



# CODE OF ETHICS





## **San Antonio Independent School Declaration Statement:**

The San Antonio ISD aspires to be an inclusive *familia* that will be the destination for transformational learning that makes the impossible a reality by demonstrating an urgent and relentless commitment to love, nurture, and teach all our students as if they are our own so that they realize their power to shape the world.

San Antonio ISD

# CODE OF ETHICS

## TABLE OF CONTENTS

<b>DEFINITIONS .....</b>	<b>1</b>
<b>SECTION 1: PRESENT BOARD MEMBERS AND EMPLOYEES .....</b>	<b>3</b>
1.1: Affirmation of Ethics Code .....	3
1.1A: Affirmation of Board Operating Procedures .....	3
1.2: Conflicts of interest .....	3
1.3: Unfair advancement of private interests .....	7
1.4: Gifts.....	8
1.5: Illegal gifts.....	11
1.6: Confidential information .....	12
1.7: Conflicting outside employment.....	12
1.8: Public property and resources .....	12
1.9: Political activity.....	13
1.10: Actions of others.....	13
1.11: Prohibited interests in contracts .....	13
1.12: Reporting and enforcement.....	14
<b>Section 2: FORMER BOARD MEMBERS AND EMPLOYEES.....</b>	<b>15</b>
2.1: Continuing confidentiality.....	15
2.2: Subsequent representation of private interests.....	15
2.3: Prior participation in the negotiation, award, or administration of contracts.....	16
2.4: Prohibited interest in discretionary contracts.....	16
<b>Section 3: PERSONS DOING BUSINESS WITH THE DISTRICT .....</b>	<b>17</b>
3.1: Persons seeking discretionary contracts or the purchase, sale, or lease of real estate.....	17
3.2: Disclosure of association with Board Member or employee .....	17
3.3: Prohibited contacts during contract solicitation period .....	18
3.4: Restriction on political contributions.....	18
<b>Section 4: LOBBYISTS.....</b>	<b>18</b>
4.1: Definitions .....	18
4.2: Persons required to register as lobbyists.....	20
4.3: Exceptions .....	21
4.4: Registration.....	22
4.5: Quarterly activity reports.....	23
4.6: Restricted activities.....	24

4.7: Identification of clients.....	26
4.8: Timeliness of filing registrations and reports.....	26
4.9: Administration.....	26
4.10: Constitutional rights.....	27
<b>Section 5: MEMBERS OF THE PUBLIC AND OTHERS .....</b>	<b>27</b>
5.1: Forms of responsibility .....	27
<b>Section 6: STATUTORY FILING REQUIREMENTS FOR BOARD MEMBERS.....</b>	<b>27</b>
6.1: Substantial Interest Affidavit concerning business entity or real property.....	27
6.2: Affidavit Disclosing Interest in Property.....	28
6.3: Conflicts Disclosure Statement.....	28
6.4: Campaign finance reports.....	29
6.5: Annual financial management report.....	29
6.6: E-Rate vendors' campaign contributions .....	29
<b>Section 7: FINANCIAL AND PROCUREMENT PROVISIONS.....</b>	<b>29</b>
7.1: Financial ethics.....	29
7.2: Fraud and financial impropriety.....	29
7.3: Fraud defined .....	30
7.4: Financial controls and oversight .....	30
7.5: Fraud prevention .....	30
7.6: Reporting suspected fraud.....	30
7.7: Protection from retaliation.....	30
7.8: Fraud investigations .....	31
7.9: Response to fraud .....	31
7.10: Analysis of fraud .....	31
<b>Section 8: ADMINISTRATIVE PROVISIONS .....</b>	<b>31</b>
8.1: Other obligations.....	31
8.2: Distribution and training.....	31
8.3: Severability .....	32
8.4: Records Administrator.....	32
<b>APPENDIX 1: EXHIBITS.....</b>	<b>33</b>
EXHIBIT A.....	34
EXHIBIT B.....	35
EXHIBIT C.....	36
EXHIBIT D .....	37
EXHIBIT E .....	38

# Definitions

**As used in this Code of Ethics, the following words and phrases have the meaning ascribed to them in this section, unless the context requires otherwise or more specific definitions set forth elsewhere in this Code apply:**

- (a) Acceptance. A written or verbal indication that someone agrees; “acceptance” of an offer of subsequent employment or business opportunities includes legally binding contracts and all informal understandings that the parties expect to be carried out; an agreement, either by express act or by implication from conduct, to the terms of an offer so that a binding contract is formed.
- (b) Affiliated. Entities are “affiliated” if one is the parent or subsidiary of the other or if they are subsidiaries of the same parent entities.
- (c) Affinity. Relationship by “affinity” (marriage) is defined in V.T.C.A., Government Code §§ 573.024 and 573.025.
- (d) Benefit. “Benefit” means anything reasonably regarded as pecuniary gain or pecuniary advantage, including a benefit to any other person in whose welfare the beneficiary has a direct and substantial interest.
- (e) Board Member. “Board Member” means an individual duly qualified and sworn to serve as a member of the governing board of a school district in the State of Texas. A board member has a fiduciary relationship and responsibility to the school district and has the power to oversee and manage the school district as a member of the body corporate. A Board Member shall have the same meaning as a public servant.
- (f) Business days. “Business days” means the days of the week, Monday through Friday, in which the administrative offices of the District are open for business.
- (g) Candidate. An individual who takes affirmative action to be elected or appointed to public office in Texas and as further defined in Section 251.001(1) of the Texas Election Code.
- (h) Censure. A censure of a Board Member shall be defined as a formal statement of severe disapproval of a Board member’s actions and read in open session at a duly-called Board meeting.
- (i) Code of Ethics. “Code of Ethics,” “Ethics Code,” or “Code” means Sections 1 through 8 hereof, its amendment(s) and/or enhanced definitions.
- (j) Consanguinity. Relationship by “consanguinity” (blood) is defined in V.T.C.A., Government Code §§ 573.022 and 573.023.
- (k) Contract. A written agreement enforceable by law.
- (l) Discretionary contract. Any contract other than those which by law must be awarded on a low or high qualified bid process. Not included are contracts subject to Section 252.022 (a) (7) [Sole Source] of the Texas Local Government Code or those contracts not involving and exercise of judgement or choice.
- (m) District. “District” means the San Antonio Independent School District.
- (n) Economic interest. “Economic interest” includes, but is not limited to, legal or equitable property interests in land, chattels, and intangibles, and contractual rights having more than de minimis value. Service by a Board Member or employee who serves in a voluntary or non-pecuniary capacity as an officer, director, advisor, or otherwise active participant in an educational, religious, charitable, fraternal, or civic organization does not create for that Board Member or employee an economic interest in the property of the organization.  
  
Ownership of an interest in a mutual or common investment fund that holds securities or other assets is not an economic interest in such securities or other assets unless the person in question participates in the management of the fund. Ownership of stock in a publicly-traded corporation does not constitute ownership for purposes of this Code if the employee or official owns less than ten (10) percent of the voting stock or shares of the entity and the value of the stock is less than fifteen thousand dollars (\$15,000.00).
- (o) Employee. “Employee” or “District employee” is any person listed on the District payroll as an employee, whether part-time or full-time, and specifically includes the Superintendent.

- (p) Entity. Any business, organization, or individual that is required to meet legal obligations as set by local, state and federal laws.
- (q) Former Board Member or employee. A “former Board Member” or “former employee” is a person whose District duties terminate on or after the effective date of this Code.
- (r) General Trustee Election. The election of trustees from single-member districts held biennially on the first Saturday in May of odd-numbered years for four-year terms.
- (s) Gift. “Gift” means a voluntary transfer of property (including the payment of money) or the conferral of a benefit having pecuniary value (such as the rendition of services or the forbearance of collection on a debt), unless consideration of equal or greater value is received by the donor.
- (t) Individual. A natural person.
- (u) Official action. “Official action” includes:
  - a. Any affirmative act (including the making of a recommendation) within the scope of, or in violation of, an official or employee's duties, and
  - b. Any failure to act, if the official or employee is under a duty to act and knows that inaction is likely to affect substantially an economic interest of the official or employee or any person or entity listed in Subsection 1.2 (Conflicts of interest).
- (v) Ownership. Ownership of an interest in a mutual or common investment fund that holds securities or other assets does not constitute direct or indirect ownership of such securities or other assets unless the person in question participates in the management of the fund. Ownership of stock in a publicly-traded corporation does not constitute ownership for purposes of this Code if the employee or official owns less than ten (10) percent of the voting stock or shares of the entity and the value of the stock is less than fifteen thousand dollars (\$15,000.00).
- (w) Pecuniary. Pecuniary means consisting of or measured in money; of or relating to money.
- (x) Personally and substantially participated. “Personally and substantially participated” means to have taken action as an official or employee through decision, approval, disapproval, recommendation, giving advice, investigation, or similar action. The fact that the person had responsibility for a matter does not by itself establish that the person “personally and substantially participated” in the matter.
- (y) Political Action Committee. As defined in Texas Election Code §251.001.
- (z) Political Campaign Contributions. As defined in Texas Election Code §251.001.
- (aa) Public servant. A “public servant” includes a person elected, selected, appointed, employed, or otherwise designated as an officer, employee, or agent of government, even if the person has not yet qualified for office or assumed his or her duties. A candidate for nomination or election to public office and a person who is performing a governmental function under a claim of right, although he or she is not legally qualified to do so, is also considered a public servant.
- (ab) Sitting Trustee. An individual who has been duly elected and duly sworn to hold a position on the SAISD Board of Trustees subject to the laws of the State of Texas.
- (ac) Special Trustee Election. An election of trustees when a vacancy occurs in one or more of the seven single member district board seats.
- (ad) Superintendent. “Superintendent” is the educational leader and the chief executive officer of the School District who is employed by the Board of Trustees under a contract not to exceed five years. A Superintendent shall have the same meaning as a public servant.
- (ae) Trustee. “Trustee” means “Board Member” and shall have the same meaning ascribed thereto.
- (af) Vendor. “Vendor” shall mean a person who enters or seeks to enter into a contract with the District. The term includes an agent of a vendor.

## SECTION 1. PRESENT BOARD MEMBERS AND EMPLOYEES

### 1.1 – Affirmation of Ethics Code

- (a) Each Board Member shall receive a copy of this Ethics Code and review the contents of the Code every year. After review, each Board Member shall sign an affidavit in the form attached hereto as Exhibit A, confirming that the Board Member received and read the Ethics Code. The signed affidavit shall be given to the Records Administrator, who will maintain a copy of the affidavit in accordance with the terms of the District's document retention policy.
- (b) All newly-elected or appointed Board Members shall, within thirty (30) days of being sworn into office, receive a copy of this Ethics Code and read the contents of the Code. After review, each newly-elected or appointed Board Member shall sign an affidavit in the form attached hereto as Exhibit A, confirming that the Board Member received and read the Ethics Code. The signed affidavit shall be given to the Records Administrator, who will maintain a copy of the affidavit in accordance with the terms of the District's document retention policy.
- (c) At the discretion of the Board President: (i) the Board may attend training sessions on the contents of the Ethics Code, and (ii) newly-elected or appointed Board Members may be required to undergo training on the contents of the Ethics Code.
- (d) All employees of the District shall, within sixty (60) days of the adoption of this Ethics Code, be given a copy of the Code and shall attest in a written form that they received, read, and understand the provisions contained in the Code. All new District hires shall, within thirty (30) days of the first day of employment, be given a copy of the Code and shall attest in a written form that they received, read, and understand the provisions contained in the Code. The signed form shall be filed in the employee's personnel file and maintained by the District's Human Resources Department.

### 1.1A– Affirmation of Board Operating Procedures

- (a) Each Board Member shall receive a copy of the most current version of the [SAISD BOARD OPERATING PROCEDURES](#) ("BOP") and review the contents of the BOP every year. After review, each Board Member shall sign an affidavit in the form attached hereto as [Exhibit B](#), confirming that the Board Member received and read the BOP. The signed affidavit shall be given to the Records Administrator, who will maintain a copy of the affidavit in accordance with the terms of the District's document retention policy.
- (b) All newly-elected or appointed Board Members shall, within thirty (30) days of being sworn into office, receive a copy of most current version of the BOP and read the contents of the BOP. After review, each newly-elected or appointed Board Member shall sign an affidavit in the form attached hereto as Exhibit B, confirming that the Board Member received and read the BOP. The signed affidavit shall be given to the Records Administrator, who will maintain a copy of the affidavit in accordance with the terms of the District's document retention policy.
- (c) At the discretion of the Board President: (i) the Board may attend training sessions on the contents of the BOP, and (ii) newly-elected or appointed Board Members may be required to undergo training on the contents of the BOP.

### 1.2 – Conflicts of interest

- (a) General rule. To avoid the appearance and risk of impropriety, a Board Member or District employee shall not take any official action that he or she knows is likely to affect the economic interests of:
  - (l) The Board Member or employee;

- (2) His or her parent, child, spouse, or other family member within the second degree of consanguinity or affinity;
- (3) His or her outside client;
- (4) A member of his or her household;
- (5) The outside employer of the Board Member or employee or of his or her parent, child (unless the child is a minor), spouse, or member of the household (unless member of household is a minor);
- (6) An entity in which the Board Member or employee knows that any of the persons listed in Subsections (a)(1) or (a)(2) holds an economic interest as that term is defined herein;
- (7) An entity which the Board Member or employee knows is an affiliation or partner of an entity in which any of the persons listed in Subsections (a)(1) or (a)(2) holds an economic interest as defined herein;
- (8) An entity, including a non-profit organization, for which the Board Member or employee serves as an officer or director or in any other policy-making position; or
- (9) A person or entity with whom, within the past twelve (12) months:
  - a. The Board Member or employee, or his or her spouse, directly or indirectly has:
    - 1. Solicited an offer of employment for which the application is still pending;
    - 2. Received an offer of employment which has not been rejected; or
    - 3. Accepted an offer of employment; or
  - b. The Board Member or employee, or his or her spouse, directly or indirectly engaged in negotiations pertaining to business opportunities, where such negotiations are pending or not terminated.

(b) Recusal, disclosure, and abstention for Board Members.

- (1) A Board Member whose conduct would otherwise violate Section (a) and **section 1.4(c)(1) and 1.4(c)(2)** must recuse himself or herself.
- (2) From the time that the conflict is or should have been recognized, the Board Member shall:
  - a. Immediately refrain from further participation in the matter, including discussions with any persons likely to consider the matter;
  - b. Promptly file with the Records Administrator the appropriate form for disclosing the nature and extent of the prohibited conduct; and
  - c. Promptly disclose the conflict to other members of the Board of Trustees and shall not be present during the Board's discussion of or voting on the matter.
- (3) In addition to disclosure and recusal from any discussion of a contract or transaction in which a Board Member has a conflict, the Board Member shall also abstain from any vote or decision on any matter involving the conflict.

(c) Recusal and disclosure for employees.

- (1) An employee shall disclose to his or her immediate supervisor any conduct that violates

Subsection (a), including, but not limited to, a personal financial interest, a business interest, or any other obligation or relationship that in any way creates a potential conflict of interest with the proper discharge of assigned duties and responsibilities or with the best interest of the District.

- (2) Any other employee who is in a position to affect a financial decision involving any business entity or real property in which the employee or a relative in the second degree of consanguinity has a substantial interest, as defined by Local Government Code 171.002, shall file an affidavit with the Superintendent.
- (3) An employee whose conduct would otherwise violate Subsection (a) or Subsections (c)(1) or (c)(2) must recuse himself or herself. From the time that the conflict is or should have been recognized:
  - a. The employee shall immediately refrain from further participation in the matter, including discussions with any persons likely to consider the matter;
  - b. A supervised employee shall promptly bring the conflict to the attention of his or her supervisor, who will then, if necessary, reassign responsibility for handling the matter to another person; and
  - c. An employee, supervisor, or administrator in a position of responsibility shall recuse himself/herself from authorizing or approving a requisition, purchase order, or other decision that has been initiated by a family member. The designated approver shall recuse himself/herself by reassigning responsibility for handling the matter to another person who does not have a conflict within the approval process.

(d) Recusal and disclosure for Superintendent.

- (1) The Superintendent shall be required to file an affidavit disclosing interest in property in accordance with Government Code 553.002.
- (2) The Superintendent shall be required to file the conflicts disclosure statement, as promulgated by the Texas Ethics Commission and as specified by Local Government Code 176.003–.004.
- (3) The Superintendent, as the chief executive officer of the District, shall provide to the District in a timely manner information necessary for the District’s annual financial management report.
- (4) To the extent that the Superintendent has a conflict in accordance with Subsection (a) or Subsections (d)(1) or (d)(2), he or she must recuse himself or herself. From the time that the conflict is or should have been recognized, the Superintendent shall:
  - a. Immediately refrain from further participation in the matter, including discussions with any persons likely to consider the matter;
  - b. Promptly file with the Records Administrator the appropriate form for disclosing the nature and extent of the conflict or prohibited conduct;
  - c. Reassign responsibility for handling the matter to another person who does not have a conflict; and
  - d. Promptly disclose the conflict to the Board of Trustees.

(e) Definitions. For purposes of this rule:

- (1) An action is likely to affect an economic interest if it is likely to have an effect on that interest

that is distinguishable from its effect on members of the public in general or a substantial segment thereof; and

- (2) The term “client” includes business relationships of a highly-personalized nature, but not ordinary business-customer relationships.
- (f) Professional services performed by the Superintendent. The Superintendent may not receive any financial benefit for personal services performed by him or her for any business entity that conducts or solicits business with the District. Any financial benefit received by a Superintendent for performing personal services for any other entity, including a school district, open-enrollment charter school, regional education service center, or public or private institution of higher education, must be pre-approved by the Board on a case-by-case basis in an open meeting. The receipt of reimbursement for a reasonable expense is not considered a financial benefit.
- (g) Honoraria and expenses. A public servant shall not solicit, accept, or agree to accept an honorarium in consideration for services that the public servant would not have been requested to provide but for the public servant’s official position or duties. A public servant who violates this prohibition commits a Class A misdemeanor. A public servant is not prohibited from accepting transportation and lodging expenses or meals in connection with a conference or similar event in which the public servant renders services, such as addressing an audience or engaging in a seminar, to the extent those services are more than merely perfunctory.
- (h) Abuse of public employment. A public servant shall not, with intent to obtain a benefit or with intent to harm or defraud another, intentionally or knowingly violate a law relating to the public servant’s office or employment or misuse District property, services, personnel, or any other thing of value that has come into his or her custody or possession by virtue of his or her office or employment.

“Law relating to the public servant’s office or employment” means a law that specifically applies to a person acting in the capacity of a public servant and that directly or indirectly imposes a duty on the public servant or governs the conduct of the public servant.

“Misuse” means to deal with property contrary to:

- (1) An agreement under which the public servant holds the property;
  - (2) A contract of employment or oath of office of a public servant;
  - (3) A law, including provisions of the General Appropriations Act, specifically relating to government property that prescribes the manner of custody or disposition of the property; or
  - (4) A limited purpose for which the property is delivered or received.
- (i) Administrators or teachers—instructional material violations. An administrator or teacher shall not receive any commission or rebate on any instructional materials or technological equipment used in the schools with which the person is associated.  
An administrator or teacher shall not:
    - (1) Accept a gift, favor, or service that is given to the administrator or teacher or his or her school:
      - a. Where such a gift, favor, or service might reasonably tend to influence the person in the selection of instructional materials or technological equipment; and
      - b. Where such a gift, favor, or service could not be lawfully purchased with state instructional material funds.

“Gift, favor, or service” does not include staff development, in-service, or teacher training; or ancillary materials, such as maps or worksheets, that convey information to students or otherwise contribute

to the learning process.

A person commits a Class C misdemeanor offense if the person knowingly violates any law providing for the purchase or distribution of free instructional materials for the public schools.

- (j) Board gifts and donations. The Board and District shall not gratuitously grant public money or things of value in aid of any individual, association, or corporation. Expenditures by the Board or District for the purchase of gifts or contributions, whether monetary or in-kind, for the benefit of third parties, including, without limitation, charities, non-profits, and individuals, and, on occasion, in the name of the Superintendent, staff, Board Members, or School District, shall be made only after the Board first determines, at a duly-called Board meeting, that such expenditure will serve a valid District purpose and imposes sufficient controls to ensure such purpose is achieved. [See CE (LEGAL)]
- (k) GOVERNANCE - Trustees have the statutory responsibility of serving as a body corporate towards the improvement of student performance of all of the District's students. As a member of a body corporate, an individual board member cannot act singularly on behalf of the Board. Consequently, trustees are prohibited from giving either operational advice or instructions to District staff members.
- (l) CONFLICTING DUAL INTEREST - Board Members must be continuously guided by what is best for all students of the District and shall promote the best interests of the District as a whole and not individual regions of the school system.

### 1.3 – Unfair advancement of private interests

- (a) General rule. A Board Member or District employee may not use his or her official position to unfairly advance or impede private interests, or to grant or secure, or attempt to grant or secure, for any person (including himself or herself) any form of special consideration, treatment, exemption, or advantage beyond that which is lawfully available to other persons.
- (b) Special rules. The following special rules apply in addition to the general rule:
  - (1) Acquisition of interest in impending matters. A Board Member or employee shall not acquire an interest in, or be affected by, any contract, transaction, or other matter if the official or employee knows, or has reason to know, that the interest will be directly or indirectly affected by impending official action by the District.
  - (2) Reciprocal favors. A Board Member or employee may not enter into an agreement or understanding with any other person whereby official action by the official or employee will be rewarded or reciprocated by the other person, directly or indirectly.
  - (3) Appointment of relatives. A Board Member or employee shall not appoint or employ or vote to appoint or employ any relative within the third degree of consanguinity or affinity or any member of his or her household to any office or position of employment within the District.
  - (4) Supervision of relatives. No Board Member or employee shall be permitted to be in the line of supervision of a relative within the third degree of consanguinity or second degree of affinity, or any member of his or her household. Department heads are responsible for enforcing this policy. If an employee, by reason of marriage, promotion, reorganization, or otherwise, is placed into the line of supervision of a relative, one of the employees will be reassigned, or other appropriate arrangements will be made for supervision.
- (c) Recusal and disclosure. A Board Member or employee whose conduct would otherwise violate this section shall adhere to the recusal and disclosure provisions provided in Section 1.2(b), (c), and (d) above (Conflicts of interest).

## 1.4 – Gifts

- (a) General rule.
- (1) A Board Member or employee shall not solicit, accept, or agree to accept any gift or benefit for himself or herself or his or her business, including tangible items, meals, and entertainment:
    - a. That could reasonably be construed to influence or reward official conduct or the discharge of the Board Member's or employee's assigned duties and responsibilities; or
    - b. That the Board Member or employee knows or should know is being offered with the intent to influence or reward official conduct.
  - (2) A Board Member or employee shall not solicit, accept, or agree to accept any gift or benefit, including tangible items, meals, and entertainment, from:
    - a. Any individual or entity doing or seeking to do business with the District; or
    - b. Any registered lobbyist or public relations firm.
  - (3) As an exception to the general rules stated in Subsections (a)(1) and (a)(2) above and subject to the limitations below, a Board Member or employee may accept a gift or benefit as follows:
    - a. Tangible items received that are of nominal value;
    - b. Meals in an individual expense of twenty-five dollars (\$25.00) or less at any occurrence, and no more than a cumulative value of one hundred fifty dollars (\$150.00) in a single calendar year from a single source; or
    - c. Entertainment in an individual expense of twenty-five dollars (\$25.00) or less at any occurrence and no more than a cumulative value of one hundred fifty dollars (\$150.00) in a single calendar year from a single source.

Doing business with the District includes, but is not limited to, individuals and entities that are parties to a discretionary contract, individuals and entities that are subcontractors to a discretionary contract, and partners and/or parent and/or subsidiary business entities of any individuals and entities that are parties to a discretionary contract and individuals or entities that seek or have low-bid contracts with the District.
  - (4) Employees and/or administrators such as, but not limited to, Deputy, Associate, and Assistant Superintendents, Senior Executive Directors, Executive Directors, Directors, Assistant Directors, and Senior Coordinators who are responsible for the submission, initiation, and/or recommendation for goods or services from prospective vendors shall not be subject to the exceptions under subsections (1), (2), and (3) above and shall not individually accept tangible items that are of a nominal value. Additionally, the individuals listed in this section shall not individually accept gifts, gift cards, meals, or entertainment of any value.
  - (5) All employees within the District's Financial Services department (including Finance, Treasury, Accounting, Payroll, Accounts Payable, Student Activity, Planning and Budget, State Compensatory, Medic-Aide, SHARS, Student Health Services, Federal Programs, Funds Management, Fixed Assets, Head Start Accounting, and Purchasing/Material Management), because of their fiduciary responsibilities, shall not accept meals, gifts, gift cards, and/or entertainment of any value from prospective or current vendors. The same prohibitions shall apply to all employees in the following departments: Technology, Risk Management, Food and Child Nutrition, and Academic Programs. The same prohibitions shall apply to any employee in any department who is involved in the procurement of goods and services.
- (b) Special exceptions. Subsections (a)(1) and (a)(2) do not include:

- (1) A public award or reward for meritorious service or professional achievement, provided that the award or reward is reasonable in light of the occasion and it is not prohibited under V.T.C.A., Penal Code § 36.08;
  - (2) A loan from a lending institution made in its regular course of business on the same terms generally available to the public;
  - (3) A scholarship or fellowship awarded on the same terms and based on the same criteria that are applied to other applicants;
  - (4) Any solicitation for civic or charitable causes;
  - (5) Admission to an event in which the Board Member or employee is participating in connection with his or her spouse's or child's position;
  - (6) Admission to a widely-attended event, such as a convention, conference, symposium, forum, panel discussion, dinner, viewing, reception, or similar event, offered by the sponsor of the event, and unsolicited by the Board Member or employee, if attending or participating in an official capacity, including the following:
    - a. The official or employee participates in the event as a speaker or panel participant by presenting information related to matters before the District; The official or employee performs a ceremonial function appropriate to that individual's position with the District; or
    - b. Attendance at the event is appropriate to the performance of the official duties or representative function of the official or employee;
  - (7) Admission to a charity event provided by the sponsor of the event, where the offer is unsolicited by the Board Member or employee;
  - (8) Admission to a training or education program or other program, including meals and refreshments furnished to all attendees, if such training is related to the official or employee's official duties and the training is in the interest of the District.
- (c) Campaign contribution exception. The general rule stated in Subsection (a) does not apply to a campaign contribution made pursuant to the Texas Election Code.

(1) Prohibited Political Campaign Contributions to Trustees.

a. Individuals Who or Entities That Hold District Contracts.

1. Pre-and-Post Political Contribution Election Cycle.

Individuals or entities that hold a contract with the district may not make a political campaign contribution to a sitting trustee or a candidate for a position on the District's school board or a political action committee that support or oppose a sitting trustee or candidates for a position on the District's board of trustees during the pre-election contribution cycle. The pre-election contribution cycle begins on July 1, of the calendar year before the date of the general trustee election and ends on the day after the general trustee election. The pre-election cycle for a special election begins on the day the election is called and ends on the day after the special trustee election.

Political contributions are permitted by individuals who or entities that have a contract with the district to sitting trustees during the post-elections cycle that begins on the day after the general or special trustee election and ends on June 30 of the calendar year before the next general trustee election.

b. Individuals Who or Entities That Seek to Hold District Contracts.

An individual or entity seeking a discretionary contract with the District is prohibited from making a political contribution to a sitting trustee, a candidate for election to a position on the District's board of trustees or to a political action committee that supports or opposes a sitting trustee or candidates for a position on the District's board of trustees, beginning on the day after a bid, request for proposals or qualifications or any other type of solicitation or method of procurement has been posted by the District, or for a contract for which no competitive solicitation or method of procurement has been issued but from the time the District begins negotiations or discussions to renew or, otherwise, enter into a contract with such individual or entity, and ending on the day the bid, request for proposals or qualifications or any other type of solicitation or method of procurement has been awarded by the District pursuant to its policies.

c. Trustee Recusal, Disclosure and Abstention.

A Trustee who has knowingly received a political contribution in violation of this section of the Code of Ethics must follow the procedures outlined in section 1.2 (b) of the Code of Ethics, titled, Recusal, Disclosure and Abstention for Board Members.

d. Sanctions as to Trustees.

A Trustee who knowingly accepts or who mistakenly accepts and does not return the prohibited contributions or who refuses to adhere to the provisions of section 1.2 (b) of the Code of Ethics, shall be subject to the restorative practices and possible sanctions listed in the current version of the Board's Operating Procedures titled, Board Member Concerns about Board Member Performance.

e. Sanctions as to Individuals or Entities.

Individuals or entities who violate these political campaign prohibitions, shall either be removed or precluded from consideration for a contract with the District for a period of one year from the date of the violation or lose their existing contract with the District.

The details and notice of sanctions directed at individuals or entities who violate the prohibition against political contributions under this Code of Ethics, shall be published in all of the District's Terms and Conditions for Bids and Requests for Proposals and qualifications, in all District contracts and agreements and in all other published public solicitations for goods and services to the District.

- (2) Board Members are required to recuse from discussion and abstain from voting on matters involving individuals who or organizations that have been responsible for the appointment of the Board Member to a public office.

(d) Gifts to closely-related persons. A Board Member or employee shall take reasonable steps to persuade:

- (1) A parent, spouse, child, or other relative within the second degree of consanguinity or affinity, or
- (2) An outside business associate

not to solicit, accept, or agree to accept any gift or benefit:

- (3) That reasonably tends to influence or reward the Board Member's or employee's official conduct, or
- (4) That the official or employee knows or should know is being offered with the intent to influence or reward the Board Member's or employee's discharge of official duties.

(e) Definitions.

- (1) For purposes of this rule, “entertainment” means any activity generally considered to provide entertainment, amusement, or recreation. Examples include, but are not limited to, sporting events, concerts and other musical performances, admission to nightclubs, movies, and hunting or fishing excursions.
- (2) For purposes of this rule, a person is an “outside business associate” if both that person and the Board Member or employee own, with respect to the same entity:
  - a. Ten (10) percent or more of the voting stock or shares of the entity, or
  - b. Ten (10) percent or more of the fair market value of the entity.
- (3) For purposes of this rule, a “sponsor” of an event is the person or persons primarily responsible for organizing the event or sponsoring a table or tables. A person who simply contributes money or buys tickets to an event is not considered a sponsor.
- (4) A “source” is the individual or entity that funds an expenditure or series of expenditures. Expenditures made by multiple agents of the same source are deemed to be expenditures from a single source.
- (5) An item of “nominal value” is an item with a fair market value of twenty-five dollars (\$25.00) or less.

### 1.5 – Illegal gifts

Notwithstanding Section 1.4 above, the following constitutes illegal gifts:

- (a) Illegal gifts. A public servant who exercises discretion in connection with contracts, purchases, payments, claims, or other pecuniary transactions is the recipient of an illegal gift if he or she solicits, accepts, or agrees to accept any benefit from a person the public servant knows is interested in or likely to become interested in any such transactions of the District.
  - (1) An illegal gift to a public servant does not apply to:
    - a. A fee prescribed by law to be received by a public servant or any other benefit to which the public servant is lawfully entitled or for which he or she gives legitimate consideration in a capacity other than as a public servant;
    - b. A gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient;
    - c. A benefit to a public servant required to file a statement under Chapter 572, Government Code, or a report under Title 15, Election Code, that is derived from a function in honor or appreciation of the recipient if the benefit and the source of any benefit in excess of fifty dollars (\$50.00) is reported in the statement and the benefit is used solely to defray the expenses that accrue in the performance of duties or activities in connection with the office which are not reimbursable by the District;
    - d. A political contribution as defined by Title 15, Election Code;
    - e. An item with a value of less than fifty dollars (\$50.00), excluding cash or a negotiable instrument as described by the Texas Business and Commerce Code, § 3.104;
    - f. An item issued by a governmental entity that allows the use of property or facilities owned, leased, or operated by the governmental entity; or

- g. Food, lodging, transportation, or entertainment accepted as a guest and, if the donee is required by law to report those items, reported by the donee in accordance with that law.
- (b) Bribery. A public servant commits the crime of bribery if he or she intentionally or knowingly offers, confers, agrees to confer on another, solicits, accepts, or agrees to accept a benefit:
  - (1) As consideration for the public servant's decision, opinion, recommendation, vote, or other exercise of discretion as a public servant;
  - (2) As consideration for a violation of a duty imposed on the public servant by law; or
  - (3) That is a political contribution as defined by Title 15 of the Texas Election Code or an expenditure made and reported as a lobbying expense in accordance with Government Code Chapter 305, if the benefit was offered, conferred, solicited, accepted, or agreed to pursuant to an express agreement to take or withhold a specific exercise of official discretion if such exercise of official discretion would not have been taken or withheld but for the benefit.

## **1.6 – Confidential information**

- (a) Improper access. A Board Member or employee shall not use his or her position to obtain official information about any person or entity for any purpose other than the performance of official duties.
- (b) Improper disclosure or use. A Board Member or employee shall not intentionally, knowingly, or recklessly disclose any confidential information gained by reason of said official's or employee's position concerning the property, operations, policies, or affairs of the District. This rule does not prohibit:
  - (1) Any disclosure that is no longer confidential by law; or
  - (2) The confidential reporting of illegal or unethical conduct to authorities designated by law.

## **1.7 – Conflicting outside employment**

- (a) General rule. A Board Member or employee shall not solicit, accept, or engage in concurrent outside employment which could reasonably be expected to impair independence of judgment in, or faithful performance of, official duties. Additionally, a Board Member or employee shall not provide services to an outside employer related to the official's or employee's District duties.
- (b) Other rules. The general rule stated above applies in addition to all other rules relating to outside employment of Board Members and employees, including requirements for obtaining prior approval of outside employment as applicable.
- (c) A District employee shall not accept employment that is in conflict with his/her regularly- scheduled workday calendar or his/her workday hours. A District employee shall consider his/her employment with the District as his/her primary employment and, when requested to work additional hours or workdays, shall not charge either paid or non-paid leave and shall make accommodations to be absent from his/her second after-hours job.

## **1.8 – Public property and resources**

A Board Member or employee shall not use, request, or permit the use of District facilities, personnel, equipment, supplies, or time while on District duty for private purposes (including political purposes), except:

- (a) Pursuant to duly-adopted District policies, or
- (b) To the extent and according to the terms that those resources are lawfully available to the public.

### 1.9 – Political activity

Limitations on the political activities of Board Members and employees are imposed by state law and District personnel rules and are incorporated into this provision by reference. In addition, the following ethical restrictions apply:

- (a) Influencing subordinates. A Board Member shall not, directly or indirectly, induce or attempt to induce any District employee, and a District employee shall not, directly or indirectly, induce or attempt to induce any subordinate of the official or employee:
  - (1) To participate in an election campaign, contribute to a candidate or political committee, or engage in any other political activity relating to a particular party, candidate, or issue, or
  - (2) To refrain from engaging in any lawful political activity.

A general statement merely encouraging another person to vote does not violate this rule.

- (b) Paid campaigning. A Board Member or employee shall not accept any thing of value, directly or indirectly, for political activity relating to an item that is directly related to the District and pending on an election ballot, including, but not limited to, a bond or tax rollback proposition. Any thing of value does not include a meal or other item of nominal value the Board Member or employee receives in return for providing information on an item pending on the election ballot.
- (c) Official vehicles. A Board Member or employee shall not display or fail to remove campaign materials on any District vehicle under his or her control.

Limitations on the use of public property and resources for political purposes are imposed by Section 1.8 above (Public property and resources).

### 1.10 – Actions of others

- (a) Violations by other persons. A Board Member or employee shall not intentionally or knowingly assist or induce, or attempt to assist or induce, any person to violate any provision in this Code of Ethics.
- (b) Using others to engage in forbidden conduct. A Board Member or employee shall not violate the provisions of this Code of Ethics through the acts of another.

### 1.11 – Prohibited interests in contracts

- (a) No Board Member or employee of the District shall have a financial interest, directly or indirectly, in any contract with the District, or shall be financially interested, directly or indirectly, in the sale to the District of any land, materials, supplies, or service, except on behalf of the District as a Board Member or employee. Any Board Member who willfully violates this section shall be subject to the penalties herein. Any District employee who willfully violates this section shall have his or her employment with the District immediately terminated. Any violation of this section with the knowledge, express or implied, of the person or corporation contracting with the District shall render the contract involved voidable by the District or the Board of Trustees.
- (b) Financial interest. An officer or employee is presumed to have a prohibited “financial interest” in a contract with the District, or in the sale to the District of land, materials, supplies, or service, if any of the following individuals or entities are a party to the contract or sale:
  - (1) The Board Member or employee;

- (2) His or her spouse, sibling, parent, child, or other family member within the first degree of consanguinity or affinity;
- (3) An entity in which the Board Member or employee, or his or her parent, child, or spouse, directly or indirectly owns:
  - a. Ten (10) percent or more of the voting stock or shares of the entity, or
  - b. Ten (10) percent or more of the fair market value of the entity; or
- (4) An entity of which any individual or entity listed in Subsection (1), (2), or (3) is:
  - a. A subcontractor on a District contract;
  - b. A partner; or
  - c. A parent or subsidiary entity.
- (c) Any contract or transaction already in place at the time the individual becomes a Board Member or employee subject to the prohibitions herein may remain in place until the contract expires or the transaction is completed without creating a prohibited financial interest for the officer or employee.

#### **1.12 – Reporting and enforcement.**

- (a) A Board Member or employee who has knowledge of a violation of any of the provisions of this Ethics Code shall report this violation as provided below within a reasonable time after the person has knowledge of a violation. A Board Member or employee shall not delegate to, or rely on, another person to make the report. Any Board Member or employee who has knowledge that a violation of the Ethics Code has been committed and intentionally fails to report such violation is subject to the penalties herein.
- (b) A report made under this section shall be made to:
  - (1) The Board President (or the Board Vice President if the President is the target of the report) if the report pertains to a Board Member or the Superintendent or any other person reporting directly to the School Board;
  - (2) The Superintendent (or the Superintendent's designee) if the report pertains to a District employee other than the Superintendent; or
  - (3) Any law enforcement agency if the Board Member or employee believes a crime has been committed.
- (c) A report shall state:
  - (1) The name of the Board Member or employee who believes that a violation of a provision of the Ethics Code has been or may have been committed;
  - (2) The identity of the person or persons who allegedly committed the violation;
  - (3) A statement of the facts on which the belief is made; and
  - (4) Any other pertinent information concerning the alleged violation.
- (d) Notice of all reports shall be provided to the District's attorneys, who will then provide a copy of

the report to all Board Members within five (5) business days of receipt.

- (e) If the report relates to a Board Member or the Superintendent, the mechanisms for enforcement are as follows:
  - (1) The President shall investigate the complaint or, upon the President's own initiative or if either the accused Board Member or Superintendent makes the request, the President may name an independent third party to investigate the complaint. The President shall, at all times, consult with and seek the advice of legal counsel. If the President is the target of a report or complaint, the Vice President shall be responsible for taking the actions described in this paragraph.
  - (2) Within ten (10) business days after the investigation concludes, the Board President (or the Vice President if the President is the target of the report) shall inform all Board Members of the outcome of the investigation and shall propose penalties, to the extent necessary.
  - (3) If the investigation concludes that a Board Member violated a provision of this Ethics Code, then the Board shall publicly censure the guilty Board Member and shall read the censure into the record at the next regularly-scheduled Board meeting.
- (f) If the report relates to a District employee, the mechanisms for enforcement are as follows:
  - (1) The Superintendent (or the Superintendent's designee) shall investigate the complaint or, upon the Superintendent's own initiative, the Superintendent may name an independent third party to investigate the complaint.
  - (2) Within ten (10) business days after the investigation concludes, the Superintendent shall inform all Board Members of the outcome of the investigation and shall propose penalties, to the extent necessary.

## SECTION 2. FORMER BOARD MEMBERS AND EMPLOYEES

### 2.1 – Continuing confidentiality

A former Board Member or employee shall not use or disclose confidential information acquired during service as a Board Member or employee. This rule does not prohibit:

- (a) Any disclosure that is no longer confidential by law; or
- (b) The confidential reporting of illegal or unethical conduct to authorities designated by law.

### 2.2 – Subsequent representation of private interests

- (a) Representation of private interests before the District by former employees. A former employee shall not represent for compensation any person, private group, or private entity, other than himself or herself, or his or her spouse or minor children, before the District for a period of one (1) year after termination of his or her official duties. For purposes of this subsection, the term "compensation" means money or any other thing of value that is received, or is to be received, in return for or in connection with such representation.
- (b) Improper representation of influence. In connection with the representation of private interests before the District, a former employee shall not state or imply that he or she is able to influence District action on any basis other than the merits.
- (c) Representation in litigation adverse to the District. A former employee shall not, absent consent from the District, represent any person, group, or entity, other than himself or herself, or his or her

spouse or minor children, in any litigation to which the District is a party, if the interests of that person, group, or entity are adverse to the interests of the District and the matter is one in which the former employee personally and substantially participated prior to termination of his or her official duties.

### **2.3 – Prior participation in the negotiation, award, or administration of contracts**

A former employee shall not, within one (1) year of the termination of official duties for the District, perform work on a compensated basis relating to a discretionary District contract, if he or she personally and substantially participated in the negotiation, award, or administration of the contract.

A former employee, within one (1) year of termination of official duties, must disclose to the Superintendent immediately upon knowing that he or she will perform work on a compensated basis relating to a discretionary District contract for which he or she did not personally and substantially participate in its negotiation, award, or administration.

### **2.4 – Prohibited interest in discretionary contracts**

- (a) Impermissible interest in discretionary contract or sale. This subsection applies only to contracts or sales made on a discretionary basis, and does not apply to contracts or sales made on a competitive bid basis. Within one (1) year of the termination of official duties, a former District employee shall neither have a financial interest, direct or indirect, in any discretionary contract with the District, nor have a financial interest, direct or indirect, in the sale to the District of any land, materials, supplies, or service. Any violation of this section with the knowledge, express or implied, of the individual or entity contracting with the District shall render the contract involved voidable by the Superintendent or the Board of Trustees. A former District employee has a prohibited “financial interest” in a discretionary contract with the District, or in the sale to the District of land, materials, supplies, or service, if any of the following individuals or entities are a party to the contract or sale:
- (1) The former officer or employee;
  - (2) His or her parent, child, or spouse;
  - (3) An entity in which the former officer or employee, or his or her parent, child, or spouse, directly or indirectly owns:
    - a. Ten (10) percent or more of the voting stock or shares of the entity, or
    - b. Ten (10) percent or more of the fair market value of the entity; or
  - (4) An entity of which any individual or entity listed in Subsection (1), (2), or (3) is:
    - a. A subcontractor on a District contract;
    - b. A partner; or
    - c. A parent or subsidiary entity.
- (b) Exception: Prior employment or status. Notwithstanding Subsection (a) and Subsection 2.3 (Prior participation in the negotiation, award, or administration of contracts), a former employee may, upon leaving official duties, return to employment or other status enjoyed immediately prior to commencing official District duties.
- (c) Definitions. For purposes of this section:
- (1) The term “contract” means any discretionary contract other than a contract for the personal services of the former Board Member or employee.

- (2) The term “service” means any services other than the personal services of the former employee.

## SECTION 3. PERSONS DOING BUSINESS WITH THE DISTRICT

### 3.1 – Persons seeking discretionary contracts or the purchase, sale, or lease of real estate

- (a) Disclosure of parties, owners, and closely-related persons. For the purpose of assisting the District in the enforcement of provisions contained in the District’s policy and this Code of Ethics, an individual or entity seeking a discretionary contract or seeking to purchase, sell, or lease real estate to or from the District is required to disclose, in connection with a proposal for a discretionary contract, and prior to the Board of Trustees taking action regarding the purchase, sale, or lease of real estate, on a form provided by the District:
- (1) The identity of any individual who would be a party to the transaction;
  - (2) The identity of any entity that would be a party to the transaction and the name of:
    - a. Any individual or entity that would be a subcontractor to the transaction;
    - b. Any individual or entity that is known to be a partner or a parent entity of any individual or entity who would be a party to the transaction, or any subsidiary entity that is anticipated to be involved in the execution of the transaction; and
    - c. The board members, executive committee members, and officers of entities listed above; and
  - (3) The identity of any lobbyist, attorney, or consultant employed for purposes relating to the transaction being sought by any individual or entity who would be a party to the transaction.

An individual or entity seeking a discretionary contract or seeking to purchase, sell, or lease real estate to or from the District is required to supplement this filing on a form provided by the District in the event there is any change in the information required of the individual or entity under this subsection. The individual or entity seeking such a transaction must supplement this filing before the transaction is the subject of Board action, and no later than five (5) business days after any change about which information is required to be filed.

- (b) Briefing papers and open records. Briefing papers prepared for the Board of Trustees concerning any proposed discretionary contract or seeking to purchase, sell, or lease real estate to or from the District to be considered for Board action shall reveal the information disclosed in compliance with Subsection (a), and that information shall constitute an open record available to the public.

### 3.2 – Disclosure of association with Board Member or employee

- (a) Disclosures during appearances. A person appearing before the School Board, a Board committee, administration, or a committee of the administration shall disclose to it any known facts which, reasonably understood, raise a question as to whether any member of the Board or District employee would violate Section 1.2 (Conflicts of interest) by taking an official action on a matter pending before the Board of Trustees.
- (b) Disclosures in proposals. Any individual or entity seeking a discretionary contract with the District shall disclose, on a form provided by the District, any known facts which, reasonably understood,

raise a question as to whether any Board Member would violate Section 1.2 (Conflicts of interest) by taking an official action relating to the discretionary contract.

- (c) Disclosure of benefit. If a person who requests official action on a matter knows that the requested action will confer an economic benefit on any Board Member or employee that is distinguishable from the effect that the action will have on members of the public in general or a substantial segment thereof, he or she shall disclose that fact in a signed writing to the Board Member or employee that has been requested to act in the matter, unless the interest of the Board Member or employee in the matter is apparent. The disclosure shall also be made in a signed writing submitted to the Board President.
- (d) Definition. For purposes of this rule, facts are “reasonably understood” to “raise a question” about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

### 1.3 – Prohibited contacts during contract solicitation period

A person or entity who seeks or applies for a District contract, or any other person acting on behalf of such person or entity, is prohibited from contacting Board Members and employees regarding such a contract after a request for proposal (RFP), request for qualifications (RFQ), or other solicitation has been released. This no-contact provision shall conclude when the contract is voted on at an official Board meeting. This period of time shall be referred to as the “prohibited period” for purposes of this Ethics Code. If contact is required with Board Members or employees, such contact will be done in accordance with procedures incorporated into the solicitation document. Violation of this provision by respondents or their agents may lead to disqualification of their offer from consideration. To the extent that a violation of this provision is revealed after the contract is approved, the contract is voidable by the Board of Trustees or Superintendent.

### 1.4 – Restriction on political contributions

For purposes of Section 3.3, the word “contact” shall include political contributions. Vendors or potential vendors shall be prohibited from making political contributions, and Board Members shall be prohibited from soliciting or accepting political contributions from vendors or potential vendors during the prohibited period.

## Section 4. LOBBYISTS

### 4.1 – Definitions

As used in Section 4 (Lobbyists), the following words and phrases have the meaning ascribed to them in this section, unless the context requires otherwise:

- (a) “Client” means any person on whose behalf lobbying is conducted. If a person engages in lobbying on that person’s own behalf, whether directly or through the acts of others, the person is both a client and a lobbyist. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association, and not its individual members.
- (b) “Compensation” means money or any other thing of value that is received, or is to be received, in return for or in connection with lobbying services rendered, or to be rendered, including reimbursement of expenses incurred in lobbying. “Compensation” for professional services that do not primarily require contact or advocacy with public officials does not constitute “compensation in connection with lobbying services” for purposes of this section, if contact with public officials is incidental to the primary purpose of the employment.

Compensation does not include a payment made to any individual regularly employed by a person if:

- (1) The payment ordinarily would be made regardless of whether the individual engaged in lobbying activities; and
- (2) Lobbying activities are not part of the individual's regular responsibilities to the person making the payment.

Compensation does not include the financial gain that a person may realize as a result of the determination of a District matter, unless that gain is in the form of a contingent fee.

If a lobbyist engages in both lobbying activities and other activities on behalf of a person, compensation for lobbying includes all amounts received from that person, if, for the purpose of evading the obligations imposed under Section 4 (Lobbyists), the lobbyist has structured the receipt of compensation in a way that unreasonably minimizes the value of the lobbying activities. Compensation which has not yet been received is considered to be received on the date that it is earned, if that date is ascertainable; otherwise, it is received on the date on which the contract or agreement for compensation is made, or on the date lobbying commences, whichever is first. Compensation does not include any amounts previously reported under Section 4.5 (Quarterly activity reports).

- (c) "Expenditure" means a payment, distribution, loan, advance, reimbursement, deposit, or gift of money or anything of value, including a contract, promise, or agreement to make an expenditure, regardless of whether such contract, promise, or agreement is legally enforceable.

Expenditure does not include an amount paid to any individual regularly employed by a person if:

- (1) The amounts paid to the individual are ordinarily paid regardless of whether the individual engages in lobbying activities; and
- (2) Lobbying activities are not part of the individual's regular responsibilities to the person making the payment.

The date on which an expenditure is incurred is determined according to generally-accepted accounting principles. The term "expenditure" does not include the cost of photocopying District documents, if those costs are the only expenditures made by the person in question on lobbying activities. The term "expenditure" also does not include the cost of photocopying documents or creating other informational material by individuals who communicate with public officials to express personal opinions on behalf of themselves, their family, or members of their household.

- (d) "Immediate family" means a spouse and dependent children.
- (e) "Lobbyist" means a person who engages in lobbying, whether directly or through the acts of another. If an agent or employee engages in lobbying for a principal or employer, both the agent and the principal, or the employee and the employer, are lobbyists.
- (f) "Lobby" or "lobbying," except as provided below, means any oral or written communication (including an electronic communication) to a Board Member, made directly or indirectly by any person in an effort to influence or persuade an official to favor or oppose, recommend or not recommend, vote for or against, or take or refrain from taking action on any District matter. The term "lobby" or "lobbying" does not include a communication:
  - (1) Merely requesting information or inquiring about the facts or status of any District matter or procedure, and not attempting to influence a Board Member;
  - (2) Made by a public official or employee (including, but not limited to, an official or employee of the District) acting in his or her official capacity;
  - (3) Made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;
  - (4) Made in a speech, article, publication, or other material that is distributed and made available

to the public, or through radio, television, cable television, or any other medium of mass communication;

- (5) Made at a meeting open to the public under the Open Meetings Act;
- (6) Made in the form of a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;
- (7) Made in writing as a petition for official action and required to be a public record pursuant to established District procedures;
- (8) Made in writing to provide information in response to an oral or written request by a Board Member for specific information;
- (9) The content of which is compelled by law;
- (10) Made in response to a public notice soliciting communications from the public and directed to the official specifically designated in the notice to receive such communications;
- (11) Made on behalf of an individual with regard to that individual's employment or benefits;
- (12) Made by a fact witness or expert witness at an official proceeding; or
- (13) Made by a person solely on behalf of that individual, his or her spouse, or his or her minor children.

(g) "Lobbying firm" means:

- (1) A self-employed lobbyist; or
- (2) A person that has one or more employees who are lobbyists on behalf of a client or clients other than that person.

(h) "District matter" means a public policy issue of a discretionary nature pending or impending before the School Board or any Board Committee, including, but not limited to, proposed action, or proposals for action, in the form of ordinances, resolutions, motions, recommendations, reports, regulations, policies, nominations, appointments, sanctions, and bids, including the adoption of specifications, awards, grants, or contracts.

The term "District matter" does not include the day-to-day application, administration, or execution of existing District programs, policies, ordinances, resolutions, or practices, including matters that may be approved administratively without consideration by the School Board. The term "District matter" does include all discretionary matters before all Board standing committees, board ad hoc committees, advisory committees, and subcommittees.

(i) "Person" means an individual, corporation, association, firm, partnership, committee, club, organization, or a group of persons voluntarily acting in concert.

(j) "Registrant" means a person required to register under Section 4.2 (Persons required to register as lobbyists).

#### **4.2 – Persons required to register as lobbyists**

Except as provided by Section 4.3 (Exceptions), a person or entity who engages in lobbying must register with the Board President if:

- (a) With respect to any client, the person or entity engages in lobbying activities for compensation; or
- (b) The person or entity expends monies for lobbying activities.

### 4.3 – Exceptions

The following persons and entities are not required to register or file an activity report under Section 4:

- (a) Media outlets. A person who owns, publishes, or is employed by:
  - (1) A newspaper;
  - (2) Any other regularly-published periodical;
  - (3) A radio station;
  - (4) A television station;
  - (5) A wire service; or
  - (6) Any other bona fide news medium that in the ordinary course of business disseminates news, opinions, or paid advertisements that directly or indirectly oppose or promote District matters or seek to influence official action relating thereto, if the person does not engage in other activities that require registration under Section 4 (Lobbyists). This subsection does not exempt the news media or a person whose relation to the news media is only incidental to a lobbying effort or if a position taken or advocated by a media outlet directly impacts, affects, or seeks to influence a District matter in which the media outlet has a direct or indirect economic interest.
- (b) Mobilizing entity constituents and not-for-profit organizations. A person whose only lobbying activity is to encourage or solicit the members, employees, or owners (including shareholders) of an entity by whom the person is compensated to communicate directly with one or more Board Members to influence District matters. This exception is intended to apply to neighborhood associations and not-for-profit organizations.
- (c) Governmental entities. Governmental entities and their officials and employees, provided the communications relate solely to subjects of governmental interest concerning the respective governmental bodies and the District.
- (d) Unknown District matters. A person who neither knows nor has reason to know that a District matter is pending at the time of contact with a Board Member. This subsection does not apply if the existence of a District matter is discovered during ongoing contacts with a Board Member and the person then engages in additional lobbying of the same official or other Board Members with respect to that District matter.
- (e) Dispute resolution. An attorney or other person whose contact with a Board Member is made solely as part of resolving a dispute with the District, provided that the contact is solely with Board Members who do not vote on or have final authority over any District matter involved and so long as such an attorney complies with Rule 4.02 of the Texas Disciplinary Rules of Professional Conduct, as amended.
- (f) Compensation of registrant. A client who would only be required to register under Section 4.2 because of any expenditure to compensate a registrant, other than an employee, to lobby on a District matter of interest to the client, provided that the compensated registrant files a registration statement or activity report for the period in question.
- (g) Agent or employee. An agent or employee of a lobbying firm or other registrant that files a

registration statement or activity report for the period in question fully disclosing all relevant information known to the agent or employee.

- (h) Individual. An individual who engages in lobbying but who neither receives compensation nor expends monies for lobbying with respect to any client. The term “expends” does not include the cost of photocopying documents or creating other informational material by individuals who communicate with public officials to express personal opinions on behalf of themselves, their family, or members of their household.
- (i) Attorneys. A licensed attorney who is performing an act that may be performed only by a licensed attorney.

#### 4.4– Registration

- (a) Separate registrations. A person or entity required to register as a lobbyist under Section 4 must file a separate registration form for each client. A registrant who makes more than one lobbying contact for the same client shall file a single registration form covering all lobbying contacts for that client. Each registration form must be signed under oath. If the registrant is not an individual, an authorized officer or agent of the registrant shall sign the form.
- (b) Initial registration. An initial registration form relating to a client must be filed by a person required to register under Section 4 within ninety (90) days after the start of lobbying activity for that client. However, in no event shall a registrant knowingly fail to register, or knowingly fail to disclose such registration to relevant Board Members, prior to official District action relating to the subject matter of the lobbying activity.
- (c) Subsequent annual registration. Except as provided in Subsection (f) (Termination of registration), subsequent registration forms must be filed annually each January for each client for whom a registrant previously filed, or was required to file, an initial registration form.
- (d) Consolidated registration for firms/organizations. An individual, firm, or organization that registers as a lobbyist and that employs agents or employees who engage in lobbying activity on behalf of the registrant's clients may include the agents or employees within the registrant's initial and annual registration, by identifying the agents or employees and disclosing lobbying activity as required under Subsection (e) by each agent or employee.
- (e) Required disclosures. Initial or subsequent registration shall be on a form prescribed by the District and shall include, to the extent applicable:
  - (l) The full name, telephone number, permanent address, and nature of the business of:
    - a. The registrant;
    - b. The client;
    - c. Any person, other than the client, on whose behalf the registrant has been engaged by the client to lobby;
    - d. Any person, other than the client, who is known by the registrant to contribute financially to the compensation of the registrant, or who, in whole or in major part, plans, supervises, or controls the registrant's lobbying activities on behalf of the client;
    - e. Any lobbying firm for which the registrant is an agent or employee with respect to the client; and
    - f. Each employee or agent of the registrant who has acted or whom the registrant expects to act as a lobbyist on behalf of the client;

- (2) A statement of all District matters on which the registrant or its agents or employees has lobbied for the client in the year preceding the filing of the registration or foreseeably will lobby;
  - (3) A list of any positions held by the registrant or its agents or employees as an official or employee of the District, as those terms are defined herein during the past two (2) years;
  - (4) If the registrant or an agent or employee is a former Board Member or employee, a statement that the registrant's lobbying activities have not violated and will not foreseeably violate any provision of this Ethics Code.
- (f) Termination of registration. A registrant shall file a notice of termination of registration with the Board President if the registrant is no longer required to register under Section 4. A filing under this subsection does not relieve the registrant of reporting requirements imposed herein for the reporting period in question.
  - (g) Fee. At the time of initial or subsequent annual registration with respect to a client, a registrant shall pay to the District, and the District shall collect, a fee of five hundred dollars (\$500.00) for the registrant and five hundred dollars (\$500.00) for each agent or employee of the registrant that engages in lobbying activity on behalf of the registrant's clients. All lobbyist registration fees shall be deposited into a separate account within the general fund, which account shall be used to offset the costs of administering the District's lobbying ethics policy and the costs of handling disclosure filings.
  - (h) Ethics Code briefing. During the registration process, the District's Internal Auditor shall offer a briefing to each new registrant on Section 4 (Lobbyists) of the Ethics Code, and each shall be provided with information regarding the lobbyist provisions of the Ethics Code.

#### 4.5 – Quarterly activity reports

- (a) Required disclosures. Except as provided herein, each registrant shall file with the Board President a separate report signed under oath concerning the registrant's lobbying activities for each client from whom, or with respect to whom, the registrant received compensation of, or expended, monies for lobbying during the prior calendar quarter.

A firm, entity, or individual that employs agents or employees who lobby on behalf of that organization's or employer's clients may file quarterly reports regarding lobbying activities on behalf of all the organization's or employer's clients, so long as all activities by agents and employees that must be disclosed pursuant to Section 4 are reported on the consolidated quarterly report. When a registrant files a quarterly report disclosing the lobbying activities of its agents or employees, the registrant's agents and employees are not required to file separate quarterly reports.

The report for the preceding calendar quarter shall be filed between the first and fifteenth day of April, July, October, or January, or on the date registration on behalf of the client is required, whichever comes later. If the registrant is not an individual, an authorized officer or agent of the registrant shall sign the form. The report shall be on the form prescribed by the District and shall include, with respect to the previous calendar quarter, to the extent applicable:

- (1) The name of the registrant, the name of the client, and any changes or updates in the information provided in the most recent registration statement filed as required herein;
- (2) A list of the specific issues upon which the registrant or its agents or employees engaged in lobbying activities, including, to the maximum extent practicable, a list of specific legislative proposals and other proposed, pending, or completed official actions;
- (3) A list of the Board Members contacted by the registrant or its agents or employees on behalf of the client with regard to a District matter;

- (4) A list of the employees or agents of the registrant who acted as lobbyists on behalf of the client;
- (5) In the case of a registrant engaged in lobbying activities on its own behalf, a good-faith estimate of the total expenditures that the registrant and its agents or employees incurred in connection with lobbying activities;
- (6) Each gift, benefit, or expenditure greater than twenty-five dollars (\$25.00) made to, conferred upon, or incurred on behalf of a Board Member or his or her immediate family by the registrant, or by anyone acting on behalf of the registrant, shall be itemized by date, Board Member, actual cost, and circumstances of the transaction;
- (7) Each exchange of money, goods, services, or anything of value by the registrant, or by anyone acting on behalf of the registrant, with any entity in which the registrant knows or should know that a Board Member has an economic interest, or for which the Board Member serves as a director or officer, or in any other policy-making position, if:
  - a. The total of such exchanges is one hundred fifty dollars (\$150.00) or more in a calendar quarter; and
  - b. The Board Member:
    - 1. Has been lobbied by the registrant or its agents or employees during the calendar quarter; or
    - 2. Serves on a board or other District body that has appellate jurisdiction over the subject matter of the lobbying.

Each exchange shall be itemized by date, entity and address, Board Member, amount, and nature of transaction. For purposes of this subsection, the term “exchange” does not include a routine purchase from a commercial establishment, if the Board Member in question is neither aware, nor likely to become aware, of the transaction; and

- (8) The name and position of each Board Member or member of a Board Member’s immediate family who is employed by the registrant.
- (b) Preservation of records. Each registrant shall obtain and preserve all accounts, bills, receipts, books, papers, and documents necessary to substantiate the activity reports required to be made pursuant to this section for five (5) years from the date of filing of the report containing such items. These records must be provided to the Board President upon request by the District.
- (c) No activity or changes. No quarterly activity report is required if there is no activity during the preceding quarter calendar year and there are no other changes to items required to be reported. Estimates of income or expenses. For purposes of Subsections (a)(5), (a)(6), and (a)(7), required estimates of compensation or expenses shall be made to the nearest one hundred dollars (\$100.00) for amounts totaling less than five thousand dollars (\$5,000.00), and to the nearest one thousand dollars (\$1,000.00) for amounts totaling more than five thousand dollars (\$5,000.00).
- (d) Contingent fees. A person shall disclose employment to lobby on a contingent fee basis, as well as any arrangement to engage in lobbying activities on a contingent fee arrangement.

#### 4.6 – Restricted activities

- (a) False statements. A person who lobbies or engages another person to lobby, or any other person acting on behalf of such persons, shall not intentionally or knowingly make any false or misleading statement of fact to any Board Member, or, knowing a document to contain a false statement, cause a copy of such document to be received by a Board Member without notifying such official in writing of the truth.

- (b) Failure to correct erroneous statement. A registrant who learns that a statement contained in a registration form or activity report filed by the registrant during the past three (3) years is false shall not fail to correct that statement by written notification to the District within thirty (30) days of learning of the falsehood.
- (c) Personal obligation of Board Members. A person who lobbies or engages another person to lobby, or any other person acting on behalf of such person, shall not do any act, or refrain from doing any act, with the express purpose and intent of placing any Board Member under personal obligation to such lobbyist or person.
- (d) Improper influence. A registrant shall not cause or influence the introduction of any ordinance, resolution, appeal, application, petition, nomination, or amendment thereto for the purpose of thereafter being employed as a lobbyist to secure its granting, denial, confirmation, rejection, passage, or defeat.
- (e) Use of false identification. A person who lobbies or engages another person to lobby, or any other person acting on behalf of such person, shall not cause any communication to be sent to a Board Member in the name of any fictitious person or in the name of any real person, except with the consent of such real person.
- (f) Prohibited representations. A person who lobbies or engages another person to lobby, or any other person acting on behalf of such person, shall not represent, either directly or indirectly, orally or in writing, that that person can control or obtain the vote or action of any Board Member.
- (g) Legislator's exclusion. At any time within sixty (60) days of a date when the Texas Legislature is to be in session, or at any time the Texas Legislature is in session, or when the Texas Legislature sits as a Constitutional Convention, members of the Texas Legislature and their agents and employees are prohibited from lobbying as that term is defined herein.

At any other time, the District strongly discourages members of the Texas Legislature and their spouses, agents, and employees from lobbying before the District.

If a legislator, his or her spouse, agent, or employee does engage in lobbying activity during a time outside a regular session and outside the sixty (60) days before and after a regular session, and the Governor calls a special session for which the legislator had no notice at the time of the lobbying activity, this section is not violated.

- (h) Lobbying by Board Members. Board Members are not prohibited from meeting with members of the Texas Legislature on behalf of the District concerning legislation, administrative action, or any other action in their official District capacity. For the purposes of this subsection, lobbying means any oral or written communication (including an electronic communication) to a member of the legislative branch, made directly or indirectly, by a District Board Member in an effort to influence or persuade a member of the legislative branch to favor or oppose, recommend or not recommend, vote for or against, or take or refrain from taking action on any legislation or administrative action on behalf of the Board Member's private client(s) or employer.

At any other time, the District strongly discourages members of the School Board and their spouses, agents, and employees from lobbying before the Texas Legislature. This does not apply to lobbying on behalf of the District concerning legislation, administrative action, or any other action in their official District capacity.

If a Board Member, his or her spouse, agent, or employee does engage in lobbying activity during a time outside a regular legislative session and outside the sixty (60) days before and after a regular session, and the Governor calls a special session of which the Board Member had no notice at the time of the lobbying activity, this section is not violated.

- (i) Limitations on gifts. A person who lobbies or engages another person to lobby, or any other person

acting on behalf of such persons, shall not give gifts to a Board Member or a District employee or his or her immediate family, save and except for:

- (1) Items received that are of nominal value;
  - (2) Meals in an individual expense of twenty-five dollars (\$25.00) or less at any occurrence, and no more than a cumulative value of one hundred fifty dollars (\$150.00) in a single calendar year, from a single source; or
  - (3) Other gifts permitted in this Code of Ethics.
- (j) Prohibited lobbying. A person who lobbies or engages another person to lobby, or any other person acting on behalf of such person, is prohibited from lobbying activities with Board Members and employees regarding such contract after a request for proposal (RFP), a request for qualifications (RFQ), or other solicitation has been released. This no-contact provision shall conclude when the contract is posted as a School Board agenda item. If contact is required with Board Members and employees, such contact will be done in accordance with procedures incorporated into the solicitation document. Violation of this provision by respondents or their agent(s) may lead to disqualification of their offer from consideration by the School Board.

#### **4.7 – Identification of clients**

- (a) Appearances. Each person who lobbies or engages another person to lobby appearing before the School Board, a committee of the School Board, or administrator or administrative committee charged with review of a pending Board matter shall orally identify himself or herself and the client(s) he or she represents upon beginning a presentation. Each person who lobbies or engages another person to lobby shall also disclose on appropriate sign-in sheets his or her identity, the identity of the client he or she represents, and whether he or she is registered as a lobbyist as required by Section 4.2 (Persons required to register as lobbyists).
- (b) Oral lobbying contacts. Any person who makes an oral lobbying contact with an official of the District shall identify the client or clients on whose behalf the lobbying contact is made and identify himself or herself as a registered lobbyist.
- (c) Written lobbying contacts. Any registrant who makes a written lobbying contact (including an electronic communication) with a Board Member shall identify the client(s) on whose behalf the lobbying contact is made and identify himself or herself as a registered lobbyist.

#### **4.8– Timeliness of filing registrations and reports**

A registration or report filed by first-class United States mail or by common or contract carrier is timely if:

- (a) It is properly addressed with postage and handling charges prepaid; and
- (b) It bears a post office cancellation mark or a receipt mark from a common or contract carrier indicating a time within the applicable filing period or before the applicable filing deadline, or if the person required to file furnishes satisfactory proof that it was deposited in the mail or with a common or contract carrier within that period or before that deadline.

#### **4.9 – Administration**

The Records Administrator shall:

- (a) Provide guidance and assistance on the registration and reporting requirements for lobbyists and develop common standards, rules, and procedures for compliance with Section 4 (Lobbyists);
- (b) Review for completeness and timeliness registrations and reports;

- (c) Maintain filing, coding, and cross-indexing systems to carry out the purposes of Section 4 (Lobbyists), including:
  - (1) A publicly-available list of all registered lobbyists, lobbying firms, and their clients; and
  - (2) Computerized systems designed to minimize the burden of filing and maximize public access to materials filed under Section 4 (Lobbyists);
- (d) Make available for public inspection and copying at reasonable times the registrations and reports filed under Section 4 (Lobbyists); and
- (e) Retain registrations and reports in accordance with the Local Government Records Act.

#### **4.10 – Constitutional rights**

Nothing in Section 4 (Lobbyists) shall be construed to prohibit or interfere with any person's rights guaranteed by the United States and Texas Constitutions.

## **SECTION 5. MEMBERS OF THE PUBLIC AND OTHERS**

### **5.1 – Forms of responsibility**

No person shall intentionally or knowingly induce, attempt to induce, conspire with, aid or assist, or attempt to aid or assist another person to engage in conduct violative of the obligations imposed by Sections 1 (Present Board Members and employees), 2 (Former Board Members and employees), 3 (Persons doing business with the District), and 4 (Lobbyists) of this Ethics Code.

## **SECTION 6. STATUTORY FILING REQUIREMENTS FOR BOARD MEMBERS**

### **6.1 – Substantial Interest Affidavit concerning business entity or real property.**

- (a) Board Members shall be required to timely disclose whether they or a family member have a substantial interest in a business entity or in real property as defined in Local Government Code Section 171.002(a)(b). If so, the Trustee shall be required to file a Substantial Interest Affidavit with the administrator overseeing the Office of Board Services stating the nature and extent of the interest. [See BBFA (LEGAL)]
- (b) A Trustee shall be considered to have a substantial interest under this section if a person related to the Trustee in the first degree by consanguinity or affinity has a substantial interest as defined in BBFA (LEGAL).
- (c) The affidavit must be filed before a vote or decision on any matter involving the business entity or the real property is made. [See Substantial Interest Affidavit, BBFA (EXHIBIT)—Exhibit B]
- (d) Penalties for failure to file. A Trustee commits a Class A misdemeanor if the Trustee:
  - (1) Knowingly fails to timely file the Substantial Interest Affidavit;
  - (2) Acts as a surety for a business entity that has work, business, or a contract with the District; or
  - (3) Acts as a surety on any official bond required of a Trustee of the District.

- (e) Recusal. In addition to disclosing a substantial interest in a business entity or in real property or disclosing a conflict of interest, the Board Member shall also refrain from participating in any discussion regarding any contract or proposed contract with any entity in which the Board Member has a substantial interest or conflict of interest by leaving the room during any such discussion.
- (f) Abstention. In addition to disclosure and recusal from any discussion of a contract in which a Trustee has a substantial interest or a conflict, the Board Member shall also abstain from any vote or decision on any matter involving the business entity, property, or conflict.
- (g) Website posting. Board Members' Substantial Interest Affidavits shall be posted on the District's website under Board of Trustees, along with each Trustee's biography.

## 6.2 – Affidavit Disclosing Interest in Property

- (a) A Trustee who has a legal or equitable interest in property that is to be acquired by the District shall file an affidavit within ten days before the date on which the property is to be acquired by purchase or condemnation. The affidavit must be filed with:
  - (1) The county clerk of the county in which the Trustee resides; and
  - (2) The county clerk of each county in which the property is located.
- (b) A courtesy copy should be filed with the administrator overseeing the Office of Board Services. [See BBFA (EXHIBIT)—Exhibit C, Disclosure of Interest in Property under Gov't Code Ch. 553, Subch. A]
- (c) Penalties for failure to file. A Trustee commits a Class A misdemeanor if the Trustee has actual notice of the acquisition or intended acquisition of the legal or equitable interest in the property and the Trustee fails to disclose his or her legal or equitable interest in the property.
- (d) Recusal. In addition to disclosing a substantial interest in a business entity or in real property or disclosing a conflict of interest, the Board Member shall also refrain from participating in any discussion regarding any contract or proposed contract with any entity in which the Board Member has a substantial interest or conflict of interest by leaving the room during any such discussion.
- (e) Abstention. In addition to disclosure and recusal from any discussion of a contract in which a Board Member has a substantial interest or a conflict, the Board Member shall also abstain from any vote or decision on any matter involving the business entity, property, or conflict.
- (f) Website posting. Board Members' Affidavits Disclosing Interest in Property shall be posted on the District's website under Board of Trustees, along with each Trustee's biography.

## 6.3 – Conflicts Disclosure Statement

- (a) Board Members shall file with the Records Administrator a Conflicts Disclosure Statement in the form of the "Local Government Officer Conflicts Disclosure Statement Form CIS" (Form CIS) adopted by the Texas Ethics Commission, after having knowledge of the following:
  - (1) The Board Member or a Board Member's family member receiving income over \$2,500 from a vendor as outlined in Texas Local Government Code Section 176.003; or
  - (2) The Board Member or a Board Member's family member receiving a gift from a vendor for over \$100 as outlined in Texas Local Government Code Section 176.003; or
  - (3) A Board Member having a family relationship with a vendor with whom the District enters into a contract or is considering entering into a contract. [See BBFA (LEGAL)]
- (b) A Board Member shall file Form CIS with the Records Administrator not later than 5 p.m. on the

seventh business day after the date on which the Trustee becomes aware of the facts that require the filing of the statement. [See Tex. Loc. Gov't Code 176.003(a-2)(b)]

- (c) Penalties for Board Member's failure to file. A Board Member who knowingly fails to file Form CIS with the Records Administrator not later than 5 p.m. on the seventh business day after the date on which the Board Member becomes aware of the facts that require the filing of the statement commits the following offenses:
  - (1) Class C misdemeanor if the contract amount is less than \$1 million or if there is no contract amount for the contract;
  - (2) Class B misdemeanor if the contract amount is at least \$1 million but less than \$5 million; or
  - (3) Class A misdemeanor if the contract amount is at least \$5 million.
- (d) Website posting. Board Members' Texas Ethics Commission Form CIS disclosures shall be posted on the District's website under Board of Trustees, along with each Trustee's biography.

#### **6.4 – Campaign finance reports**

- (a) Campaign finance reports (Form C/OH) are filed by Board Members pursuant to campaign finance law Title 15 of the Texas Election Code, which regulates the acceptance of, expenditure of, and reports regarding money in political campaigns by candidates, officeholders, and political committees. Reports are due January 15 and July 15 of each year. [For additional information, see BBBA (LEGAL)]

#### **6.5 – Annual financial management report**

- (a) Each Board member shall provide to the District in a timely manner information necessary for the District's annual financial management report. [See CFA]

#### **6.6 – E-Rate vendors' campaign contributions**

- (a) Board Members shall disclose all campaign contributions accepted from E-Rate vendors/service providers or individuals or entities seeking to provide goods or services pursuant to the E-Rate program, including related officers and/or key employees. Any questions regarding campaign receipts and business relationships should be communicated to the E-Rate compliance office via the E-Rate hotline at (800) 530-1608. [See CAA (LOCAL)]

## **SECTION 7. FINANCIAL AND PROCUREMENT PROVISIONS**

#### **7.1 – Financial ethics**

All Board members, employees, vendors, contractors, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources.

#### **7.2 – Fraud and financial impropriety**

The District prohibits fraud and financial impropriety, as defined below, in the actions of its Board Members, employees, vendors, contractors, consultants, volunteers, and others seeking or maintaining a business relationship with the District.

### **7.3 – Fraud defined**

Fraud and financial impropriety shall include, but not be limited to:

- (a) Forgery or unauthorized alteration of any document or account belonging to the District;
- (b) Forgery or unauthorized alteration of a check, bank draft, or any other financial document;
- (c) Misappropriation of funds, securities, supplies, or other District assets, including employee time;
- (d) Impropriety in the handling of money or reporting of District financial transactions;
- (e) Profiteering as a result of insider knowledge of District information or activities;
- (f) Unauthorized disclosure of confidential or proprietary information to outside parties;
- (g) Unauthorized disclosure of investment activities engaged in or contemplated by the District;
- (h) Accepting or seeking anything of material value from contractors, vendors, or other persons providing services or material to the District, except as otherwise permitted by law or District policy;
- (i) Inappropriately destroying, removing, or using records, furniture, fixtures, or equipment;
- (j) Failure to provide financial records required by state or local entities;
- (k) Failure to disclose conflicts of interest as required by law or District policy; and
- (l) Any other dishonest act regarding the finances of the District.

### **7.4 – Financial controls and oversight**

Each employee who supervises or prepares District financial reports or transactions shall set an example of honest and ethical behavior and shall actively monitor his or her area of responsibility for fraud and financial impropriety.

### **7.5 – Fraud prevention**

The Superintendent, or his or her designee, shall maintain a system of internal controls to deter and monitor for fraud or financial impropriety in the District.

### **7.6 – Reporting suspected fraud**

Any person who suspects fraud or financial impropriety in the District shall report the suspicions immediately to any supervisor, the Superintendent or his or her designee, the Board President, or local law enforcement.

Reports of suspected fraud or financial impropriety shall be treated as confidential to the extent permitted by law. Limited disclosure may be necessary to complete a full investigation or to comply with law. All employees involved in an investigation shall be advised to keep information about the investigation confidential.

### **7.7 – Protection from retaliation**

Neither the School Board Members nor any District employee shall unlawfully retaliate against a person who in good faith reports perceived fraud or financial impropriety.

## 7.8 – Fraud investigations

In coordination with legal counsel and other internal or external departments or agencies, as appropriate, the Superintendent, the Board President, or a designee shall promptly investigate reports of potential fraud or financial impropriety.

## 7.9. – Response to fraud

If an investigation substantiates a report of fraud or financial impropriety, the Superintendent or his or her designee shall promptly inform the Board of the report, the investigation, and any responsive action taken or recommended by the administration.

If an employee is found to have committed fraud or financial impropriety, the Superintendent or his or her designee shall take or recommend appropriate disciplinary action, which may include termination of employment. If a contractor or vendor is found to have committed fraud or financial impropriety, the District shall take appropriate action, which may include cancellation of the District's relationship with the contractor or vendor.

When circumstances warrant, the School Board, Superintendent, or designee may refer matters to appropriate law enforcement or regulatory authorities. In cases involving monetary loss to the District, the District may seek to recover lost or misappropriated funds.

The final disposition of the matter and any decisions to file a criminal complaint or to refer the matter to the appropriate law enforcement or regulatory agency for independent investigation shall be made in consultation with legal counsel.

## 7.10 – Analysis of fraud

After any investigation substantiates a report of fraud or financial impropriety, the Superintendent or his or her designee shall analyze conditions or factors that may have contributed to the fraudulent or improper activity. The Superintendent or designee shall ensure that appropriate administrative procedures are developed and implemented to prevent future misconduct. These measures shall be presented to the School Board for review.

# SECTION 8. ADMINISTRATIVE PROVISIONS

## 8.1 – Other obligations

This Ethics Code is cumulative of and supplemental to applicable state and federal laws and regulations. Compliance with the provisions of this Code shall not excuse or relieve any person from any obligation imposed by state or federal law regarding ethics, financial reporting, lobbying activities, or any other issue addressed herein.

Even if a Board Member or employee is not prohibited from taking official action by this Ethics Code, action may be prohibited by duly-promulgated personnel rules, which may be more stringent.

## 8.2 – Distribution and training

- (a) Within thirty (30) days after entering upon the duties of his or her position, every new Board Member or employee shall be furnished with information about this Code of Ethics. The failure of any person to receive a copy of this Code shall have no effect on that person's duty to comply with this Code or on the enforcement of its provisions.
- (b) The Records Administrator, in consultation with the Board of Trustees, the Superintendent, and the Human Capital Management, shall develop and implement a comprehensive training program

for the Board Members and employees of the District on the provisions of this Code of Ethics and V.T.C.A., Local Government Code Ch. 171. Such materials and programs shall be designed to maximize understanding of the obligations imposed by these ethics laws, as well as to prepare Board Members and employees to ensure the good judgment necessary to accomplish the statement of purpose.

- (c) The Superintendent and Department of the Human Capital Management shall enact an administrative directive requiring that all departments provide their employees with annual training. Training shall be provided to all District departments by video or live presentation and will include educational materials. Additional presentations shall be offered to any department where necessary to accommodate large numbers of employees.
- (d) Any significant amendments to the Ethics Code shall be distributed to District employees within twenty (20) business days of adoption.
- (e) Information shall be provided to employees terminating District service regarding the restrictions on former District employees in Section 2 of this Code.

### **8.3 – Severability**

If any provision of this Code is found by a court of competent jurisdiction to be invalid or unconstitutional, or if the application of this Code to any person or circumstances is found to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions or applications of this Code which can be given effect without the invalid or unconstitutional provision or application.

### **8.4 – Records Administrator**

- (a) The Board of Trustees shall appoint a Records Administrator who shall be responsible, among other things, for receiving and maintaining all statutorily-required filings listed in Section 6 above.
- (b) The Records Administrator shall:
  - (1) Maintain a list of Trustees, the Superintendent and the Superintendent's Cabinet, and all staff members having discretion over the selection and employment of vendors and potential vendors and make that list available to the public and any vendor who may be required to file a conflict of interest questionnaire under Local Government Code 176.006;
  - (2) Maintain the statements and questionnaires that are required to be filed under Chapter 176 of the Local Government Code in accordance with the District's records retention schedule [see CPC]; and
  - (3) Conduct a compliance review of political contributions and financial disclosure documents filed under the provisions of this Ethics Code, including identifying conflicts of interest, in connection with the District's solicitations for all high-profile discretionary contracts, and shall conduct a random sampling for all other contracts. The Records Administrator shall report all findings to the Board President, the chairperson of the Board's Finance Committee, and the Superintendent.

## APPENDIX 1: EXHIBITS

See the following pages for forms that may be used for compliance with disclosure requirements:

- Exhibit A:** Affidavit of Board Member Affirming Ethics Code—1 page
- Exhibit B:** Affidavit of Board Member Board Operating Procedures—1 page
- Exhibit C:** Affidavit Disclosing Substantial Interest in a Business Entity or Real Property, as defined in Local Government Code 171.002—2 pages
- Exhibit D:** Affidavit Disclosing Interest in Property under Government Code Chapter 553, Subchapter A—1 page
- Exhibit E:** Local Government Officer Conflicts Disclosure Statement – Form CIS—2 pages

**EXHIBIT A**

**AFFIDAVIT OF BOARD MEMBER  
AFFIRMING ETHICS CODE**

**STATE OF TEXAS  
COUNTY OF BEXAR**

I, \_\_\_\_\_ (*name of Board Member*), as an elected  
School Board Trustee of San Antonio Independent School District, make this affidavit and on my  
oath state the following:

1. I received a copy of the Ethics Code on \_\_\_\_\_ (*date*);
2. I read and reviewed the contents of the Ethics Code after receiving it;
3. I hereby affirm that I agree to strictly abide by the terms of the Ethics Code, and I  
agree to be subject to all penalties and enforcement mechanisms outlined therein.

Signed \_\_\_\_\_ (*date*)

Signature of Board Member: \_\_\_\_\_

District Represented: \_\_\_\_\_

**STATE OF TEXAS  
COUNTY OF BEXAR**

Sworn to and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_ (month),  
\_\_\_\_\_ (year).

\_\_\_\_\_, Notary Public, State of Texas

**EXHIBIT B**

**AFFIDAVIT OF BOARD MEMBER AFFIRMING  
BOARD OPERATING PROCEDURES**

**STATE OF TEXAS  
COUNTY OF BEXAR**

I, \_\_\_\_\_ (*name of Board Member*), as an elected  
School Board Trustee of San Antonio Independent School District, make this affidavit and on my  
oath state the following:

1. I received a copy of the Board Operating Procedures on \_\_\_\_\_ (*date*);
2. I read and reviewed the contents of the Board Operating Procedures after receiving  
it;
3. I hereby affirm that I agree to strictly abide by the terms of the Board Operating  
Procedures, and I agree to be subject to all penalties and enforcement  
mechanisms outlined therein.

Signed \_\_\_\_\_ (*date*)

Signature of Board Member: \_\_\_\_\_

District Represented: \_\_\_\_\_

**STATE OF TEXAS  
COUNTY OF BEXAR**

Sworn to and subscribed before me on this \_\_\_\_ day of \_\_\_\_\_ (*month*),  
\_\_\_\_\_ (*year*).

\_\_\_\_\_, Notary Public, State of Texas

**EXHIBIT C**

**AFFIDAVIT DISCLOSING SUBSTANTIAL INTEREST IN  
A BUSINESS ENTITY OR REAL PROPERTY**

**STATE OF TEXAS  
COUNTY OF BEXAR**

I, \_\_\_\_\_ (name), as a local public official of San Antonio Independent School District, make this affidavit and on my oath state the following:

1. I, or a person(s) related to me in the first degree, have a substantial interest in:
- ☐ A business entity, as those terms are defined in Local Government Code Sections 171.001–.002, that would experience a special economic effect distinguishable from its effect on the public by a vote or decision of the Board.

or

- ☐ Real property for which it is reasonably foreseeable that the Board's action or my action will have a special economic effect on the value of the property distinguishable from its effect on the public.

2. The business entity or real property is

\_\_\_\_\_  
(name/address of business or description of property)

\_\_\_\_\_ ("I" or name of relative and relationship) (have)(has) a  
substantial interest in this business entity or real property as follows:  
(check all that apply)

- ☐ Ownership of ten percent or more of the voting stock or shares of the business entity.
- ☐ Ownership of ten percent or more of the fair market value of the business entity.
- ☐ Ownership of \$15,000 or more of the fair market value of the business entity.
- ☐ Funds received from the business entity exceed ten percent of (my, her, his) gross income for the previous year.
- ☐ Real property is involved and \_\_\_\_\_ (I, she, he) (have)(has) an equitable or legal ownership with a fair market value of \$2,500 or more.
3. The statements in this affidavit are based on my personal knowledge and are true and correct.
4. Upon the filing of this affidavit with the Board's official record keeper, I affirm that I shall abstain from participation in any decision involving this business entity or real property, unless permitted according to Local Government Code 171.004(c).

Signed \_\_\_\_\_ (date)

Signature of official: \_\_\_\_\_

Title: \_\_\_\_\_

**STATE OF TEXAS  
COUNTY OF BEXAR**

Sworn to and subscribed before me on this \_\_\_\_ day of \_\_\_\_\_ (month),  
\_\_\_\_ (year).

\_\_\_\_\_, Notary Public, State of Texas

**EXHIBIT D**

**AFFIDAVIT DISCLOSING INTEREST IN PROPERTY**

**STATE OF TEXAS  
COUNTY OF BEXAR**

I, \_\_\_\_\_ (name of affiant), (check one of the following)

- ☐ As an officer of or
- ☐ As a Board candidate for

San Antonio Independent School District, make this affidavit and on my oath state the following:

1. I have a legal or equitable interest in property to be acquired with public funds, either by purchase or condemnation. The property is fully described as follows:  
\_\_\_\_\_.
2. The nature, type, and amount of interest, including percentage of ownership, I have in the property is:  
\_\_\_\_\_.
3. I acquired my interest in the property on \_\_\_\_\_ (date).
4. The information stated in this affidavit is personally known by me to be correct and contains the information required by Section 553.002, Government Code.

Signature of affiant: \_\_\_\_\_ Date: \_\_\_\_\_

Office or public title: \_\_\_\_\_

**STATE OF TEXAS  
COUNTY OF BEXAR**

Sworn to and subscribed before me on this \_\_\_\_ day of \_\_\_\_\_ (month),  
\_\_\_\_\_ (year).

\_\_\_\_\_, Notary Public, State of Texas

**NOTE:** This affidavit must be filed with the county clerk(s) of the county or counties in which the property is located and of the county in which the public servant or candidate resides within ten days before the date on which the property is to be acquired by purchase or condemnation



## LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a misdemeanor.

Refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

### INSTRUCTIONS FOR COMPLETING THIS FORM

*The following numbers correspond to the numbered boxes on the other side.*

- 1. Name of Local Government Officer.** Enter the name of the local government officer filing this statement.
- 2. Office Held.** Enter the name of the office held by the local government officer filing this statement.
- 3. Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code.** Enter the name of the vendor described by Section 176.001(7), Local Government Code, if the vendor: a) has an employment or other business relationship with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code; b) has given to the local government officer or a family member of the officer one or more gifts as described by Section 176.003(a)(2)(B), Local Government Code; or c) has a family relationship with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 4. Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.** Describe the nature and extent of the employment or other business relationship the vendor has with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code, and each family relationship the vendor has with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 5. List gifts accepted, if the aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100.** List gifts accepted during the 12-month period (described by Section 176.003(a)(2)(B), Local Government Code) by the local government officer or family member of the officer from the vendor named in item 3 that in the aggregate exceed \$100 in value.
- 6. Signature.** Signature of local government officer. Complete this section after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you will sign above the first line that says "Signature of Local Government Officer" (an electronic signature is not acceptable) and your signature will be notarized, or (2) sign above both lines that say "Signature of Local Government Officer (Declarant)" (an electronic signature is not acceptable), and fill out the unsworn declaration section.

---

**Local Government Code § 176.001(2-a):** "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

**Local Government Code § 176.003(a)(2)(A):**

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.



514 W. QUINCY ST  
SAN ANTONIO, TEXAS 78212  
(210) 554-8480