

PURCHASING AND ACQUISITION

CH  
(LEGAL)

<b>Table of Contents</b>	<b>Board Authority.....</b>	<b>2</b>
	Delegation of Authority .....	2
	<b>Purchases Valued at or Above \$50,000 .....</b>	<b>2</b>
	Methods .....	2
	Site-Based Purchasing .....	6
	<b>Contract Selection Factors.....</b>	<b>6</b>
	Preferences .....	7
	<b>Notice Publication.....</b>	<b>9</b>
	<b>Electronic Bids or Proposals .....</b>	<b>9</b>
	<b>Right to Work .....</b>	<b>9</b>
	<b>Contract with Person Indebted to District.....</b>	<b>10</b>
	<b>Out-of-State Bidders .....</b>	<b>10</b>
	<b>Professional Services.....</b>	<b>10</b>
	Professional Services Procurement Act.....	11
	Contingent Fee Contract for Legal Services .....	11
	<b>Specific Purchases .....</b>	<b>12</b>
	Computers.....	12
	Automated Information System.....	12
	Automated External Defibrillators .....	13
	Insurance .....	13
	<b>Other Purchasing Methods .....</b>	<b>13</b>
	State Purchasing Program.....	13
	Multiple Award Contract Schedule .....	14
	Cooperative Purchasing Program.....	14
	<b>Commitment of Current Revenue .....</b>	<b>15</b>
	<b>Change Orders .....</b>	<b>16</b>
	<b>Criminal Offenses .....</b>	<b>16</b>
	Removal from Office.....	16
	<b>Injunction.....</b>	<b>16</b>

---

**Note:** For legal requirements applicable to purchases with federal funds, see CBB.

For required vendor disclosures and contract provisions, including prohibitions, see CHE.

For provisions pertaining to criminal history record information on contractors, see CJA.

For legal requirements related to energy savings performance contracts, see CL.

For information on procuring school buses, see CNB.

For legal requirements applicable to school nutrition procurement, including produce, with federal funds, see COA.

For information regarding construction of school facilities, see CV series.

---

**Board Authority**

The board may adopt rules and procedures for the acquisition of goods and services. *Education Code 44.031(d)*

Delegation of Authority

The board may, as appropriate, delegate its authority regarding an action authorized or required by Education Code Chapter 44, Subchapter B, to be taken by a district to a designated person, representative, or committee.

The board may not delegate the authority to act regarding an action authorized or required to be taken by the board by Education Code Chapter 44, Subchapter B.

*Disaster Delegation*

Notwithstanding any other provision of the Education Code, in the event of a catastrophe, emergency, or natural disaster affecting a district, the board may delegate to the superintendent or designated person the authority to contract for the replacement, construction, or repair of school equipment or facilities under Education Code Chapter 44, Subchapter B if emergency replacement, construction, or repair is necessary for the health and safety of district students and staff.

*Education Code 44.0312*

**Purchases Valued at or Above \$50,000**

Methods

Except as provided by Education Code Chapter 44, Subchapter B, all district contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period, shall be made by the method, of the following methods, that provides the best value for a district:

PURCHASING AND ACQUISITION

CH  
(LEGAL)

1. Competitive bidding for services other than construction services.
2. Competitive sealed proposals for services other than construction services.
3. A request for proposals for services other than construction services.
4. An interlocal contract.
5. A method provided by Government Code Chapter 2269 for construction services [see CV series];
6. The reverse auction procedure as defined by Government Code 2155.062(d).
7. The formation of a political subdivision corporation under Local Government Code 304.001 (purchase of electricity).

*Education Code 44.031(a)*

*Exceptions*

Emergency  
Damage or  
Destruction

If school equipment, a school facility, or a part of a school facility or personal property is destroyed or severely damaged or, as a result of an unforeseen catastrophe or emergency, undergoes major operational or structural failure, and the board determines that the delay posed by the methods provided for in Education Code 44.031 would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment, school facility, or the part of the school facility may be made by methods other than those required by Education Code 44.031. *Education Code 44.031(h)*

Sole Source

Without complying with Education Code 44.031(a) above, a district may purchase an item that is available from only one source, including:

1. An item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly.
2. A film, manuscript, or book.
3. A utility service, including electricity, gas, or water.
4. A captive replacement part or component for equipment.

The exceptions above do not apply to mainframe data-processing equipment and peripheral attachments with a single-item purchase price in excess of \$15,000.

*Education Code 44.031(j)–(k)*

*Competitive  
Bidding*

Except to the extent prohibited by other law and to the extent consistent with Education Code Chapter 44, Subchapter B, a district may use competitive bidding to select a vendor as authorized by Education Code 44.031(a)(1).

A district shall award a competitively bid contract at the bid amount to the bidder offering the best value for the district. In determining the best value for the district, the district is not restricted to considering price alone but may consider any other factors stated in the selection criteria. The selection criteria may include the factors listed in Education Code 44.031(b) [see Contract Selection Factors, below].

Except as provided below, Local Government Code Chapter 271, Subchapter B (Competitive Bidding on Certain Public Works Contracts) does not apply to a competitive bidding process under this policy.

Local Government Code Sections 271.026 (Opening of Bids), 271.027(a) (Award of Contract), and 271.0275 (Safety Record of Bidder Considered) apply to a competitive bidding process under Education Code Chapter 44, Subchapter B. [See CVA for these requirements.]

*Education Code 44.0351*

[For information on additional competitive procedures under the Public Property Finance Act, see CHH.]

*Competitive  
Sealed Proposals*

In selecting a vendor through competitive sealed proposals as authorized by Education Code 44.031(a)(2), a district shall follow the procedures prescribed below.

Request for  
Proposals

The district shall prepare a request for competitive sealed proposals that includes information that vendors may require to respond to the request. The district shall state in the request for proposals the selection criteria that will be used in selecting the successful offeror.

Opening  
Proposals

The district shall receive, publicly open, and read aloud the names of the offerors and, if any are required to be stated, all prices stated in each proposal. Not later than the 45th day after the date on which the proposals are opened, the district shall evaluate and rank each proposal submitted in relation to the published selection criteria.

Selection

The district shall select the offeror that offers the best value for the district based on the published selection criteria and on its ranking evaluation. The district shall first attempt to negotiate a contract with the selected offeror. The district may discuss with the selected

offeror options for a scope or time modification and any price change associated with the modification. If the district is unable to negotiate a satisfactory contract with the selected offeror, the district shall, formally and in writing, end negotiations with that offeror and proceed to the next offeror in the order of the selection ranking until a contract is reached or all proposals are rejected.

In determining the best value for the district, the district is not restricted to considering price alone but may consider any other factors stated in the selection criteria.

*Education Code 44.0352*

*Interlocal  
Contracts*

“Interlocal contract” means a contract or agreement made under Government Code Chapter 791 (Interlocal Cooperation Act). A district may contract or agree with another local government or a federally recognized Indian tribe, as listed by the U.S. secretary of the interior under 25 U.S.C. 479a-1, whose reservation is located within the boundaries of this state to perform governmental functions and services in accordance with Government Code Chapter 791. A district may agree with another local government and with the state or a state agency, including the comptroller, to purchase goods and services. *Gov’t Code 791.003(2), .011(a), .025(a)*

An interlocal contract must:

1. Be authorized by the governing body of each party to the contract;
2. State the purpose, terms, rights, and duties of the contracting parties; and
3. Specify that each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

An interlocal contractual payment must be in an amount that fairly compensates the performing party for the services or functions performed under the contract. An interlocal contract may be renewed. Notwithstanding item 2 above, an interlocal contract may have a specified term of years.

*Gov’t Code 791.011(d)–(f), (i)*

A district may agree with another local government, including a nonprofit corporation that is created and operated to provide one or more governmental functions and services, or with the state or a state agency, including the comptroller, to purchase goods and any services reasonably required for the installation, operation, or

maintenance of the goods. This provision does not apply to services provided by firefighters, police officers, or emergency medical personnel. *Gov't Code 791.025(b)*

A district that purchases goods and services under Government Code 791.025 satisfies the requirement to seek competitive bids for the purchase of the goods and services. *Gov't Code 791.025(c); Atty. Gen. Op. JC-37 (1999)*

*Reverse Auction*

A district that uses the reverse auction procedure must include in the procedure a notice provision and other provisions necessary to produce a method of purchasing that is advantageous to the district and fair to vendors. *Local Gov't Code 271.906(b)*

“Reverse auction procedure” means:

1. A real-time bidding process usually lasting less than one hour and taking place at a previously scheduled time and internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services; or
2. A bidding process usually lasting less than two weeks and taking place during a previously scheduled period and at a previously scheduled internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services.

*Gov't Code 2155.062(d)*

Site-Based  
Purchasing

If a purchase is made at the campus level in a district with a student enrollment of 180,000 or more that has formally adopted a site-based decision-making plan under Education Code Subchapter F, Chapter 11 [see BQ series], that delegates purchasing decisions to the campus level, Education Code 44.031 applies only to the campus and does not require the district to aggregate and jointly award purchasing contracts. A district that adopts site-based purchasing under this provision shall adopt a policy to ensure that campus purchases achieve the best value to the district and are not intended or used to avoid the requirement that a district aggregate purchases under Education Code 44.031(a). *Education Code 44.031(m)*

**Contract Selection  
Factors**

Except as provided by Education Code Chapter 44, Subchapter B, in determining to whom to award a contract, the district shall consider:

1. The purchase price.

2. The reputation of the vendor and of the vendor's goods or services.
3. The quality of the vendor's goods or services.
4. The extent to which the goods or services meet the district's needs.
5. The vendor's past relationship with the district.
6. The impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses.
7. The total long-term cost to the district to acquire the vendor's goods or services.
8. For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner has its principal place of business in this state or employs at least 500 persons in this state.
9. Any other relevant factor specifically listed in the request for bids or proposals.

*Education Code 44.031(b)*

In awarding a contract by competitive sealed bid under Education Code 44.031, a district that has its central administrative office located in a municipality with a population of less than 250,000 may consider a bidder's principal place of business in the manner provided by Local Government Code 271.9051. This provision does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153. *Education Code 44.031(b-1)*

The factors listed above are the only criteria that may be considered by a district in its decision to award a contract. *R.G.V. Vending v. Weslaco Indep. Sch. Dist.*, 995 S.W.2d 897 (Tex. App.—Corpus Christi 1999, no pet.)

Preferences  
*Agricultural  
Products*

A district that purchases agricultural products shall give preference to those produced, processed, or grown in Texas if the cost to the district is equal and the quality is equal. If agricultural products produced, processed, or grown in Texas are not equal in cost and quality to other products, the district shall give preference to agricultural products produced, processed, or grown in other states of the United States, if the cost and quality of the U.S. and foreign products are equal.

“Agricultural products” includes textiles and other similar products.

“Processed” means canning, freezing, drying, juicing, preserving, or any other act that changes the form of a good from its natural state to another form.

A district may not adopt product purchasing specifications that unnecessarily exclude agricultural products produced, processed, or grown in Texas.

Vegetation for  
Landscaping

A district that purchases vegetation for landscaping purposes, including plants, shall give preference to Texas vegetation if the cost to the district is equal and the quality is equal.

*Education Code 44.042*

[For legal requirements applicable to school nutrition procurement, including produce and agricultural products, with federal funds, see COA.]

*Recycled  
Products*

A district shall give preference in purchasing to products made of recycled materials if the products meet applicable specifications as to quantity and quality and the average price of the product is not more than ten percent greater than the price of comparable nonrecycled products. Preferences will be applied in accordance with state procurement statutes and rules. *30 TAC 328.203*

Subchapter K of 30 Administrative Code (Governmental Entity Recycling and Purchasing of Recycled Materials) does not apply to a district with a student enrollment of less than 10,000 students. *30 TAC 328.204(a)*

A district regularly shall review and revise its procurement procedures and specifications for the purchase of goods, supplies, equipment, and materials in order to:

1. Eliminate procedures and specifications that explicitly discriminate against products made of recycled materials;
2. Encourage the use of products made of recycled materials; and
3. Ensure to the maximum extent economically feasible that the district purchases products that may be recycled when they have served their intended use.

In developing new procedures and specifications, the district shall encourage the use of recycled products and products that may be recycled or reused.

*Health and Safety Code 361.426(b)–(c)*



*Bidder's Place of  
Business*

In awarding a contract by competitive sealed bid under Education Code 44.031, a district that has its central administrative office located in a municipality with a population of less than 250,000 may consider a bidder's principal place of business in the manner provided by Local Government Code Section 271.9051. This provision does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. 153. *Education Code 44.031(b-1)*

**Notice Publication**

Notice of the time by when and place where the bids or proposals, or the responses to a request for qualifications, will be received and opened shall be published in the county in which the district's central administrative office is located, once a week for at least two weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications. If there is not a newspaper in that county, the advertising shall be published in a newspaper in the county nearest the county seat of the county in which a district's central administrative office is located. In a two-step procurement process, the time and place where the second-step bids, proposals, or responses will be received are not required to be published separately. *Education Code 44.031(g)*

**Electronic Bids or  
Proposals**

A district may receive bids or proposals under Education Code Chapter 44 through electronic transmission if the board adopts rules to ensure the identification, security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time.

Notwithstanding any other provision of Education Code Chapter 44, an electronic bid or proposal is not required to be sealed. A provision of Education Code Chapter 44 that applies to a sealed bid or proposal applies to a bid or proposal received through electronic transmission in accordance with the rules adopted by the board.

*Education Code 44.0313*

**Right to Work**

While a district is engaged in procuring goods and services or awarding a contract, or overseeing procurement or construction for a public work or public improvement, a district:

1. May not consider whether a vendor is a member of or has another relationship with any organization; and
2. Shall ensure that its bid specifications and any subsequent contract or other agreement do not deny or diminish the right of a person to work because of the person's membership or other relationship status with respect to any organization.

*Education Code 44.043*

**Contract with Person  
Indebted to District**

The board by resolution may establish regulations permitting the district to refuse to enter into a contract or other transaction with a person indebted to the district. It is not a violation of Education Code Chapter 44, Subchapter B (Purchases; Contracts) for a district, under regulations adopted under this provision, to refuse to award a contract to or enter into a transaction with an apparent low bidder or successful proposer that is indebted to the district.

“Person” includes an individual, sole proprietorship, corporation, nonprofit corporation, partnership, joint venture, limited liability company, and any other entity that proposes or otherwise seeks to enter into a contract or other transaction with the district requiring approval by the board.

*Education Code 44.044*

**Out-of-State Bidders**

A district may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the greater of the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident’s principal place of business is located, or the state in which a majority of the manufacturing relating to the contract will be performed. *Gov’t Code 2252.002*

This requirement does not apply to a contract involving federal funds. A district shall use the information published by the comptroller under Government Code 2252.003 (Publication of Other State’s Laws on Contracts) to evaluate the bid of a nonresident bidder. A district may rely on information published under Government Code 2252.003 to meet the requirements of Government Code 2252.002. *Gov’t Code 2252.003–.004*

“Governmental contract” means a contract awarded by a governmental entity, including a public school district, for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment.

“Resident bidder” refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

*Gov’t Code 2252.001*

**Professional  
Services**

Education Code 44.031 does not apply to a contract for professional services rendered, including the services of an architect, attorney, certified public accountant, engineer, or fiscal agent. A district may, at its option, contract for professional services rendered

by a financial consultant or a technology consultant in the manner provided by Government Code 2254.003 (Professional Services Procurement Act) (see below), in lieu of the methods provided by Education Code 44.031. *Education Code 44.031(f)*

Professional  
Services  
Procurement Act

*Selection*

A district may not select a provider of professional services or a group or association of providers or award a contract for the services on the basis of competitive bids submitted for the contract or for the services, but shall make the selection and award on the basis of demonstrated competence and qualifications to perform the services and for a fair and reasonable price. *Gov't Code 2254.003(a)*

*Definition*

“Professional services” means services:

1. Within the scope of the practice, as defined by state law, of accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising, professional nursing, or forensic science;
2. Provided in connection with the professional employment or practice of a person who is licensed or registered as a certified public accountant, architect, landscape architect, land surveyor, physician, optometrist, professional engineer, state-certified or state-licensed real estate appraiser, registered nurse, or a forensic analyst or forensic science expert; or
3. Provided by a person lawfully engaged in interior design, regardless of whether the person is registered as an interior designer under Occupations Code Chapter 1053.

*Gov't Code 2254.002*

[For specific information on procuring architectural or engineering services, see CV. For information on procuring services of physicians, optometrists, and registered nurses under certain circumstances, see Government Code 2254.008.]

Contingent Fee  
Contract for Legal  
Services

“Contingent fee contract” means a contract for legal services under which the amount or the payment of the fee for the services is contingent in whole or in part on the outcome of the matter for which the services were obtained. The term includes an amendment to a contract for legal services described by this provision if the amendment changes the scope of representation or may result in the filing of an action or the amending of a petition in an existing action. *Gov't Code 2254.101(2)*

Government Code Chapter 2254, Subchapter C provides the manner in which and the situations under which a district may compensate a public contractor under a contingent fee for legal services. That subchapter does not apply to a contract for legal services:

1. Provided to a district under Government Code Chapter 403, Subchapter M; or
2. Entered into by a district for the collection of an obligation, as defined by Government Code 2107.001, that is delinquent [see CCGA(LEGAL) regarding delinquent tax collection] or for services under Government Code 1201.027 [see CCA(LEGAL) regarding issuance of public securities], except that Government Code sections 2254.1032, 2254.1034, 2254.1036, and 2254.1037 do apply to the contract.

*Gov't Code 2254.102*

A district may select an attorney or law firm to award a contingent fee contract only in accordance with Government Code 2254.003(a) (Professional Services Procurement Act) [see Selection, above] and Government Code 2254.1032.

In procuring legal services under a contingent fee contract, a district shall:

1. Select a well-qualified attorney or law firm on the basis of demonstrated competence, qualifications, and experience in the requested services; and
2. Attempt to negotiate a contract with that attorney or law firm for a fair and reasonable price.

*Gov't Code 2254.1032*

**Specific Purchases**

Computers

A district may acquire computers and computer-related equipment, including computer software, through the Department of Information Resources (DIR) under contracts entered into in accordance with Government Code Chapter 2054 or 2157. *Education Code 44.031(i)*

Automated  
Information System

A district may purchase an automated information system using the purchasing method described by Government Code 2157.068 for commodity items or a purchasing method designated by the comptroller to obtain the best value for the state, including a request for offers method. A district that purchases an item using a method described above satisfies any state law requiring the district to seek competitive bids for the purchase of the item. *Gov't Code 2157.006; 34 TAC 20.391*

PURCHASING AND ACQUISITION

CH  
(LEGAL)

Automated External Defibrillators	A district that purchases or leases an automated external defibrillator (AED), as defined by Health and Safety Code 779.001, shall ensure that the AED meets standards established by the federal Food and Drug Administration. <i>Education Code 44.047(a)</i>
Insurance	A contract for the purchase of insurance is not a contract for professional services. A district must award such a contract using one of the methods in Education Code 44.031. <i>Atty. Gen. Op. DM-418 (1996)</i>
<i>Multiyear Contracts</i>	A district may execute an insurance contract for a period longer than 12 months, if the contract complies with Local Government Code 271.903(a) [see Commitment of Current Revenue, below]. If a district executes a multiyear insurance contract, it need not advertise for insurance vendors until the 12-month period during which the district will be executing a new insurance contract. <i>Atty. Gen. Op. DM-418 (1996)</i>
<b>Other Purchasing Methods</b>	The comptroller shall establish a program by which the comptroller performs purchasing services for local governments. The services must include:
State Purchasing Program	<ol style="list-style-type: none"><li>1. The extension of state contract prices to participating local governments when the comptroller considers it feasible.</li><li>2. Solicitation of bids on items desired by local governments if the solicitation is considered feasible by the comptroller and is desired by the local government.</li><li>3. Provision of information and technical assistance to local governments about the purchasing program.</li></ol> <p>The comptroller may charge a participating local government an amount not to exceed the actual costs incurred by the comptroller in providing purchasing services to the local government under the program.</p> <p><i>Local Gov't Code 271.082</i></p>
<i>District Participation</i>	A district may participate in the purchasing program, including participation in purchases that use the reverse auction procedure, by filing with the comptroller a resolution adopted by the board requesting that the district be allowed to participate on a voluntary basis, and to the extent the comptroller deems feasible, and stating that the district will: <ol style="list-style-type: none"><li>1. Designate an official to act for the district in all matters relating to the program, including the purchase of items from the vendor under any contract, and that the board will direct the decisions of the representative;</li></ol>

2. Be responsible for:
  - a. Submitting requisitions to the comptroller under any contract; or
  - b. Electronically sending purchase orders directly to vendors, or complying with procedures governing a reverse auction purchase, and electronically sending to the comptroller reports on actual purchases made under this provision that provide the information and are sent at the times required by the comptroller;
3. Be responsible for making payment directly to the vendor;
4. Be responsible for the vendor's compliance with all conditions of delivery and quality of the purchased item.

A district that purchases an item under a state contract or under a reverse auction procedure, sponsored by the comptroller satisfies any state law requiring the district to seek competitive bids for the purchase of the item.

*Local Gov't Code 271.083*

Multiple Award  
Contract Schedule

The comptroller shall develop a schedule of multiple award contracts that have been previously awarded using a competitive process by the federal government or any other governmental entity in any state. *Gov't Code 2155.502(a)*

A district may purchase goods or services directly from a vendor under a contract listed on a schedule developed under Government Code Chapter 2155, Subchapter I. A district contracting for the purchase of an automated information system under a contract listed on a schedule shall comply with Government Code 2157.068(e-1) (Purchase of Information Technology Commodity Items) [see Automated Information System, above]. A purchase authorized by this provision satisfies any requirement of state law relating to competitive bids or proposals.

The price listed for a good or service under a multiple award contract is a maximum price. A district may negotiate a lower price for goods or services under a contract listed on a schedule developed under Government Code Chapter 2155, Subchapter I.

*Gov't Code 2155.504*

Cooperative  
Purchasing  
Program

A district may participate in a cooperative purchasing program with another local government of this state or another state or with a local cooperative organization of this state or another state. A district that is participating in a cooperative purchasing program may sign

an agreement with another participating local government or a local cooperative organization stating that the district will:

1. Designate a person to act under the direction of, or on behalf of, the district in all matters relating to the program;
2. Make payments to another participating local government or local cooperative organization or directly to a vendor under a contract made under these provisions, as provided in the agreement between the participating local governments or between a local government and a local cooperative organization; and
3. Be responsible for the vendor's compliance relating to the quality of items and terms of delivery, to the extent provided in the agreement between the participating local governments or between a local government and a local cooperative organization.

A district that purchases goods or services under these provisions satisfies any state law requiring the district to seek competitive bids for the purchase of the goods or services.

*Local Gov't Code 271.102; Atty. Gen. Op. JC-37 (1999)*

*Cooperative  
Purchasing  
Contract Fees*

A district that enters into a purchasing contract valued at \$25,000 or more under Education Code 44.031(a)(5) (interlocal contract), under Local Government Code Chapter 271, Subchapter F (cooperative purchasing program), or under any other cooperative purchasing program authorized for school districts by law shall document a contract-related fee, including a management fee, paid by or to the district and the purpose of each fee under the contract.

The amount, purpose, and disposition of any fee described above must be presented in a written report and submitted annually in an open meeting of the board. The written report must appear as an agenda item. The commissioner of education may audit the written report.

*Education Code 44.0331*

**Commitment of  
Current Revenue**

If a contract for the acquisition, including lease, of real or personal property retains to the board the continuing right to terminate at the expiration of each budget period during the term of the contract, is conditioned on a best efforts attempt by the board to obtain and appropriate funds for payment of the contract, or contains both the continuing right to terminate and the best efforts conditions, the contract is a commitment of a district's current revenue only. *Local Gov't Code 271.903*

**Change Orders**

For provisions regarding change orders, see CV.

**Criminal Offenses**

An officer, employee, or agent of a district commits an offense if the person with criminal negligence makes or authorizes separate, sequential, or component purchases to avoid the requirements of Education Code 44.031(a) or (b). An offense under this provision is a Class B misdemeanor and is an offense involving moral turpitude.

“Component purchases” means purchases of the component parts of an item that in normal purchasing practices would be made in one purchase. “Separate purchases” means purchases, made separately, of items that in normal purchasing practices would be made in one purchase. “Sequential purchases” means purchases, made over a period, of items that in normal purchasing practices would be made in one purchase.

*Education Code 44.032(a)–(b)*

An officer, employee, or agent of a district commits an offense if the person with criminal negligence violates Education Code 44.031(a) or (b) other than by conduct described by Education Code 44.032(b). An offense under this provision is a Class B misdemeanor and is an offense involving moral turpitude. *Education Code 44.032(c)*

An officer or employee of a district commits an offense if the officer or employee knowingly violates Education Code 44.031, other than by conduct described by Education Code 44.032(b) or (c). An offense under this provision is a Class C misdemeanor. *Education Code 44.032(d)*

Removal from  
Office

The final conviction of a person other than a trustee of a district for an offense under Education Code 44.032(b) or (c) above results in the immediate removal from office or employment of that person. A trustee who is convicted of an offense under Education Code 44.032 is considered to have committed official misconduct for purposes of Local Government Code Chapter 87, and is subject to removal as provided by that chapter and Texas Constitution Article V, Section 24. For four years after the date of the final conviction, the removed person is ineligible to be a candidate for or to be appointed or elected to a public office in Texas, is ineligible to be employed by or act as an agent for the state or a political subdivision of the state, and is ineligible to receive any compensation through a contract with the state or a political subdivision of the state. *Education Code 44.032(e)*

**Injunction**

A court may enjoin performance of a contract made in violation of Education Code Chapter 44, Subchapter B. A county attorney, district attorney, criminal district attorney, citizen of the county in which



the district is located, or any interested party may bring an action for an injunction. A party who prevails in an action brought under this provision is entitled to reasonable attorney's fees as approved by the court. *Education Code 44.032(f)*