



# TCSA Model Board Policy Series

Module 100: *Financial Operations 2015*  
*Charter Board Policy for*  
*University of Texas Elementary School*

## INTRODUCTION

The Model Board Policies for Charter Schools is a series of publications by the Texas Charter Schools Association (TCSA). These publications are an educational tool for charter school leaders to aid in the operation and management of open-enrollment charter schools in Texas.

### Overall Policy Framework

Each module in the Board Policy Series provides a summary of federal and state statutes, regulations, and related materials applicable to open enrollment charter schools. Citations to these materials are provided throughout the module and many contain a hyperlink so the actual statutory or regulatory provision can be accessed on the Internet. The summary is designated by the LEGAL AUTHORITY tab on the right edge of each page.

After the LEGAL AUTHORITY portion of the module you will find the model policy section designed to comply with current statutory and regulatory requirements described in the LEGAL AUTHORITY summaries. These policies are designated by the red CHARTER BOARD POLICY tab on the right edge of each page.

These are suggested policies to address the requirements set forth in this Module. Prior to adoption of the model policies by the Board of a charter school, each policy should be customized by including the school's name and by tailoring the language, if appropriate, to fit the specific needs, culture and requirements of the school. TCSA recommends that the Board of a charter school consult with and obtain the advice of the school's legal counsel in connection with adopting policies to comply with laws governing charter schools.

TCSA plans to update the Model Board Policies for Charter Schools after each Texas Legislative Session to reflect changes in applicable laws and regulations. We encourage you to renew your subscription to the policy series after each update to ensure that your school has the most recent laws and regulations.

### Scope of Service & Copyright Notice

This policy module prepared by the TCSA is designed and intended as a resource of information for charter schools and is not to be construed as legal advice. It should be used in connection with consulting and obtaining the advice of the school's legal counsel to ensure compliance with applicable legal requirements.

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## Module 100: *Financial Operations 20150*

The Financial Operations, Module 100, is the first module of the Model Board Policies. The material included in this module provides a comprehensive summary of statutes and regulations that apply to the financial operations of charter schools, as well as specific model board policies designed to comply with these legal requirements. Other policy modules in the series include:

Module 200: Charter School Governance & Organization

Module 300: General School Operations

Module 400: Students

Module 500: Open Government

Module 600: Human Resources

## Legal Abbreviations Used In the TCSA Model Board Policy Series

<u>Atty. Gen. Op.</u>	<u>Attorney General Opinion</u>
<u>C.F.R.</u>	<u>Code of Federal Regulations</u>
<u>Tex. Admin. Code</u>	<u>Texas Administrative Code</u>
<u>Tex. Educ. Code</u>	<u>Texas Education Code</u>
<u>Texas Gov't Code</u>	<u>Texas Government Code</u>
<u>Tex. Labor Code</u>	<u>Texas Labor Code</u>
<u>Texas Local Gov't Code</u>	<u>Texas Local Government Code</u>
<u>U.S.C.A.</u>	<u>United States Code Annotated</u>

## 100.020. ANNUAL OPERATING BUDGET

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

### SECTION 1. Budget Process

SECTION 1.1. FASRG. The Superintendent will ensure that UTES follows a budgeting process that is consistent with the requirements in the Budgeting Module of the Texas Education Agency’s (“TEA”) Financial Accountability System Resource Guide.

SECTION 1.2. Business Manager. The Superintendent delegates responsibility for the preparation of the annual budget to the Business Manager.

SECTION 1.3. Campus Improvement Plan. Each year before the annual operating budget is drafted, the Superintendent shall ensure that a campus improvement plan, which is based on a needs assessment of UTES, is drafted and finalized. The needs assessment and campus improvement plan shall be completed by July 1. The campus improvement plan shall inform the drafting of the annual budget.

SECTION 1.4. Adoption. The Board shall formally adopt the budget, in a meeting open to the public, before the fiscal year of September 1<sup>st</sup> begins and before the expenditure of any funds.

SECTION 1.5. Minutes. The Secretary of the Superintendent will record the adoption of the budget and any amendments in the Board meeting minutes in which the adoption occurs.

SECTION 1.6. Post-Adoption. After the adoption of the budget, the Superintendent and the Board shall review actual fund disbursements compared to the adopted budget and make amendments as needed. This shall occur soon after actual student enrollment is determined.

### SECTION 2. Fiscal Compliance

The Superintendent shall ensure that UTES complies with all state and federal laws and rules concerning the budget and related processes of public K-12 schools in Texas, including but not limited to, laws and rules concerning online budget posting and financial solvency. In addition, the Superintendent shall ensure that UTES complies with the fiscal policies and procedures of The University of Texas at Austin.

<http://www.utexas.edu/business/accounting/hbp/>

SECTION 2.1. Reporting. The Finance Manager shall submit a Budget Report monthly to the Finance Committee. The report will highlight expenditures to date. A full Budget Report shall be submitted once monthly showing all expenditures for the previous month.

SECTION 2.2. Revenue. The Finance Manager shall also monitor the revenue side of

the budget. This is currently done by checking the TEA report against what UT deposits into our UT account from the TEA's direct deposit.

**SECTION 2.3. Finance Committee.** Our finance committee shall review monthly financial reports. These reports will be issued in a format that permits comparative analysis between the actual expenses and the budget as well as with prior month expense and revenues. Because enrollment is highly critical to funding, the Board shall review enrollment monthly and appropriate reserves should be maintained to offset losses due to attrition.

**SECTION 2.4. Investments.** Although there are not many funds to invest, the Board is aware that there are detailed investment procedures and prohibitions. UTES will comply with §§2256.009 through 2256.016 of the Texas Public Funds Investments Act.

### **SECTION 3. Development Plan**

UTES employs a development officer who report to both the Superintendent and the Associate VP for Development at UT Austin. The development officer's primary responsibility is to raise funds for programming and permanent school buildings.

**SECTION 3.1. Development Plan.** All funds raised will be in support of the mission and goals of UTES. The Development Plan will be reviewed by the Finance committee and submitted to the Board for approval. The Plan will include the Annual Fund, Grant Proposals, and the Capital Campaign. All fundraising and acceptance of gifts will be performed according to the guidelines of UT Austin and the UT System.

**SECTION 3.2. Parent Groups.** The Little Longhorn League, or parent group, will communicate to the Development Officer and the Superintendent the names, contact information and amounts of grants and gifts received each semester. The Little Longhorn League will send appropriate acknowledgment and thank you to each donor, which will also be used for tax purposes.

**SECTION 3.3. Gift Administration.** Gift Administration, a component of the Office of the Vice President for Development, is the official repository for all charitable support for the UT Austin. The main responsibility of this office is to process, records and receipt all donations to UT Austin in accordance with IRS regulations, University and UT System policies. Gifts come to Gift Administration from all colleges/schools/units (CSUs) and sometimes directly from donors. Cash, checks, and credit card transactions are processed immediately including deposit of funds with the Office of Accounting. Gift Administration also processes all employer matching gift forms, Texas Annual Fund gifts, non-monetary gifts such as artwork, equipment, books, software, intellectual property (i.e. patents) and works in conjunction with the UT System Office of Estates and Trusts to process gifts of stocks and securities.

**SECTION 3.4. Acknowledgement.** UTES will comply with policies and guidelines set forth by the Office of Internal Audits and the Office of the Vice President for Development regarding acknowledgement of gifts and pledges.

## 100.040. USE OF STATE FUNDS

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

### SECTION 1. Use of State Funds

The VP of UTES shall ensure that the school uses state funds only for lawful purposes. <http://policies.utexas.edu/policies/university-funds>

### SECTION 2. Comingling of Charter & Non-Charter Business Prohibited

The VP shall ensure that the business activities of UTES that are not directly related to the management and operation of UTES are kept in separate and distinct accounting, auditing, budgeting, reporting, and recordkeeping systems from those recording the business activities of UTES.

### SECTION 3. Interested Transactions

<http://www.utsystem.edu/bor/rules/30000Series/30104.pdf>;  
<http://www.utsystem.edu/bor/procedures/policy/policies/UTS180.pdf>

SECTION 3.1. Each member of the Board shall comply with all conflict of interest laws and rules applicable to affected board members.

SECTION 3.2. The Superintendent shall ensure that the employees of UTES shall comply with all conflict of interest laws and rules applicable to affected employees, including, but not limited to, the UT-Austin Individual Conflicts of Interest Policy. <http://policies.utexas.edu/policies/individual-conflicts-interest>

SECTION 3.3. The Superintendent shall ensure that the following shall be recorded in the accounting, auditing, budgeting, reporting, and recordkeeping systems for the management and operation of the school:

- i. Financial transactions between the school and the non-charter activities of the charter holder;
- ii. Financial transactions between the school and an officer or employee of the charter holder or the school;
- iii. Financial transactions between the school and a member of the governing body of the charter holder or the school; and
- iv. Financial transactions between the school and any other person or entity in a position of influence over the charter holder or the school.

## 100.060. STATE FISCAL COMPLIANCE

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

### SECTION 1. Fiscal Year

UTES shall operate on a fiscal year beginning September 1<sup>st</sup> and ending August 31<sup>st</sup>.

### SECTION 2. Financial Accounting

<http://www.utsystem.edu/bor/procedures/policy/policies/uts142.html>

SECTION 2.1. Compliance. The Superintendent shall ensure that UTES fully complies with: generally accepted accounting principles, Texas Education Agency’s (“TEA”) Financial Accountability System Resource Guide, TEA’s Student Attendance Accounting Handbook, Public Education Information Management System (PEIMS), and any other applicable federal or state standards for financial management systems.

SECTION 2.2. Financial Reporting. The Superintendent or designee shall make an accurate, current, and complete disclosure of financially assisted activities in accordance with financial reporting requirements of each grant or subgrant.

SECTION 2.3. Accounting Records. The Superintendent or designee shall maintain records that adequately identify the source and application of funds provided for activities assisted with state or federal funds.

SECTION 2.4. Internal Control. The Superintendent or designee shall maintain effective control and accountability of all federal grant and sub-grant cash, real and personal property, and other assets obtained with federal funds. The Superintendent or designee shall safeguard all such property and assure that it is used solely for authorized purposes.

### SECTION 3. Grant Management Standards

SECTION 3.1. Compliance. If UTES receives a grant directly from a state or federal agency the Superintendent shall ensure that UTES is in compliance with the grant requirements of that state or federal agency.

SECTION 3.2. Employee Time Sheet. If a UTES employee’s compensation is funded by any grant, the Superintendent shall ensure that the employee maintains a time sheet on which he or she records the time spent during the work day along with a description of the service he or she performed during that time.

SECTION 3.3. Signature. The Superintendent shall ensure that the time sheets will contain the signatures of the employee who completed the time sheet, a school official, and the UTES’s grant manager.



## **SECTION 4. Annual Audit by the Charter**

SECTION 4.1. Annual Audit. Annually, the Chair of the Board for UTES shall ensure the engagement of a certified public accountant (“CPA”) to have the financial and programmatic operations of UTES audited. UTES shall select and contract only with CPAs that are licensed by the Texas State Board of Public Accountancy and registered as a provider of public accounting services.

SECTION 4.2. Filing with TEA. The Superintendent shall ensure that UTES timely files a copy of the annual audit report with the TEA division responsible for school financial audits. The report shall include a certificate of the Board which will include the original signatures of both the presiding officer and the secretary of the Board. The certificate shall indicate if the Board approved or disapproved the contents of the report along with the date of the Board’s approval or disapproval. This approval or disapproval shall be supported in the Board’s meeting minutes. The Superintendent shall ensure that if the Board disapproved the audit, it shall still be filed with TEA along with a statement identifying the reason(s) for Board disapproval.

## **SECTION 5. Annual Financial Statement**

SECTION 5.1. Annual Financial Statement. The Superintendent of UTES shall prepare, or cause to be prepared, an annual financial statement for each fund subject to the authority of the Board during the fiscal year showing:

- i. the total receipts of the fund, itemized by source of revenue, including taxes, assessments, service charges, grants of state money, gifts or other general sources from which funds are derived;
- ii. the total disbursements of the fund itemized by the nature of the expenditure; and
- iii. the balance in the fund at the close of the fiscal year.

## **SECTION 6. Annual Financial Management Report**

SECTION 6.1. The Superintendent shall ensure that UTES complies with the reporting procedures TEA develops for charter holders to prepare and distribute the school’s annual financial management report.

## **SECTION 7. Audit by the Commissioner**

SECTION 7.1. UTES and its officers, employees and agents shall fully cooperate with an audit by the commissioner of education.

## **SECTION 8. Attendance Accounting**

SECTION 8.1. Compliance. The Superintendent shall ensure that UTES complies with the TEA Student Attendance Accounting Handbook and all other laws and rules concerning charter school student attending accounting, reporting and record keeping.

SECTION 8.2. Responsibility. The Superintendent, chief campus leaders and teachers of UTES will be responsible to the Board of UTES and to the state to maintain accurate,



current student attendance records;

SECTION 8.3. When Attendance Is Taken. Attendance at UTES will be recorded in the second period of the day.

## **SECTION 9. PEIMS Data Standard**

SECTION 9.1. PEIMS. The Superintendent shall ensure that UTES's fiscal accounting system is compatible with PEIMS data standards and conforms to Generally Accepted Accounting Principles.

SECTION 9.2. Account Code Structure. The Superintendent shall ensure that, with the exception of the codes that may be used at local option, UTES shall use the account code structure described in TEA's Special Supplement to the Financial Accountability System Resource Guide, Nonprofit Charter School of Accounts.

## 100.080. FEDERAL FISCAL COMPLIANCE

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

### SECTION 1. Fiscal Requirements under Title I, Part A of NCLB (“Title I”)

SECTION 1.1. Supplement not Supplant. The Superintendent shall ensure that Title I funds will be used to supplement, not supplant regular non-federal funds.

SECTION 1.2. Documentation. Documentation shall be maintained, or caused to be maintained, by the Superintendent. The documentation must clearly demonstrate the supplementary nature of federal funds.

SECTION 1.3. Campus Improvement Plan. The Superintendent shall ensure that Title I funds used by UTES shall be aligned to the campus improvement plan. There shall be no costs expended that are not directly related to the campus improvement plan.

- i. A comprehensive needs assessment shall be conducted that will inform the drafting of the campus improvement plan. The campus improvement plan shall be aligned to the needs assessment and only needs that can be met with current funding levels shall be addressed in the campus improvement plan.
- ii. New goals shall be added as new money is identified.
- iii. The Superintendent shall ensure that UTES shall conduct the needs assessment and campus improvement plan prior to any grant application.

### SECTION 2. Federal Grant Allowable Expenditures

SECTION 2.1. OMB Circulars. Prior to expending funds, the Superintendent shall ensure that UTES consults the appropriate OMB Circular to determine what costs are allowable. The Superintendent shall ensure that all grant funds are expended in accordance with the circular.

### SECTION 3. Time and Effort

SECTION 3.1. Employee Time Sheet. If a UTES employee’s compensation is funded by any grant, the Superintendent shall ensure that the employee maintains a time sheet on which he or she records the time spent during the work day along with a description of the service he or she performed during that time.

SECTION 3.2. Substitute System. Each school year, the Superintendent shall submit a management certification form by the deadlines required by the Texas Education Agency to qualify as a participant under the substitute system of semi-annual time and effort reporting for employees of UTES that meet the eligibility requirements to participate in the substitute system. The Superintendent shall also ensure that any eligible employee participating in the substitute system of federal time and effort reporting completes a schedule and certification form at least semi-annually. The semi-annual certifications for each employee shall be maintained as part of the records of the

charter school.

SECTION 3.3. Signature. The Superintendent shall ensure that the time sheets contain the signatures of the employee who completed the time sheet, a school official and the UTES's grant manager.

#### **SECTION 4. Charter Schools Program (CSP), NCLB Title V, Part B**

SECTION 4.1. Compliance. If UTES receives CSP grants, the Superintendent shall ensure that UTES shall comply and use the federal funds in accordance with all statutes, regulations and approved applications.

SECTION 4.2. Fiscal Control. The Superintendent shall directly administer or supervise the administration of any projects funded through CSP funds, and shall use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for, federal funds.

SECTION 4.3. Conflicts of Interest. UTES board members and employees shall avoid apparent and actual conflicts of interest. An individual is prohibited from participating in an administrative decision regarding a project funded through CSP funds if the decision is likely to benefit that person or an immediate family member and the person is a public official or has a family or business relationship with UTES. A person is prohibited from participating in a project to use his or her position for a purpose that is, or gives the appearance of being, motivated by a desire for a private or financial gain for that person or for others.

SECTION 4.4. Procurement. When using CSP funds to enter into a contract for equipment or services the Superintendent shall comply with the applicable federal procurement standards. No Board member, employee, officer, or agent of UTES may participate in the selection, award, or administration of any contract supported by federal funds if a real or apparent conflict of interest exists.

#### **SECTION 5. Use of Federal Grant Funds for Procurement**

SECTION 5.1. Compliance. When expending federal grant funds, the Superintendent or designee shall ensure compliance by UTES's employees, officers and agents with all applicable federal and state procurement standards and policies, including the policies and procedures of The University of Texas. Violations of applicable laws or policies may lead to disciplinary consequences including and up to termination of employment or removal from any officer position if applicable. The Superintendent shall implement procedures for procurement using federal funds that incorporate the standards set forth in 34 CFR §80.36(b).

[http://www.utexas.edu/business/accounting/hbp/07\\_purch/purch6.html](http://www.utexas.edu/business/accounting/hbp/07_purch/purch6.html)

#### **SECTION 6. Breakfast Program Child Nutrition Programs**

SECTION 6.1. National School Breakfast Program Participation.

If at least 10 percent of enrolled students in UTES are eligible for free or reduced-price breakfasts under the national school breakfast program, provided for by the Child Nutrition Act of 1966, UTES shall participate in the program and make the benefits of the

program available to all eligible students.

Unless the Board has obtained a waiver from the Commissioner for the applicable school year, if at least 80 percent or more of the students in UTES qualify for a free or reduced-price breakfast under the National School Breakfast Program, UTES shall provide a free breakfast to every student at the school.

The Superintendent shall ensure the school's compliance with all federal and state rules governing administration of the National School Breakfast Program.

#### SECTION 6.2. National School Lunch Program.

The Superintendent or designee shall ensure compliance with all federal and state rules governing the administration of the National School Lunch Program. Applicable law is TEC §33.901.

## 100.100 CASH MANAGEMENT & CREDIT CARD NUMBER PROCEDURES

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

### SECTION 1. School Funds

School funds are public funds. Consequently, all expenditures of school funds, including cash expenditures, shall be documented and accounted for by daily receipts.

The Superintendent of UTES shall ensure that UTES complies with the cash management and credit card procedures of The University of Texas at Austin.

[http://www.utexas.edu/business/accounting/hbp/06\\_cash/index.html](http://www.utexas.edu/business/accounting/hbp/06_cash/index.html)

### SECTION 2. Activity Funds

Parent/Volunteer Groups. The Superintendent or designee may develop procedures for parent and school volunteer groups to follow in the collection of funds. Such procedures should distinguish between what the school is collecting and what the parent group is collecting. The Superintendent or designee shall ensure that UTES complies with Tex. Educ. Code § 12.108 with regard to any fees collected by UTES from students or parents.

## 100.160. PAYROLL

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

SECTION 1.1. Accurate & Timely Payroll. The Superintendent shall ensure that school employees are paid accurately and timely in accordance with applicable laws and rules, including the policies and procedures of The University of Texas at Austin.

[http://www.utexas.edu/business/accounting/hbp/13\\_payroll/index.html](http://www.utexas.edu/business/accounting/hbp/13_payroll/index.html)

SECTION 1.2. Contractors. UTES utilizes both employees and independent contractors and will maintain separate systems of payment for each. Employees are paid through the payroll system and outside contractors are paid through an accounts payable system. A person must meet the definition of an independent contractor as set by the Internal Revenue Service to be considered as such.

## 100.180. PROPERTY

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

### SECTION 1. Public Property Held in Trust

SECTION 1.1. Public Property. An interest in real estate or personal property acquired, improved or maintained using state funds that were received by the UTES on or after, September 1, 2001, is public property for all purposes under state law.

SECTION 1.2. Public Property Held in Trust. Public property is held by the UTES in trust for the benefit of enrolled students.

### SECTION 2. Use of Public Property

SECTION 2.1. Allowable Use. The Superintendent shall ensure that public property shall only be used for a purpose for which a school district may use school district property, in accordance with the policies and procedures of The University of Texas at Austin, and only to implement a program that is described in the charter and is consistent with the Texas Education Code §12.102.

[http://www.utexas.edu/business/accounting/hbp/16\\_inv/inv1.html](http://www.utexas.edu/business/accounting/hbp/16_inv/inv1.html);

<http://policies.utexas.edu/policies/use-university-physical-facilities-equipment-or-other-resources-faculty-and-staff>

The Superintendent also shall ensure that UTES employees, agents and contractors do not use or apply public property for any purpose but a program described in UTES’s charter.

SECTION 2.2. Exception to Allowable Use. Employees of UTES may use local telephone service, cellular phones, electronic mail and Internet connections for incidental personal use under the following conditions:

<http://security.utexas.edu/policies/aup.html>

- i. Such incidental personal use must not result in any direct cost paid with state funds. If this does happen, the Superintendent shall ensure that the employee who caused the direct cost to be incurred by UTES shall reimburse UTES;
- ii. Such incidental personal use shall not impede the functions of UTES; The use of public property for private commercial purposes is strictly prohibited; and
- iii. Only incidental amounts of an employee’s time for personal matters, comparable to reasonable coffee breaks during the day, are authorized under this section.



SECTION 2.3. Violations of Section 2.

SECTION 2.3.1. Employee Violations. The Superintendent shall ensure that a violation of Section 2 of this policy by an employee of UTES shall have disciplinary consequences which may include termination of employment.

SECTION 2.3.2. Joint Use of Real Property. The Board President shall ensure that the Board takes a separate vote to approve any joint use of real property for charter and non-charter activities. In the meeting minutes of the vote approving the joint use, the Superintendent or designee shall ensure that the minutes set forth the methodology used to allocate shared costs and the percentage allocation basis between charter and non-charter activities.

## 100.200. PURCHASING & CONTRACTING

Pursuant to a delegation amendment to the UTES charter approved by the commissioner of education, the Management Board (“Board”) of UTES recommends the following policy, which shall be effective on the date that the policy is approved by the Vice President (“VP”) of The Division of Diversity and Community Engagement (DDCE), hereinafter referred to as the VP of UTES.

[http://www.utexas.edu/business/accounting/hbp/07\\_purch/index.html](http://www.utexas.edu/business/accounting/hbp/07_purch/index.html)

### SECTION 1. Professional Services

SECTION 1.1 Applicable Law. The Superintendent shall ensure that professional service providers are selected in accordance with the applicable law.

[http://www.utexas.edu/business/accounting/hbp/12\\_contractors/index.html](http://www.utexas.edu/business/accounting/hbp/12_contractors/index.html)

### SECTION 2. Cooperative Purchasing Programs

The Superintendent shall ensure full compliance with all applicable law and rules if UTES has amended its charter to enter into a cooperative purchasing program.

[http://www.utexas.edu/business/accounting/hbp/07\\_purch/index.html](http://www.utexas.edu/business/accounting/hbp/07_purch/index.html)

### SECTION 3. State Travel Management Program

Board members, officers, and employees, engaged in travel on official business of UTES, shall utilize the Texas Comptroller’s State Travel Management Program where it provides a better value for UTES.