

IDEA PUBLIC SCHOOLS
BOARD POLICY MANUAL
POLICY GROUP 5 – FISCAL MANAGEMENT

POLICY POPE
PROHIBITION OF POLITICAL EXPENDITURES

Sec. 1. Purpose of Policy.

Through this policy, the Board of Directors (hereafter, the “Board”) of IDEA Public Schools (hereafter, the “IDEA”) addresses the legal requirements and related advisories, as applicable, promulgated at:

- (a) United States Code, Title 26 (“26 USC”), Section 501(c)(3);
- (b) Texas Election Code (“Tex. Elec. Code”) Sections 255.003 and 255.0031;
- (c) Texas Administrative Code, Title 19 (“19 TAC”), Section 100.1049(b); and
- (d) Texas Ethics Commission advisory opinions.

Additionally, through this policy, the Board shall address best practices adopted by public schools and tax-exempt organizations.

Sec. 2. Authority Over Fiscal Matters.

Sec. 2.1. In accordance with state law, the Board has primary and ultimate authority over fiscal matters. If a matter or decision-making process is not addressed in this or other duly adopted policies of the Board, authority rests with the Board. In the event of a conflict between this policy and any other Board policy, such conflict shall be brought to the Board for resolution. Refer to the Board’s Authority Over Fiscal Matters Policy (the “Controlling Policy”) for requirements applicable to this policy.

Sec. 2.2. The Delegates (as defined in Sec. 3(b) of the Controlling Policy) shall report to the Board any business arrangement or transaction with an individual that is an officer, as defined in Sec. 5 of the Controlling Policy, and any conflicted,¹ interested² or related³ party, as defined in other Board policy or applicable law. IDEA (and its officers) may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 3. Definitions.

Sec. 3.1. “Internal mail system” means a system operated by IDEA to deliver written documents to IDEA officers or employees.⁴

¹ Tex. Ed. Code §12.1054; 19 TAC §§ 100.1131 through 100.1135

² 19 TAC §100.1047(f)

³ Tex. Ed. Code §12.1166

⁴ Tex. Elec. Code §255.0031(d)(1)

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Sec. 3.2. "Measure" means a question or proposal submitted in an election for an expression of the voters' will and includes the circulation and submission of a petition to determine whether a question or proposal is required to be submitted in an election for an expression of the voters' will.⁵

Sec. 3.3. "Personal property" means an interest in personal property recognized by Texas law, including:

- (a) Furniture, equipment, supplies, and other goods;
- (b) Computer hardware and software;
- (c) Contract rights, intellectual property such as copyrights, patents and trademarks, and other intangible property;
- (d) Cash, currency, funds, bank accounts, securities, and other investment instruments;
- (e) The right to repayment of a loan, advance, or prepayment or to the payment of other receivables; and
- (f) Any other form of personal property recognized by Texas law.⁶

Sec. 3.4. "Political activities" means the function of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any Federal, State, or local public office or office in a political organization, or the election of Presidential or Vice-Presidential electors, whether or not such individual or electors are selected, nominated, elected, or appointed. Such term includes the making of expenditures relating to an office described in the preceding sentence.⁷ As used in this Sec. 3.4, "expenditures" includes a payment, distribution, loan, advance, deposit, or gift, of money, or anything of value, and includes a contract, promise, or agreement to make an expenditure, whether or not legally enforceable.⁸

Sec. 3.5. "Political advertising" means a communication supporting or opposing a candidate for nomination or election to a public office or office of a political party, a political party, a public officer, or a measure that:

- (a) In return for consideration, is published in a newspaper, magazine, or other periodical or is broadcast by radio or television; or
- (b) Appears:

⁵ Tex. Elec. Code §251.001(19)

⁶ 19 TAC §100.1001(6)

⁷ 26 USC §527(e)(2)

⁸ 26 USC §§ 527(e)(4) and 271(b)(2)

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- (1) In a pamphlet, circular, flier, billboard or other sign, bumper sticker, or similar form of written communication; or
- (2) On an Internet website.⁹

Sec. 4. Participation in Political Activities and Expenditures Prohibited.¹⁰

Sec. 4.1. As an organization exempt from federal income taxation, IDEA is absolutely prohibited from directly or indirectly engaging in political activities, including, but not necessarily limited to:

- (a) Making contributions to political campaign funds;
- (b) Paying expenses in support of, or in opposition to, any candidate for any public office, partisan organization, political campaign, or any other person or entity acting in a partisan capacity; and
- (c) Making verbal or written public statements of position on behalf of IDEA in favor of or in opposition to any candidate for public office.

Sec. 4.2. IDEA shall not use, and is prohibited from using, its financial and other resources, including personal property, to support expenditures for political activities.

Sec. 4.3. Prior to obligating funds or incurring an expenditure, IDEA officers and employees shall first ensure that the activity is not prohibited under this policy. As appropriate and necessary, IDEA officers and employees shall consult with the Delegates to ascertain if an activity is a political activity. The Delegates may consult legal counsel prior to making a final determination.

Sec. 5. Unlawful Political Advertising.

Sec. 5.1. IDEA officers and employees may not knowingly spend or authorize the spending of public funds for political advertising.¹¹ Additionally, IDEA officers and employees may not use IDEA facilities, personal property and other resources for political advertising.¹²

Sec. 5.2. IDEA officers and employees may not knowingly use or authorize the use of an internal mail system for the distribution of political advertising.¹³

⁹ 19 TAC §100.1049(b); Tex. Elec. Code §251.001(16)

¹⁰ 26 USC §501(c)(3)

¹¹ Tex. Elec. Code §255.003(a)

¹² See Op. Tex. Ethics Comm'n No. 45 (1992) ("An officer or employee of a school district may not use or authorize the use of school personnel or equipment for the distribution of political advertising."); Op. Tex. Ethics Comm'n No. 443 (2002) ("For purposes of section 255.003, the "spending" of public funds includes the use of facilities maintained by a political subdivision."); Op. Tex. Ethics Comm'n No. 516 (2014) ("an officer or employee of a city may not use or authorize the use of the city's employees' work time, equipment, or facilities for political advertising.")

¹³ Tex. Elec. Code §255.0031(a)

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Sec. 5.3. Although a communication that factually describes the purposes of a measure is allowed, IDEA officers and employees may not advocate, to any degree, for the passage or defeat of the measure, including the use of motivational slogans incorporated into a factual explanation or calls to action.¹⁴

Sec. 6. Officer and Employee Time.¹²

IDEA officers and employees are prohibited from using their or another employee's work time for political activities or to create or distribute political advertising.

Sec. 7. Notice to Officers and Employees.

At the start of each academic and fiscal year, the Delegates shall provide all IDEA officers and employees a notice regarding the prohibition of political activities in the form approved in Appendix A to this policy.

Sec. 8. Required Affirmation.

The Delegates shall include the following affirmation on any accounting, finance and purchase record, including credit card authorizations and reimbursement requests, through which IDEA funds are obligated, expended and disbursed to employees and vendors:

The person(s) requesting the payment of the listed cost(s) affirms that no portion of the listed cost(s) were incurred for purposes of participating or intervening, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for any public office, and that such amounts were not incurred for any payment to or for the benefit of any candidate, political campaign, organization acting in a partisan capacity, or political party.

Sec. 9. Training and Updates.¹⁵

The Delegates or designee shall properly train officers and employees on the requirements of this policy and any administrative procedure(s) adopted to implement this policy. Additionally, the Delegates or designee shall keep officers and employees informed of any changes to this policy and related requirements.

Sec. 10. Administrative Procedures.¹⁶

The Delegates shall formally adopt administrative procedures as reasonably necessary to properly administer this policy and to adhere to applicable law and rule. In doing so, the Delegates shall not

¹⁴ Tex. Elec. Code §255.003(b)

¹⁵ 2 CFR §200.303(a), U.S. Government Accountability Office *Standards for Internal Control in the Federal Government*, 4.02 and 4.05.

¹⁶ Tex. Ed. Code §12.115(a)(2); FASRG Module 2; 2 CFR §200.303. Consistent with 19 TAC § 100.1033(b)(14)(C)(iv), the Board has the final authority to adopt policies governing charter school operations,

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adopt, and are prohibited from adopting, an administrative procedure that conflicts with applicable law or this policy. Accordingly, the Delegates shall confer with the Board or legal counsel before deviating from the requirements set forth in this policy. In the event that a deviation from this policy becomes necessary, the Delegates shall either recommend an amendment to this policy or the Board's approval of a specific deviation, including the purpose, scope and duration of the requested deviation.

Sec. 11. Date Adopted and Effective.

As set forth in the pertinent minutes to the meeting of the Board, the Board adopted this policy on October 23, 2020, and became effective on October 23, 2020.

Sec. 12. Retention.¹⁷

This policy shall be retained until superseded, expired or discontinued and for five (5) years thereafter.

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including authorizing the Delegates or designee to adopt an administrative procedure to implement this policy. Moreover, as set forth in IDEA's Articles of Incorporation and Bylaws and in accordance with Tex. Bus. Org. Code §§ 3.101 and 22.201, the Board is IDEA's governing authority and, as such, manages and directs IDEA's business and affairs through Board actions, resolutions and policy.

¹⁷ Tex. Ed. Code §12.1052; 19 TAC §100.1203; *See* Record Number GR1000-38 and GR1025-25 in Local Schedule GR: Records Common to All Local Governments, Revised 5th Edition (Effective April 17, 2016) adopted by the Texas State Library and Archives Commission at Texas Administrative Code, Title 13, §7.125(a)(1).

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Sec. 13. Certification.

The Undersigned, being the Secretary of the Corporation, hereby certifies that the foregoing represents a true copy of the Board Policy relating to the Prohibition of Political Expenditures, as originally adopted by the Board on October 23, 2020, which Policy, as amended, is in full force and effect and has not been revoked or amended.

DocuSigned by:

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Ryan Vaughan, Secretary

10/26/2020

Date Certified

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Appendix A: Notice Regarding Prohibition of Political Activities.

The notice referenced in Sec. 7 is included in this Appendix A and follows after this page in the form required to be provided to all IDEA officers and employees.