

CONTRACTS

Whenever state law invests the Governing Board with the power to enter into contracts on behalf of the District, the Board, may, by a majority vote, delegate this power to the Superintendent or designee. To be valid or to constitute an enforceable obligation against the District, all contracts must be approved and/or ratified by the Board. (Education Code 17604.)

*(cf. 3300 - Expenditures/Expending Authority)
(cf. 3314 - Payment for Goods and Services)
(cf. 3400 - Management of District Assets/Accounts)*

All contracts between the District and outside agencies shall conform to standards required by law and shall be prepared under the direction of the Superintendent or designee.

*(cf. 2121- Superintendent's Contract)
(cf. 4312.1 - Contracts)
(cf. 9124 - Attorney)*

When required by law, contracts and subcontracts made by the District for public works or for goods or services shall contain a nondiscrimination clause prohibiting discrimination by contractors or subcontractors. The nondiscrimination clause shall contain a provision requiring contractors and subcontractors to give written notice of their obligations to labor organizations with which they have a collective bargaining or other agreement. (Education Code 12990.)

(cf. 0410 - Nondiscrimination in District Programs and Activities)

The District shall not enter into a contract that prohibits a school employee from disparaging the goods or services of the contracting party. (Education Code 35182.5)

Contracts for Non-Nutritious Foods or Beverages

Note: SB 12 (Ch. 235, Status of 2005) amended Education Code 49431, which specific nutritional standards for foods that may be sold at elementary schools, and added Education Code 49431.2 to specific nutritional standards for middle, junior high, and high schools, effective July 1, 2007; see AR 3550 - Food Service/Child Nutrition Program.

Effective July 1, 2007, the District or a District school shall not enter into or renew a contract for the sale of foods that do not meet the nutritional standards specified in Education Code 49431 or 49431.2 unless the contract specifies that such sales will occur later than one-half hour after the end of the school day and/or off school premises. (Education Code 49431, 49431.2)

(cf. 3554 - Other Food Sales)

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Contracts for Non-Nutritious Goods or Beverages continued

Note: Education Code 49431.5, as amended by SB 965 (Ch. 237, Statutes of 2005), contains beverage standards for all grade levels. Beverage standards for elementary, middle, and junior high schools are effective January 1, 2002. For high schools, the standards will be phased in so that 50 percent of beverages sold beginning July 1, 2007, and all beverages sold beginning July 1, 2009, meet these standards. Vending machines, student stores, and cafeterias in middle schools, junior high schools, and high schools will be able to sell beverages that do not meet these standards only if the sales occur later than one-half hour after the end of the school day or off school premises; see AR 3554 - Other Food Sales.

In accordance with the dates specified in law, the District or a District shall not enter into or renew a contract for the sale of beverages that do not meet the nutritional standards in Education Code 49431.5 unless the contract specifies that such sales will occur later than one-half hour after the end of the school day and/or off school premises.

Note: Education Code 351872.5 mandates that the Board not enter into a contract that grants exclusive sales or advertising for carbonated beverages, non-nutritious beverages, or non-nutritious food unless it has adopted a policy, at a public hearing, ensuring that the District has internal controls in place to protect the integrity of public funds, that the funds raised will benefit public education, and that the contracts are entered into on a competitive basis. Contracts entered into by Districts prior to January 1, 2004, remain in effect; however, these contracts may not be renewed if they conflict with Education Code 35182.5.

Before the District or a District school enters into or renews a contract that grants exclusive or nonexclusive advertising or sale of carbonated beverages, non-nutritious beverages, or non-nutritious food as defined by law, the Board shall ensure that the District has sufficient internal controls in place to protect the integrity of public funds and to ensure that funds raised as a result of the contract benefit public education. (Education Code 35182.5)

Note: Education Code 35182.5 does not define the term "internal controls." Items #1-2 below are based on suggested "internal controls" as recommended by the California Association of School Business Officials (CASBO), and should be modified to reflect the specific internal controls developed by the District.

The Superintendent or designee shall develop the District's internal control procedures to protect the integrity of public funds. Such internal controls may include but not be limited to the following:

1. Control procedures that produce accurate and reliable financial statements and, at the same time, safeguard the assets, financial resources, and integrity of every employee responsible for handling money or property. Control systems shall be systematically evaluated and revised to keep pace with the changing responsibilities of management.

(cf. 3100 - Budget)

(cf. 3400 - Management of District Assets/Accounts)

(cf. 3460 - Financial Reports and Accountability)

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Contracts for Non-Nutritious Goods or Beverages continued

2. Procedures to ensure that District personnel do not handle cash or product at the school site. The contract shall specify that the vendor stock the machines and shall provide cash accounting, along with a check, for District proceeds directly to the control office.

In addition, the contract may specify whether contractor logos are permitted on District facilities, including but not limited to scoreboards and other equipment. If such logos are permitted, the contractor shall present the equipment to the Board as a gift. The gift may be accepted by the Board in accordance with Board Policy and administrative regulation.

(cf. 3290 - Gifts, Grants and Bequest)

Note: Optional items #1-4 below are not required by law, but present additional factors for the Board to consider to help ensure that the funds raised benefit public education in accordance with Education Code 35182.5. The following list should be modified to reflect District practice.

To ensure that funds raised by the contract benefit District schools and students:

1. The Superintendent or designee may involve parents/guardians, students, staff, and interested community members to make recommendations regarding the contract, including recommendations as to how the funds will be spent in a manner that benefits public education.

(cf. 1220 - Citizen Advisory Committees)

2. Prior to ratifying the contract, the Board shall designate the specific programs and activities that will be funded by the proceeds of the contract and consider how the contract reflects the District's vision and goals.

(cf. 0000 - Vision)

(cf. 0100 - Philosophy)

(cf. 0200 - Goals for the School District)

3. The contract shall specify that the contractor report, on a quarterly basis, to the Superintendent or designee the number of food items or beverages sold within the District and the amount of money raised by the sales. The Superintendent or designee shall report these amounts to the Board on a regular basis.
4. The Superintendent or designee shall ensure that the contract does not limit the ability of student and parent organizations to plan and operate fund-raising activities.

(cf. 1230 - School-Connected Organizations)

(cf. 1321 - Solicitation of Funds from and by Students)

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Contracts for Non-Nutritious Goods or Beverages continued

Note: Education Code 35182.5 mandates that Board Policy ensure that the contract is entered into on a competitive basis pursuant to Public Contract Code 20111 or through the issuance of a Request for Proposal. Public Contract Code 20111 requires District to seek competitive bides through advertisements for contracts for services exceeding an amount specified by law. For a detailed procedure for the bidding of contracts, see AR 3311 - Bids.

The contract shall be entered into on a competitive bid basis pursuant to Public Contract Code 20111 or through the issuance of a Request for Proposal. (Education Code 35182.5)

(cf. 3311 - Bids)

Note: Pursuant to Education Code 35182.5, the Board may satisfy the public hearing requirement described in the following paragraph by either (1) a review of the contract at a public hearing by a Child Nutrition and Physical Activity Advisory Committee established pursuant to Education Code 49433 that has contract review authority for the sale of food and beverages, or (2) an annual public hearing to review and discuss existing and potential contracts for the sale of food and beverages on campuses, including food and beverages sold as full meals, as fund-raisers, through competitive sales, and through vending machines. The following paragraph may be revised to reflect District practice.

The Board shall not enter into or renew a contract that grants exclusive or nonexclusive advertising or sale of carbonated beverages, non-nutritious beverages, or non-nutritious food until parents/guardians, students, and members of the public have had an opportunity to comment on the contract at a public hearing held during a regularly scheduled Board meeting or as otherwise authorized by Education Code 35182.5 . The Board shall clearly, and in a manner recognizable to the general public, identify in the agenda the contract to be discussed at the meeting. (Education Code 35182.5)

(cf. 9322 - Agendas/Meeting Materials)

(cf. 3232 - Meeting Conduct)

The public hearing shall include but not be limited to a discussion of the nutritional value of food and beverages sold within the District; the availability of fresh fruit, vegetables, and grains in school meals and snacks, including locally grown and organic produce; the amount of fat, sugar, and additives in the food and beverages discussed; and barriers to student participation in school breakfast and lunch programs (Education Code 35182.5)

(cf. 5030 - Student Wellness)

The contract shall be accessible to the public and may not include a confidentiality clause that would prevent the District or a District school from making any part of the contract public. (Education Code 35182.5)

(cf. 1340 - Access to District Records)

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Contracts for Non-Nutritious Goods or Beverages continued

Contracts for Electronic Products or Services

The Board shall not enter into a contract for electronic products or services that requires the dissemination of advertising to students, unless the Board: (Education Code 35182.5)

1. Enters into the contract at a noticed, public hearing of the Board.

(cf. 9320 - Meetings and Notices)

2. Makes a finding that the electronic product or service is or would be an integral component of the education of students.

(cf. 0440 - District Technology Plan)

(cf. 6162.7 - Use of Technology in Instruction)

3. Makes a finding that the District cannot afford to provide the electronic product or service unless it contracts to permit dissemination of advertising to students.

(cf. 1325 - Advertising and Promotion)

4. As part of the District's normal, ongoing communication to parents/guardians, provides written notice that the advertising will be used in the classroom or other learning center.

5. Offers parents/guardians the opportunity to request in writing that their child not be exposed to the program that contains the advertising. Any request shall be honored for the school year in which it is submitted, or longer if specified, but may be withdrawn by the parents/guardians at any time.

Legal Reference:

EDUCATION CODE

200-262.4 Prohibition of discrimination on the basis of sex

14505 Provisions required in contracts for audits

17596-17606 Contracts

35182.5 - Contract prohibitions

45103.5 Contracts for management consulting service related to food service

49431-49431.5 - Nutritional standards

CODE OF CIVIL SERVICE PROCEDURE

685.010 Rate of interest

GOVERNMENT CODE

12990 Nondiscrimination and compliance employment programs

53260 Contract provision re maximum cash settlement

53262 Ratification of contracts with administrative officers

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Legal Reference: continued

LABOR CODE

1775 Penalties for violations

1810-1813 Working hours

PUBLIC CONTRACT CODE

4100-4114 Subletting and subcontracting fair practices

7104 Contracts for excavations; discovery of hazardous waste

7106 Noncollusion affidavit

20104.50 Construction Progress Payments

20111 Contracts over \$50,000; contracts for construction; award to lowest responsible bidder

22300 Performance retentions

UNITED STATES CODE, TITLE 42

1681-1688 Title IX, discrimination

Management Resources:

CSBA PUBLICATIONS

Student Wellness: A Healthy Food and Physical Activity Policy Resource Guide, rev. 2005

WEBSITES

CSBA: <http://www.csba.org>

California Association of School Business Officials: <http://www.casbo.org>

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FORTUNA UNION HIGH SCHOOL DISTRICT
Fortuna, California