Procurement Ethics

School district officials and employees cannot accept anything of value from a vendor, such as personal gifts or gratuities, which may be construed to have been given to influence the purchasing process. Although such practices may be legitimate and generally accepted in the private sector, giving and receiving gifts in the public sector may constitute a violation of law. Note: "Gift to a Public Servant" is a Class A misdemeanor offense if the recipient is a government employee who exercises some influence in the purchasing process of the governmental body.

Another legal consideration is the disclosure of conflict of interest by board members. If a board member or member of their immediate family has a financial interest in a business entity(s), they are required to disclose this relationship through the execution of an affidavit. Board members should abstain from voting on award of contracts to businesses in which they or their immediate family members have a financial interest.

<u>Local Government Code Chapter 176</u> provides information regarding conflict of interest statements to be filed by vendors and certain school district employees. HB 1491_passed by the 80th Legislature made modifications to the requirements for conflict of interest statements. Refer to Board policy BBFA(LEGAL)/(LOCAL), BBFB(LEGAL), DBD(LEGAL)/(LOCAL), CH(LEGAL)/(LOCAL), CHE(LEGAL)/(LOCAL) and the <u>Texas Ethics Commission website</u> for additional information and sample forms.

Employees should also be aware of the disclosure requirements regarding federal conflict of interest regulations which prohibit an employee (and members of the employee's immediate family) who is involved in administering, directing or authorizing federally funded transactions from having a financial interest in a vendor associated with federally funded transactions.