

Sam Houston State University
A Member of The Texas State University System

Finance & Operations Policy FO-11
Memberships – Chamber of Commerce

Public supported institutions of higher education in Texas are prohibited from holding memberships in chambers of commerce (reference Op. Tex. Atty. Gen. Nos. H-397, 1974, and JM-5 16, 1986). Such memberships are in violation of the Texas Constitution, Article III, which prohibits the granting of public money or thing of value in aid of any individual, association, or corporation. State appropriated and local funds are both forms of public money. Chambers of commerce are private corporations serving private purposes for the profit of their individual and business members.

Memberships may be approved by the President when each of the following conditions are met:

1. Membership shall be in the name of the university, not in an individual's name;
2. Shall directly serve a university purpose which is specifically related to the function of the requesting department; and
3. Shall be paid out of gift funds.

Payment for memberships or dues to chambers of commerce shall be handled on purchase vouchers submitted to the President's office and then to Administrative Accounting. A statement is required on the voucher that explains how the membership will directly serve a university purpose and the benefit that the university will receive from the membership

Reviewed by: R. Dean Lewis - Vice President for Finance & Operations – 11-01-08
Next review: 2/1/10