a position may not receive any salary for serving as a member of such governing bodies. It is the policy of MSU that an employee who intends to be a candidate for any public office, other than a local office for which no emolument of any kind is received, must resign unconditionally from employment with MSU prior to announcing his or her candidacy.

8. Political Contributions from Employees

MSU employees may make personal contributions to candidates for office and political organizations with the exception that no state employee may contribute personal services, money, or goods of value to a candidate campaigning for speaker of the Texas House of Representatives.

G. Dual Office Holding

1. Non-elective State or Federal Office

An MSU employee may hold non-elective offices with boards, commissions, and other state and federal entities provided that the holding of such office:

- a. Of benefit to the State of Texas, or is required by state or federal law, and
- b. Is not in conflict with the employee's position with MSU.
Such appointments must be approved by the President. Prior to the President, Provost and Vice President for Academic Affairs or Vice Presidents accepting an invitation to serve in an additional non-elective office, the Board of Regents must determine that the appointment meets the two requirements stated above. The Board must also make an official record of any compensation to be received by the President, Provost and Vice President for Academic Affairs or Vice Presidents from such appointment, including salary, bonus, per diem or other types of compensation.

2. Positions of Employment with Government Agencies

MSU officers may hold other positions of employment with agencies, boards, commissions, or other entities of government so long as the holding of such positions is consistent with the prohibitions against dual office holding in the Texas Constitution. Consulting arrangements with federal, state, or local governmental agencies of a detached and independent advisory nature are not considered to be appointments of such agencies.

H. MSU Property and Services

1. Misuse of Authority

It is a violation of state law for an MSU employee acting with the intent to obtain a benefit or with intent to harm another to intentionally or knowingly misapply anything of value belonging to the government that comes into his or her custody or possession by virtue of his or her office or employment.

2. Misuse of Official Information

It is a violation of state law if an MSU employee in reliance on information to which he or she has access in his or her official capacity and which has not been made public:

- a. Acquires or aids another to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by the information; or
- b. Speculates or aids another to speculate on the basis of the information.

3. Telephones

From time to time MSU employees may need to make personal telephone calls during working hours. Normally, such use does not result in additional costs or damage to MSU and generally will not hinder the day-to-day operation of any office. Incidental use of MSU telephones during working hours by an MSU employee for local calls is not considered to be misapplication of state property, and is permissible so long as it does not unduly interfere with the employee's assigned responsibilities or the normal functioning of an office. Use of the telephone is considered to be misapplication of state equipment if it results in additional costs being incurred by MSU, including long distance charges, or damage to the equipment.

4. Personal Computers

University-owned computers and electronic mail services may be used for incidental personal purposes provided that the use does not:

- a. Directly or indirectly interfere with the University's operation of computing facilities or electronic mail services;
- b. Burden the University with additional expenditures or cause interference with the employee's assigned responsibilities;
- c. Disrupt the normal functioning of an office or work area;
- d. Violate University Principles of Ethical Conduct.

Use of university computers or electronic mail services to download, post or transport material that is illegal or in violation of university contracts is considered a violation of the University's Principles of Ethical Conduct.

5. Other MSU Equipment

No MSU employee shall entrust state property to any state official or employee or to anyone else to be used for other than state purposes. An MSU employee shall not use MSU equipment or property for his or her own benefit or pleasure.

6. MSU Vehicles

No MSU employee shall use any vehicle owned by MSU for any purpose other than official business of MSU. Employees may not use such vehicles in connection with any political campaign or for any personal or recreational activity. The President may assign vehicles for permanent use or twenty-four hour use when determined to be critical to the operations of MSU (examples: police and maintenance).

I. Employment

1. Supplementary Pay and Perquisites:

- a. Compensation for the President, Provost and Vice President for Academic Affairs, and Vice Presidents of Midwestern State University shall be a fixed amount of money as determined by the Board of Regents. No such officer shall receive any emolument, supplement, perquisite, or other benefit from MSU or a private organization or donor (see [MSU OP 32.01](#), Section V.D.1, including an MSU-affiliated entity (see [MSU OP 14.07](#)), without specific approval of the Board of Regents.
- b. MSU shall not accept a gift, grant, donation, or other consideration to be used as a salary supplement without the prior written approval of the recipient's immediate superior, the office of the General Counsel and the President, and written authorization of the Internal Auditor, who shall, in accordance with of the Texas Government Code, report the necessary information to the State Auditor and the Legislature (see [659.0201\(e\),\(i\)](#)).
- c. In accordance with [659.0201\(b\) of the Texas Government Code](#), MSU's Director of Human Resources is required to post and annually update the following information on the University's Human Resources website concerning a gift, grant, donation, or other consideration designated by the person* (see definition below) to be used as a salary supplement for an employee of MSU:

- (1) the amount of each gift, grant, donation, or other consideration provided by the person that is designated to be used as a salary supplement for an employee of MSU (MSU may not post the name of the person);
- (2) the number of full-time equivalent employees employed by MSU;
- (3) the amount of legislative appropriations to MSU for each fiscal year of the current state fiscal biennium;
- (4) MSU's methodology, including any employment market analysis, for determining the compensation of executive staff employed by MSU, along with the name and position of the person who selected the methodology;
- (5) whether the executive staff are eligible for a salary supplement;
- (6) the market average for compensation of similar executive staff in the private and public sectors;
- (7) the average compensation paid to MSU employees who are not executive staff; and
- (8) the percentage increase in compensation of executive staff for each fiscal year of the five preceding fiscal years and the percentage increase in legislative appropriations to MSU each fiscal year of the five preceding fiscal years.

*Person is defined by [311.005 of the Texas Government Code](#) to include a corporation, organization, government, or governmental subdivision or agency, business trust, estate, trust, partnership, association, and any other legal entity.

2. Outside Employment and Activities

MSU employees are expected to devote their time and talents to their assigned duties and responsibilities. University officials recognize the common practice of faculty and staff holding more than one employment or position due to needs, interests, or development. Employment and/or participation in activities outside the University is both permitted and encouraged as long as it does not interfere with the employee's University duties and responsibilities or create a conflict of interest or conflict of commitment. Conflicts of interest must be avoided in all instances of outside employment. For more information, see subsection C.6 of this policy and MSU OP 02.40: Conflict of Interest, Conflict of Commitment, and Outside Employment and Activities.

3. Nepotism

Refer to the [MSU OP 52.23](#) to review MSU policies concerning employee nepotism.

4. Sexual Harassment

All MSU employees are expected to comply with the provisions of the [MSU OPs 16.02.A and 16.02.B](#) relating to sexual harassment. The employment and education environment throughout MSU shall be free from all forms of sexual discrimination and sexual harassment. Conduct constituting sexual harassment is specifically prohibited and will result in appropriate sanctions.

5. Confidential Information

All MSU employees shall not disclose confidential information gained through employment with MSU or use such information for his or her personal benefit. Refer to

[MSU OP 01.02](#) to review the MSU policy concerning Open Records and Public Disclosure of Information.

6. Maintaining University's Critical Infrastructure

In accordance with the Texas Governor's [Executive Order GA-48](#) - as amended and/or codified – the University (Human Resources Office) is required to include in the minimum qualifications of the job descriptions of all positions that research, work on, or have access to the University's critical infrastructure (meaning a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility) that a requirement to be hired for and to continue to be employed in that position is the ability to maintain the security and integrity of the infrastructure. Such personnel (including contractors) are required to be routinely reviewed to determine that they are able to maintain the security and integrity of the infrastructure.

7. Taking Part in Any Foreign Recruitment Program by a Foreign Adversary Nation Prohibited

By directive of the Texas Governor's [Executive Order GA-48](#) - as amended and/or codified – MSU faculty and employees are prohibited from taking part in any foreign recruitment program by a foreign adversary nation on the on the U. S. Department of Commerce's foreign adversaries list under [15 C.F.R. § 791.4](#) (such as the Thousand Talents Program by the People's Republic of China).

J. Sanctions for Noncompliance with Ethics Policy

Noncompliance with this policy may subject an employee to discipline in accordance with applicable University procedures, up to and including termination of employment.

K. Training

The University's Human Resources Department shall: (1) distribute a copy of this ethics policy to each new employee not later than the third business day after the date the person begins employment with MSU and to each new officer not later than the third business day after the date the person qualifies for office; and (2) provide for the regular training of employees on the policies described by this policy.

Related Statutes, Rules/Regulations, Policies, and Forms

Related /Statutes/Rules/Executive Orders

[20 U.S.C. § 1011f](#) (Disclosures of Foreign Gifts)

U. S. Department of Commerce's Foreign Adversaries List under [15 C.F.R. § 791.4](#)

[Executive Order No. GA-48](#)

Related TTU System *Regents' Rules* and Regulations

[TTU System *Regents' Rule*, Chapter 03 - Personnel](#)

[TTU System Regulation 01.03, Foreign Source Disclosure – Standards of Practice](#)

[TTU System Regulation 01.05, Ethical Conduct and Required Training](#)

[TTU System Regulation 07.06, Sexual Harassment, Sexual Assault, Sexual Misconduct, and Title IX Policy and Complaint Procedure](#)

TTU System Regulation 07.16, Foreign Adversaries – Gifts and Travel

Related MSU Policies

OP 02.40: Conflict of Interest, Conflict of Commitment, and Outside Employment and Activities

OP 32.04: Disclosure of Certain Gifts from Foreign Sources

Related Forms

Attachment A – MSU Foreign Adversary Nations Travel Form

Attachment B – MSU Gifts from Foreign Sources Report Form

Responsible Office

Contact: Director of Human Resources

Phone: (940) 397-4787

E-mail: dawn.fisher@msutexas.edu

Revision History

- 12 May 1995: Policy 3.314: Conduct Standards, State Officers, and Employees of the *MSU Policies and Procedures Manual* is revised and renamed Ethics Policy for Employees of Midwestern State University. Prior to approval by the MSU Board of Regents, the proposed policy had been reviewed and approved by the office of the Attorney General of Texas.
- 02 Aug. 1996: Revised to include the only exceptions the University will allow for reimbursement of the full cost of lodging while traveling and the requirement that such reimbursement is with departmental local funds only.
- 11 May 2001: Revised to include Principles of Ethical Conduct No. 12 concerning use of University computers, Sections IV. E concerning use of MSU funds or property, VII. E concerning sexual harassment, and VII.F concerning confidential information.
- 07 Nov. 2003: Revisions include renumbering the policy's sections and adding Section H.4 concerning personal computers.
- 15 May 2015: Revised by the MSU Board of Regents to bring the policy into compliance with state law (Texas Government Code §659.0201(Gifts, Grants, and Donations for Salary Supplement; Reporting)).
- 10 Nov. 2017: Revised by the MSU Board of Regents as required by Senate Bill 20 passed by the 84th Texas Legislative Session.
- 05 Aug. 2021: Renamed and renumbered by the MSU Board of Regents as Operating Policy/Procedure ("OP") 52.40: Ethics Policy for Employees of Midwestern State University.
- 24 July 2025: Revised and approved by MSU President Stacia Haynie to comply with [Executive Order No. GA-48](#) by revising Section D.8 (Foreign Travel), and adding Sections E.2.e (Prohibited Benefits), I.6 (Maintaining University's

Critical Infrastructure), and I.7 (Taking Part in Any Foreign Recruitment Program by a Foreign-Adversary Nation Prohibited).