

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 43. PERMANENT SCHOOL FUND AND AVAILABLE SCHOOL FUND
SUBCHAPTER A. GENERAL PROVISIONS

TEC, §43.0031. PERMANENT SCHOOL FUND ETHICS POLICY.

- (a) In addition to any other requirements provided by law, the State Board of Education shall adopt and enforce an ethics policy that provides standards of conduct relating to the management and investment of the permanent school fund. The ethics policy must include provisions that address the following issues as they apply to the management and investment of the permanent school fund and to persons responsible for managing and investing the fund:
- (1) general ethical standards;
 - (2) conflicts of interest;
 - (3) prohibited transactions and interests;
 - (4) the acceptance of gifts and entertainment;
 - (5) compliance with applicable professional standards;
 - (6) ethics training; and
 - (7) compliance with and enforcement of the ethics policy.
- (b) The ethics policy must include provisions applicable to:
- (1) members of the State Board of Education;
 - (2) the commissioner;
 - (3) employees of the agency; and
 - (4) any person who provides services to the board relating to the management or investment of the permanent school fund.
- (c) Not later than the 45th day before the date on which the board intends to adopt a proposed ethics policy or an amendment to or revision of an adopted ethics policy, the board shall submit a copy of the proposed policy, amendment, or revision to the Texas Ethics Commission and the state auditor for review and comments. The board shall consider any comments from the commission or state auditor before adopting the proposed policy.
- (d) The provisions of the ethics policy that apply to a person who provides services to the board relating to the management or investment of the permanent school fund must be based on the Code of Ethics and the Standards of Professional Conduct prescribed by the Association for Investment Management and Research or other ethics standards adopted by another appropriate professionally recognized entity.
- (e) The board shall ensure that applicable provisions of the ethics policy are included in any contract under which a person provides services to the board relating to the management and investment of the permanent school fund.