

## **SUBCHAPTER B : ADMINISTRATIVE POLICIES**

### **§292.11. Administrative Policies to be Adopted by the Board.**

(a) All districts must adopt certain administrative policies in compliance with Water Code, §49.199 and §49.200. The administrative policies shall incorporate the legal provisions as set forth in §292.13 of this title (relating to Minimum Provisions). The provisions set forth in §292.13 of this title are considered to be the minimum standards by which the conduct and activities of the boards are governed.

(b) These rules do not preclude any district from adopting policies which address other administrative matters or which are more specific as to the interpretation and implementation of the legal provisions referenced in §292.12 of this title (relating to Right of Executive Director to Review Policies and Other Documents).

Adopted September 30, 1996

Effective October 22, 1996

### **§292.12. Right of Executive Director to Review Policies and Other Documents.**

(a) Each authority subject to these rules shall submit to the executive director a copy of its administrative policies and any subsequent amendments as adopted by the governing board.

(b) The executive director shall file the copies of the administrative policies and shall make them available for public inspections.

(c) The executive director may request additional documents from the district or inspect records at the office of the district to determine compliance with the adopted administrative policies.

### **§292.13. Minimum Provisions.**

The following provisions shall be incorporated into the administrative policies adopted by the authorities subject to these rules.

(1) Code of Ethics. The administrative policies shall mandate compliance with the following standards:

(A) the Local Government Code, Chapter 171, relating to conflicts of interests with a business entity in which the official has a substantial interest.

(B) Texas Government Code, Chapter 573, relating to nepotism.

(C) for River Authorities, Texas Government Code, Chapter 572, relating to standards of conduct, personal financial disclosure, and conflict of interest.

(D) Article III, Section 52, of the Texas Constitution, relating to the prohibition on granting public money or things of value to any individual, association or corporation.

(2) Travel Expenditures. The administrative policies shall provide for reimbursing district officials for necessary and reasonable travel expenditures incurred while conducting business or performing official duties or assignments. The board may adopt additional policies which further define the criteria for necessary and reasonable travel expenditures and which provide procedures for the reimbursement of expenses.

(3) Investments. The administrative policies shall provide for compliance with the following statutes:

(A) Subchapter A, Chapter 2256, Government Code ( the Public Funds Investment Act);

(B) Chapter 2257, Government Code (the Public Funds Collateral Act); and

(C) any other appropriate statutes which are applicable to the investment of the authority's funds.

(4) Professional Services Policy. The administrative policies shall provide for compliance with the following standards:

(A) Texas Government Code, Chapter 2254, Subchapter A (the Professional Services Procurement Act) which prohibits the selection of professional services based on competitive bids.

(B) A list shall be maintained of at least three qualified persons or firms for each area of professional service used by the authority. The pre-qualified persons or firms shall be sent a request for proposal for any contract award for a new project which is expected to exceed \$25,000.

(5) Industrial Development Bonds and Pollution Control Bonds. The administrative policies shall reference any industrial development corporation associated with the authority and shall provide for compliance with the memorandum issued by the State Auditor on October 7, 1988 relating to the disclosure of industrial development and pollution control bonds.

(6) Management Policies. The administrative policies shall provide for the following:

(A) an independent management audit to be conducted every five years and submitted to the executive director. As an alternative, an internal audit office may be established which reports to the board of directors.

(B) compliance with the provisions and intent of §106, Contracting With Historically Underutilized Businesses of Texas, Article V, General Provisions of Texas House Bill 1, 72nd Legislature, First Called Session (1991) relative to contracting with underutilized businesses and providing equal employment opportunities.

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