

**Section III– Business
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ARTICLE I

POLICY 3-1.1 PHILOSOPHY

Spending for the Greatest Benefit to Pupils

School business administration is responsible for ensuring that each dollar spent for education is spent effectively and that the greatest benefit is derived by the pupils. School business officials and the School Board of the City of Richmond must be accountable for the funds spend such that a sound educational program is being provided. All persons involved in school business administration shall be fully cognizant of the fact that their jobs are supportive of the instructional program of the school division.

Continual Evaluation of Procedures

School business administration is becoming progressively more complex as more accountability is demanded by the School Board and the public for the expenditure of the school dollar. The School Board directs the division superintendent or his/her designee to continually evaluate the school business procedures making the best possible use of sound business practices and resources for the most efficient use of the funds made available to the School Board.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-70, 22.1-78.

Adopted April 19, 2010

POLICY 3-1.2 MANAGEMENT OF FUNDS

School Board Manages Funds

The School Board shall manage and control the funds made available to it for Richmond Public Schools and may incur costs and expenses. The division superintendent or his/her designee shall be responsible for administering the School Board budget consistent with the School Board policies and applicable state and federal law.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-78, 22.1-89 through 22.1-124; Virginia Administrative Code, 8 VAC 20-210-10, 8 VAC 20-260-10.

Adopted April 19, 2010

POLICY 3-1.3 CAFETERIA FUNDS

Self-Sustaining School Nutrition Program

The Richmond Public Schools' School Nutrition Program shall be maintained on a self-sustaining basis. In the event that funds for the operation of the program appear to be insufficient during the fiscal year, the School Board may appropriate such funds as are necessary to sustain

the current program. All School Nutrition Program funds shall be maintained in a separate fund for all receipts and expenditures.

School Nutrition Services

The division superintendent or his/her designee has the responsibility of presenting to the School Board a School Nutrition Program budget in which estimated receipts of cash and commodities are balanced with the estimate of disbursements required to run the food services program in a manner that satisfied state and federal requirements.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-24, 22.1-89.1, 22.1-207.3; Virginia Administrative Code, 8 VAC 20-290-10, et seq., 8 VAC 20-580-10, et seq.

Adopted April 19, 2010

POLICY 3-1.4 RECORD KEEPING

Chief Operating Officer/Chief Financial Officer to Keep Financial Records

The division superintendent shall ensure that the chief operating officer/chief financial officer keeps such financial records as may be necessary for accurate and complete analysis of the cost of any part of the school program. This includes receipts and disbursements of school funds and all statistical information which may be required by the Virginia Board of Education. Such records shall be kept in accordance with applicable law and as required by the Library of Virginia's Records Retention and Disposition Schedules.

Maintenance and Storage of Records

All financial records shall be retained in a safe, economical and efficient manner in compliance with Virginia law, Virginia Board of Education regulations, and state and local retention schedules and regulations, including the Library of Virginia's Records Retention and Disposition Schedules. No records shall be destroyed without the authorization of the division superintendent or the chief operating officer/chief financial officer on forms of the Virginia State Library and Archives.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §22.1-68, 22.1-89.2, 42.1-76, et seq.

Adopted April 19, 2010

ARTICLE II

POLICY 3-2.1 ANNUAL OPERATING BUDGET

Generally

The annual school budget shall be viewed as a guide to discretionary spending. Such budget shall be an estimate of receipts and expenditures of the school division and shall contain a description of the educational program to be provided.

The School Board has final authority in determining what is included and what is excluded in the annual budget; however, the School Board is advised by the division superintendent or his/her designee of the financial needs of the school division to achieve the programs approved by the School Board.

In order for the annual budget to have the fullest support of the staff, School Board members and stakeholders, it is imperative that a transparent procedure be established which will share the budget-making process with all stakeholders.

Fiscal Year

The fiscal year is defined as beginning on the first day of July and ending on the thirtieth day of the following June.

Drafting of the Budget

Calendar

The School Board and administration highly value community and stakeholder input throughout the budget drafting process. To this end, the public will be notified of all methods through which it may provide input regarding the budget drafting process.

The division superintendent or his/her designee shall prepare a budget calendar identifying all deadlines for the annual budget making process, which shall be published on the division website. The calendar shall include work sessions for reviewing the budget and at least one public hearing on the budget. The final public hearing shall be held at least seven days prior to the approval of the budget. Notice of the time and place for the public hearing must be published, at least ten (10) days in advance, in a newspaper having general circulation within the school division.

Classification of Expenditures

The budget shall include the following major classification of expenditures:

1. Instruction;
2. Administration, attendance and health;
3. Pupil transportation;
4. Operation and maintenance;
5. School food service and other non-instructional operations;
6. Facilities;
7. Debt and fund transfers;
8. Contingency reserves; and
9. Technology.

The School Board may require further detail within the above listed classification of expenditures.

Presentation to School Board

The division superintendent's budget, including the estimated required local match, for the following school year shall be presented to the School Board by the second scheduled meeting in January, or as otherwise required by law.

Publication of the Budget

Upon approval of the annual budget by the appropriating body, the school division shall publish the approved budget in line item form, including the estimated required local match, on the School Board website. Additionally, hard copies of the budget shall be made available to the public upon request.

Monthly Report of Expenditures to the School Board

The adoption of the capital and operating budgets by the School Board carries with it the authority of the administration to make such expenditures within the limits of the budget.

The division superintendent or his/her designee shall render each month to the School Board a statement of the funds in his or her hands available for school purposes and the status of each budget item.

Annual Report of Expenditures to the Richmond City Council

At least annually, the School Board shall submit to the Richmond City Council a report of its expenditures. Such report shall also be made available to the public either on the school division website or in hard copy at the central school division office. This report shall take the form of a template prescribed by the Virginia Board of Education.

Budget Transfers

The division superintendent's approval is required for all budget transfers. The School Board approval is required on any request for budget transfers in excess of \$10,000. All budget transfers, including transfers for less than \$10,000, shall be presented to the School Board or a committee thereof. All budget transfers presented to a committee shall be immediately forwarded to the School Board.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§ 22.1-78, 22.1-79, 22.1-89 through 22.1-124, 15.2-2500 through 15.2-2513; Virginia Administrative Code, 8 VAC 20-210-10, 8 VAC 20-521-10, et seq., Richmond City Charter, Section 6.14.

Adopted April 19, 2010

Revised/Adopted July 13, 2015

POLICY 3-2.2

CAPITAL IMPROVEMENT PLAN

The division superintendent or his/her designee shall draft and the School Board shall approve a capital improvement plan that will project school division capital needs over a five-

year period and submit it to the Richmond City Council. Individual capital projects shall be assigned priorities. The plan shall be reviewed annually at the beginning of the budget process and updated at the conclusion of the budget process.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-78, 22.1-79(3), 22.1-115, 22.1-253.13:6(A).

Adopted April 19, 2010

ARTICLE III

POLICY 3-3.1 CUSTODY AND DISBURSEMENT OF SCHOOL FUNDS

Deposit of Money

All public money, except money generated by school activities and classified “school activity fund (internal) accounts” (see School Board Policy 3-3.8), must be deposited with the Richmond City Treasurer, who shall be in charge of the receipt, custody and disbursement of school funds.

Disbursement of Funds

The adoption of the capital and operating budget by the School Board carries with it the authority of the administration to make such expenditures within the limits of the budget.

A report of the status of the general operating budget shall be presented to the School Board for its information at the regular monthly meeting.

State Funds

State funds, both categorical and general, are based upon objective formulae. The division superintendent or his/her designee shall file the reports and forms necessary to secure the amount of state funds to which the School Board is entitled.

Federal Funds

The School Board must approve the receipt and use of federal funds. The School Board may request of the Richmond City Council an appropriation in anticipation of the receipt of federal funds for any specific project or program. The funds for such federally funded program or project shall be maintained and accounted for in accordance with state and federal requirements.

Funds in Excess of those Available May Not Be Expended

The School Board, division superintendent or his/her designee, shall not expend or contract to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year without the consent of the governing body or bodies appropriating funds to the School Board. Any member of the School Board or any division superintendent or other school officer violating, causing to be violated or voting to violate any provision of this section shall be guilty of malfeasance in office.

Authorized Signatures

Authorized signatures for all checks for the payment of claims against the School Board shall be those of the Richmond City Treasurer and those School Board employees on a list

maintained by the chief financial officer/chief operating officer and/or division superintendent or his/her designee.

Personal Loans

No personal loans of any kind shall be made from school funds.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-88, 22.1-89, 22.1-91, 22.1-116 through 22.1-118.

Adopted April 19, 2010

POLICY 3-3.2

FINANCIAL ACCOUNTING AND REPORTING

Generally

The division superintendent or his/her designee shall establish and be responsible for implementing an accounting system that satisfies the Virginia Department of Education's regulations regarding accounting practices and that is consistent with applicable federal, state, and local laws. The School Board shall receive statements of revenues and expenditures of the general operating budget for approval at the regular monthly meeting.

Inventory

The chief financial officer/chief operating officer and/or division superintendent or his/her designee shall make an annual inventory of school property for the purposes of fire insurance, program accountability, and purchasing.

School Level Accounting System – School Activity Accounts

Each school is required to maintain an accurate, up-to-date accounting system of all money, with the exception of PTA funds, collected and disbursed by the school. These funds will be deposited in accounts in the name of the school. There shall be no co-mingling of School Activity funds and PTA funds.

A record of all receipts and disbursements will be maintained in accordance with regulations issue by the Virginia Board of Education.

Each principal shall prepare and forward to the division superintendent or his/her designee monthly financial statements, including a statement of revenues and expenditures, showing the financial condition of the school as of the last day of the preceding month.

Audits

In accordance with state and federal law, all financial records of the school division will be audited by an independent certified public accountant in accordance with the specifications furnished by the Auditor of Public Accounts following the close of each fiscal year.

External Auditors

An audit of general and federal funds shall be made annually by an external auditing firm, as prescribed by the Charter of the City of Richmond.

Internal Auditors

Internal Auditing shall assess the various functions and controls in the school division and advise the division superintendent and audit committee concerning their condition. The Internal Audit charter identifies the purpose, authority and responsibility of the Internal Audit Services.

In addition, student activity funds and special accounts shall be audited annually, as directed by the School board.

Internal Audit Services personnel report to the chief Auditor, who is supervised and evaluated by the School Board. The chief Auditor shall give to the School Board and/or to a committee thereof as so established by the School Board status reports and other reports as requested.

Internal Audit Charter

This charter identifies the purpose, authority, and responsibility of Internal Audit Services.

Purpose

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Professional Standards

The Internal Audit staff will govern themselves by adherence to the Institute of Internal Auditor's Code of Ethics and the Institute's International Standards for the Professional Practice of Internal Auditing. These standards will be used in conjunction with the Government Auditing Standards (generally accepted government auditing standards) issued by the Comptroller General of the United States. In addition, Internal Audit will adhere to Richmond Public Schools policies and procedures.

Role and Organization

Internal Audit Services established by the School Board, functions in accordance with the bylaws and policies of the School Board. The chief Auditor is supervised and evaluated by the School Board. The Chief Auditor shall give to the School Board and/or to a committee thereof as so established by the School Board status reports and other reports as requested. These reporting relationships ensure departmental independence, promote comprehensive audit coverage, and assure adequate consideration of audit recommendations.

The chief Auditor shall, at a minimum, meet with the School Board and/or to a committee thereof as so established by the School Board on a quarterly basis to discuss audit issues, reports, and plans.

Authority

In performance of their duties, the Internal Audit staff will be granted full and complete access to any of the school division's records (either manual or electronic), properties, and personnel as may be required, but with equivalent accountability for safekeeping and confidentiality.

The Chief Auditor and audit staff shall allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.

Objectivity

Internal auditors have no direct responsibility or any authority over any of the activities or operations that they review. The performance of these reviews does not relieve management of any assigned responsibilities.

Objectivity is essential to the audit staff in the proper fulfillment of their duties. They should not develop and install procedures, prepare records, and/or engage in activities which would normally be reviewed by internal auditors.

Responsibilities

The Chief Auditor and audit staff are responsible for assessing the various functions and control systems in the school division and for advising management concerning their condition. The fulfillment of this accountability is not confined to but includes:

Developing a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the School Board for review and approval;

Implementing the annual audit plan, as approved or as amended, including, and as appropriate, any special tasks or projects requested by management and approved by the School Board;

Maintaining a professional audit staff with sufficient knowledge, skills, experience, and professional certification to meet the requirements of this Charter;

Appraising the effectiveness and application of administrative and financial controls and reliability of data that is developed within the school division;

Evaluating employee's compliance with the School Board's plans, policies and procedures and compliance with governmental laws and regulations;

Ascertaining the adequacy of controls for safeguarding assets, and when appropriate, verifying the existence of assets;

Reviewing and appraising the economy and efficiency with which the school division's resources are employed and make appropriate recommendations to management;

Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operation or programs are being carried out as planned;

Coordinating audit planning and scheduling activities with Richmond Public Schools management;

Performing consulting services, beyond internal auditing's assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, training, and advisory services;

Assisting in the investigation of significant suspected fraudulent activities within the organization and notify management and the School Board of the results;

Establishing a quality assurance program by which the CAE assures the operation of internal auditing activities;

Issuing periodic reports to the School Board and management summarizing results of audit activities; and

Considering the scope of work of the external auditors, as appropriate, for the purpose of providing optimal audit coverage to the organization at a reasonable overall cost.

Reporting Accountabilities

A draft report will be prepared and issued by the Chief Auditor to the administrator of the activity or department reviewed and the division superintendent. The administrator will review the draft report and submit a written response to the Chief Auditor in a timely manner. The response to the audit findings and recommendations will indicate the administrator's concurrence or non-concurrence and the basis for the latter. In addition, the response will indicate what actions are planned in regard to the specific findings and recommendations in the audit report. An action plan with a timetable with anticipated completion dates will be included.

The Chief Auditor will issue a final audit report including management's response to the School Board and send a copy to the division superintendent.

Internal Audit shall be responsible for appropriate follow-up on audit findings and recommendations. All significant findings will remain in an open issues file until cleared by the chief Auditor.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-68, 22.1-89, 22.1-115, 15.2-2511, 15.2-2511.2; Virginia Administrative Code, 8 VAC 20-240-10.

Adopter April 19, 2010

POLICY 3-3.3

REPORTING PER-PUPIL COSTS

The division superintendent shall prepare and distribute, within a reasonable time as prescribed by the Board of Education, notification of the estimated average per pupil cost for public education in the school division for the coming school year, in accordance with the budget estimates provided to the local governing body. Such notification shall also include actual per pupil state and local education expenditures for the previous school year. The notice may also include federal funds expended for public education in the school division.

The notice shall be made available in a form provided by the Department of Education and shall be published on the school division's website or in hard copy upon request.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, § 22.1-92.

Adopted April 19, 2010

Revised/Adopted June 20, 2011

Revised/Adopted June 18, 2012

POLICY 3-3.4 PURCHASING

Mission

The mission of the Division of Purchasing is to establish and carry out centralized purchasing procedures designed to acquire high quality, appropriate goods and services at a reasonable cost and in a timely manner for the schools and departments that it serves. All procurement procedures shall be conducted in a fair and impartial manner to avoid even the appearance of impropriety. Specifications shall be developed to reflect the procurement needs of the School Board rather than to favor one vendor over another.

The Purchasing Office shall adhere to the legal requirements established by the General Assembly through the Virginia Public Procurement Act.

Purchasing Authority

The Purchasing Office for the school division may purchase or contract for all supplies, materials, equipment, and contractual services required by the school division subject to federal and state laws and School Board policies and administrative procedures.

The chief operating officer and/or his/her designee shall be responsible for maintaining a written Purchasing Manual in accordance with the School Board policies, administrative regulations, the Virginia Public Procurement Act and any applicable state and federal laws, and shall use the Commonwealth of Virginia Agency Procurement Manual as a model. The Purchasing Manual shall be reviewed by the end of each fiscal year and revised as necessary.

All personnel in the school division who desire to purchase equipment and supplies shall follow the established procurement procedures for the issuance of a requisition or purchase order. All purchase orders must be forwarded to the division superintendent and his/her designee for approval and processing.

Authority to Sign Contracts

Authority to sign contracts, and contract amendment, for purchases up to \$50,000 shall be given to the manager of purchasing and controls or his/her designee(s). Contracts, and contract amendments, in excess of \$50,000 but less than \$250,000 shall be signed by the chief financial officer/chief operating officer and/or division superintendent or his/her designee.

All contracts, and contract amendments, over \$250,000 and/or contracts regarding capital expenditures, and contract amendments regarding the same regardless of amount, shall be signed by the division superintendent or his/her designee after the approval of the School Board. For the purposes of this policy, capital expenditures contracts are defined as contracts to acquire or upgrade buildings, machinery, equipment or vehicles.

For the purposes of this policy, contract amendments are amendments to the existing contract which substantially modify the terms and financial obligations thereunder. This section is to be read in conjunction with any applicable state and federal laws.

Reporting of Contracts to the School Board

All contracts in excess of \$25,000 must be reported to the School Board at the next appropriate meeting in written form in a format agreed upon between the division superintendent and the School Board. Any contract amendments for previously executed and/or approved contracts shall also be included on the written report.

Availability of Funds

All contracts entered into on behalf of the School Board shall include the following statement:

“The School Board shall be bound under this contract only to the extent that funds are available to perform its obligations hereunder.”

Purchasing Procedures

All purchases shall be made in accordance with the Purchasing Manual, the Virginia Public Procurement Act, and all other applicable state and federal laws. The Virginia Public Procurement Act permits public bodies to establish written small purchase procedures which do not require competitive sealed bids or competitive negotiation for single or term contracts that do not exceed the limits set forth in the Act. In all instances, the small purchase procedures shall provide for competition wherever practicable, as outlined in the Purchasing Manual.

Sole Source Contracts

Definition

A sole source contract situation arises where a particular supplier or person is identified as the only qualified source available on the School Board.

Approval

Sole source contracts shall have the division superintendent’s approval. Proper documentation detailing the reason for the sole source contract shall accompany a request for the contract. Such documentation shall be prepared by the Purchasing Office and submitted to the chief financial officer/chief operating officer. Upon receipt of the appropriate documentation, the division superintendent or his/her designee, shall issue a written notice stating that only one (1) source was determined to be practicably available, and identifying that which is being procured, the contractor selected, and the date on which the contract was or will be awarded. This notice shall be posted in a designated public area or published in a newspaper of general circulation no the day the public body awards or announces its decision to award the contract,

whichever occurs first. Public notice may also be published on the Department of General Services' central electronic procurement website and other appropriate websites. Awards of sole source contracts shall be reported to the School Board at the next regular meeting for informational purposes.

Emergency Contracts

Definition

An emergency is an occurrence of a serious and urgent nature that requires Richmond Public Schools to take immediate action to protect personal safety or property.

Nature of Purchases Permitted

Emergency procedures may be used to purchase only that which is necessary to cover the requirements of the emergency. Subsequent requirements shall be obtained using normal purchasing procedures.

Approval

Emergency contracts shall have the division superintendent's approval. Proper documentation detailing the reason for the emergency contract shall accompany a request for the contract. Such documentation shall be approved by the chief operating officer. The School Board chairperson and the School Board shall be immediately notified of an emergency purchase in as much detail as is practical or possible. On the day such approval is granted, the Division of Purchasing shall publically post a written notice of the award.

Prompt Payment

Unless otherwise specified in the contract, any procurement of goods or services or other business by contract with a nongovernmental, privately owned enterprise shall be promptly paid for by either;

1. The date on which payment is due under the terms of the contract; or,
2. If no date is established by contract:
 - a. not more than forty-five days after goods or services are received; or
 - b. not more than forty-five days after the invoice is rendered, whichever is later.

Separate payment dates may be specified for contracts under which goods or services are provided in a series of partial executions or deliveries to the extent that the contract provides for separate payment for partial execution or delivery.

Richmond Public Schools shall notify the supplier of any defect or impropriety that would prevent payment by the payment date within twenty days after the receipt of the invoice or goods or services.

Debarment

Generally

The School Board and Richmond Public Schools shall not contract for goods and/or services with any person or entity that is currently debarred by the Commonwealth of Virginia or the Federal Government from submitting bids or proposals on contracts for the type of goods and/or services covered by the Richmond Public Schools solicitation.

Debarment of Construction Contractors for Improper Activities

Any construction contractor or bidder, or any principal thereof or person associated therewith, found to have engaged in substantial and intentional misrepresentation concerning either good faith minority participation efforts, minority ownership status, or unsatisfactory performance shall be debarred from any Richmond Public Schools contracting for a period of two years. This debarment shall also extend to any successor firm substantially controlled or managed, whether directly or indirectly, by any debarred individual. This determination shall be made by the chief operating officer or his/her designee. Any debarment shall be reported in writing to the School Board.

Appeals

Protests of awards or for decisions to award must be submitted in writing to the chief operating officer within ten calendar days of the notice of award or announcement of decision to award, who shall issue a final decision stating the reason for the action taken.

Use of the Richmond Public Schools Tax Identification Number

Only authorized purchases made by authorized Richmond Public Schools' employees from the approved budget may use Richmond Public Schools' tax identification number.

Drug-Free Workplace Contract Provisions

Required Provisions in Contracts over \$10,000

Every contract with Richmond Public Schools over \$10,000 shall include the following provision:

During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribute, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be

taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

“Drug-Free Workplace”

For purposes of this policy, “drug-free workplace” means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with the Virginia Public Procurement Act, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

Background Checks of Contract Employees

Certifications Required for Some Contract Employees

As a condition of awarding a contract to agencies, businesses and individuals for the provision of services that require the contractor or his employees to have direct contact with students on school property during regular school hours or during school-sponsored activities, the contractor shall certify that all persons who will provide such services have not been convicted of a felony or any offense against a child, including without limitation, the sexual molestation or physical or sexual abuse or rape of a child. For purposes of the certification, “direct contact with students” means being in the presence of students during regular school hours or during school-sponsored activities.

Penalty for False Statement

Any agency, business, or individual making a materially false statement regarding any such offense shall be guilty of a class 1 misdemeanor and, upon conviction, the fact of such conviction shall be grounds for the revocation of the contract to provide such services and, when relevant, the revocation of any license required to provide such services. Richmond Public Schools shall not be liable for materially false statements regarding the certifications required under this policy.

Emergency Exception

This policy shall not apply to a contractor or his employees providing services to Richmond Public Schools in an emergency or exceptional situation, such as when student health or safety is endangered or when repairs are needed on an urgent basis to ensure that school facilities are safe and habitable, when it is reasonably anticipated that the contractor or his employees will have no direct contact with students.

Failure to Follow Policy

Any individual purporting to execute contracts, who executes a contract or contract amendment on behalf of the School Board without the requisite School Board authority in accordance with this policy may be held personally⁶ liable for any or all of the obligations imposed on the Board by such contract or change order and may be subject to disciplinary action.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§ 2.2-4300 et seq., 2.2-4303 (E) - (H), 2.2-4312, 2.2-4321, 2.2-4352, 2.2-4360, 22.1-253.12.6, 22.1-2961.1.

Adopted April 19, 2010

Revised/Adopted June 6, 2011

POLICY 3-3.5

VENDOR RELATIONS

Vendor Manual

All vendor relations shall be in accordance with the Virginia Public Procurement Act, Conflict of Interests Act, other applicable federal and state laws and the Vendor Manual. The Vendor Manual shall be reviewed by the end of each fiscal year and revised as necessary.

Sales Representatives

Generally

The School Board recognizes that sales representatives play an important role in the dissemination of education and product information. However, the School Board discourages any activity that might serve to distract administrators and teachers from their primary purpose of educating pupils. Therefore, only authorized representatives of firms approved for Richmond Public Schools payroll benefit deductions are permitted to visit school staff and only at such times approved by the principal. A listing of approved firms will be provided to principals (periodically) from the Finance Department.

It shall be the responsibility of the principal to use all just and legal means to prevent vendors from selling products during school hours.

Sales representatives are not permitted to make appointments with individual Richmond Public Schools employees without permission of the principal and/or the division superintendent and his/her designee. No sales representative is permitted to sell, arrange demonstrations of product or services, or take orders for goods and services without prior authorization from the principal or division superintendent or his/her designee.

This section should be read with “small purchases” in the Purchasing Manual.

Sales to Students

The sale of items to students during the school day, other than food in the cafeteria, shall be limited to those items and items approved by the division superintendent or his/her designee. The proceeds from any such sales shall be used for school-related activities.

Vending Machines

Vending machines dispensing food, beverages, or personal necessities for student consumption and use may be permitted in the schools subject to state and federal school food service regulations and guidance from the division superintendent or his/her designee and shall be limited to those items and times, including after school hours, approved by the division superintendent or his/her designee. Funds derived from such sales are school activity funds (internal accounts) as described in School Board Policy 3-3.8

Sales after School Hours

The division superintendent or his/her designee may permit school-sponsored organizations to sell food items and materials after school hours. All proceeds from such sales shall be for the benefit of school-related or student activities.

Concessions

School-related organizations may sell food and other items after school hours to spectators at athletic events under regulations of the division superintendent or his/her designee. All proceeds from such sales shall be for the benefit of school-related or student activities.

Prohibition on Solicitation or Acceptance of Gifts

No employee with responsibility for procurement transaction may request, accept or agree to accept from a bidder, offeror, contractor or subcontractor anything of more than minimal value unless consideration of substantially equal or greater value is exchanged. The School Board may recover the value of anything conveyed in violation of this Policy, as authorized by applicable law.

Disclosure of Subsequent Employment

No employee or former employee with official responsibility for procurement transactions may accept employment with any bidder, offeror or contractor with whom the employee or former employee dealt in an official capacity concerning procurement transactions for a period of one year from the end of employment by the School Board unless the employee or

The School Board shall receive quarterly reports of the use of school-sponsored credit cards from the division superintendent or his/her designee. There shall be an annual audit conducted by the Internal Auditor of the use of school-sponsored credit cards.

Establishment of Credit Card Accounts

School Board Members

All School Board members and employees of the School Board may have a credit card as approved by the School Board for purposes of business and conference travel, and other purchases as necessary.

Budget Holders

Any budget holder whose duties require that he/she have a school-sponsored credit card on a continuous basis may submit a request for such card, with justification, to the division superintendent. If the division superintendent concurs, a recommendation will be submitted through the division superintendent to the School Board requesting approval.

Alternatives for Travel

In lieu of using credit cards for business and conference travel, the School Board may establish credit accounts with travel agencies for the purpose of providing transportation and lodging for persons traveling on official school business.

Travel and related expenses shall be determined to benefit the school division by either being a requirement for operations or for staff development. Usually conference travel should be for professional educational associations, federal grant agencies, or systems user groups. Although national conferences are authorized, in-state conferences are preferred to facilitate greater staff participation. Prior written authorization for all out-of-town travel is required.

Other Expenditures/Purchases

Other travel-related purchases with the school-sponsored credit card are not authorized since such use circumvents both budget compliance safeguards and established purchasing procedures. However, if an employee on an approved out-of-town trip encounters an emergency which dictates an expenditure for other purposes (i.e., repair of school vehicle), an exception may be authorized by the appropriate department director for School Board employees and through the School Board Clerk for School Board members. The school-sponsored credit card may be used for school-related purchases other than travel, as necessary or convenient.

Issuance of Guidelines

All holders of school-sponsored credit cards shall be issued a copy of all internal policies and guidelines for the proper use of the credit card and proper documentation of expenses. This issuance shall be overseen by the chief operating officer or chief financial officer.

The division superintendent shall establish administrative implementing procedures to address specific types of expenses and reimbursement requirements. Individuals identified as failing to fully comply with these policies, guidelines, and implementing procedures may receive disciplinary action up to and including termination of employment.

Personal Use Prohibited

The personal use of school-sponsored credit cards is prohibited. If an individual conducts out-of-town travel with his/her spouse, all expenses related to the spouse should be paid directly with personal funds. This means that the individual must request the hotel to identify the difference (if any) in the single and double room occupancy rates and this difference must be paid by the individual and not charged on the school-sponsored credit card. Separate bills should be requested for all meals. If the eating establishment will not bill separately, the cash register receipt must also be attached to the bank card receipt. The cash register receipt must be annotated to identify items consumed by the employee and those consumed by the spouse. A check made payable to Richmond Public Schools for the total of the spouse's food (including tax and share of tip) must be submitted to the Department of Finance upon completion of travel. Individuals failing to immediately submit a check to the Department of Finance for unavoidable personal use will have that amount, a non-refundable overhead and processing collection fee, and any fee assessed by the banking institution, up to the maximum amount allowed by law, withheld from their compensation.

Disciplinary Action for Improper Use

Improper use of the school-sponsored credit card renders the user liable for all associated costs. Improper use of the school-sponsored credit card may result in immediate disciplinary action against the user, up to and including termination. Fraudulent use of school-sponsored credit cards will be referred to the Office of the Richmond Commonwealth's Attorney for additional review.

Cash Advances

Cash advances on school-sponsored credit cards for purposes other than those specifically mentioned in this policy are not authorized.

Approval Process

All employees shall have school-sponsored credit card purchases approved by their division head. Division heads shall have school-sponsored credit card purchases approved by the division superintendent. The division superintendent shall have school-sponsored credit card purchases approved by the School Board Chairman.

Payment Process for School Credit Cards

Credit card statements will be mailed directly to cardholders. Cardholders are responsible for:

1. Attaching receipts for every charge to the statement;
2. Attaching supporting documentation/justification when necessary;
3. Certifying that all expenditures are official school business;
4. Preparing departmental invoice and indicating the correct fund cite number/s to be charged; and
5. Submitting the departmental invoice with all supporting documentation to the Department of Finance five working days prior to the due date.

The required supporting documentation/justification noted on item two above will be as follows:

Conference Travel

Permission-to-Attend forms and Conference Brochures must include registration fees, dates, hotel rates, location of conference and any other pertinent information needed for justification of expense.

Meals

Meal expenses are limited to \$25.00 per individual per meal; however, an individual's daily totals are not to exceed \$50.00. Alcoholic beverages shall not be purchased with school funds. Receipts for meals must have the individual's name printed on the back of the receipt, along with where he/she is from (i.e., school district for vendor) and the purpose of the meal. Maximum gratuity allowance authorized is 15%, which is in addition to the \$50.00 daily maximum.

Other Expenditures/Purchases

Other purchases with the school-sponsored credit card are not authorized since such use circumvents both budget compliance safeguards and established purchasing procedures. However, if an employee on an approved out-of-town trip encounters an emergency which dictates an expenditure for other purposes (i.e., repair of school vehicle), an exception may be authorized by the appropriate department director for School Board employees and through the School Board Clerk for School Board members. In this instance, receipts, clearly detailing the date, item/service purchased, and the cost associated therewith must be submitted along with the departmental invoice to the Department of Finance.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §22.1-88.

Adopted April 19, 2010

POLICY 3-3.8

SCHOOL ACTIVITY FUNDS

Student Activity Funds

“School Activity Funds” Defined

All funds derived from extracurricular activities, such as entertainment, athletic contests, cafeterias, club dues, concessions, yearbook sales, and from any and all activities of the school involving school personnel, students, or property, are school activity funds (internal accounts).

Handling and Deposit of Funds

The principal shall be responsible for establishing a system of handling and accounting for all money collected for any purpose within his/her school as prescribed by the Virginia Board of Education and local auditors. All money must be deposited in a designated bank account that is FDIC insured. When possible, daily deposits shall be made. All money collected during the school day by teachers shall be deposited with the principal or his/her designee before the end of the school day. Activity funds shall be kept in accordance with regulations issued by the Virginia Board of Education and the office of the division superintendent.

The division superintendent or his/her designee shall provide all Richmond Public Schools a student activity fund accounting manual that provides detailed procedures for safeguarding, accounting for, and managing activity funds in accordance with Virginia Board of Education regulations. All funds received in connection with school activities shall be handled under the budgetary control of the school administration.

Audits and Reporting

School activity funds (internal accounts) shall be audited at least once a year by a duly qualified accountant or accounting firm approved by the School Board and a copy of the audit shall be filed in the office of the division superintendent. Monthly reports of such funds shall be prepared and filed in the principal’s office, and annual reports shall be filed in the office of the principal or division superintendent. The cost of such an audit is a proper charge against the school operating fund or school activity funds (as funds are available).

Evidence or any report of fraud, waste, or abuse may require additional audits as deemed necessary.

School Activity Funds Purchases

Schools may enter into single term contracts not to exceed \$30,000 for caps and gowns, photographs, class rings, yearbooks and graduation announcements that will be available for purchase or rental by students, parents, faculty or other persons using nonpublic money through purchase procedures established under the Purchasing Manual, however, such purchases shall provide for competition whenever practical.

Requirements for other goods and services other than those stated above which exceed \$500 must be entered on-line via an approved purchase order into the CIMS system. Goods and services which do not exceed \$500 may be ordered directly.

Use of Student Activity Funds

Student activity funds shall be used to finance a program within the school of student activities augmenting, but not replacing, the activities provided by the School Board. Funds derived from the student body as a whole must be expended in a timely manner that will benefit the student body as a whole. Fund raising profits raised by an individual club or group are to be expended in a timely manner to benefit that individual club or group. As much as possible, student activity funds also should be expended in a timely manner for the benefit of those students who contributed to them.

Study Body Business

Student body business shall be operated in such a way as to offer minimum competition to commercial concerns while still benefiting the student body as a whole.

School Store

In extenuating circumstances a school may apply to the division superintendent to operate a school store. The merchandise to be sold must be needed by the pupils to facilitate classroom instruction.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §2.2-4303(G) – (H), Virginia Administrative Code, 8 VAC 20-240-10, 8 VAC 20-240-20, 8 VAC 20-240-40.

Adopted April 19, 2010

POLCIY 3-3.9

CASH IN SCHOOLS

Petty Cash Funds

Upon recommendation of the division superintendent, the School Board may establish a petty cash fund in the Department of Finance, not to exceed \$500, for the payment of claims arising from commitments made pursuant to provisions of law. The School Board shall review and approve the petty cash fund annually at its first meeting in October of each fiscal year. In no event shall the petty cash fund exceed the maximum amount as permitted by §22.1-123 of the Code of Virginia of 1950, as amended.

The School Board may appoint an agent or other person who shall be authorized to approve payment of claims from the petty cash fund without a prior receipt and audit of the claim(s) by the School Board, and without approval and issuance of the warrant of the School

Board. The Clerk of the School Board shall report any claims paid from the petty cash fund to the School Board or to any appointed agent of the School Board for approval and reimbursement at least within thirty days of the month following the month in which any claim has been paid.

Bond Required

Any agent or person into whose hands such petty cash fund is placed shall give bond with surety in the amount of \$4,000, provided additional bond shall not be required of any agent or person already bonded in the required amount. This bond shall be paid by the School Board.

Authorization

Any school or department requiring the establishment of a petty cash fund shall submit a written request within justification through the chief operating officer to the division superintendent.

Upon concurrence of the division superintendent, a recommendation will be submitted to the School Board requesting establishment of such fund.

Uses

Petty cash funds are intended to pay for small miscellaneous expenses of less than \$50,000. The petty cash fund may not be used for any item that is available from the warehouse. Case receipts are required for every reimbursement. Budget holders must ensure that prices paid are reasonable and that their budget balance is sufficient to cover expenses.

Holding Cash within Schools

Receipts from events, clubs, and other collections should be deposited daily into an approved bank account except where such receipts total less than \$25. Cash shall not be left in teachers' desks, lockers, or closets unattended during the school day. Any cash that remains in the school building overnight shall be turned in to the school office and placed in the school vault (if available) or other designated secure place. Large amounts of cash should be deposited in the night depository.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §22.1-123.

Adopted April 19, 2010

POLICY 3-3.10 DISPOSAL OF SURPLUS PROPERTY

Equipment and Personal Property

The division superintendent may designate a qualified employee to dispose of surplus school division equipment and personal property. The division superintendent or his/her designee shall be responsible for maintaining a written procedure using the Commonwealth of Virginia Agency Procurement and Surplus Property Manual as a model.

Disposition of equipment purchased with federal funds shall be in accordance with federal and state laws and regulations.

Real Property

The School Board may dispose of surplus real property as provided by state law.

Educational Technology

The School Board may donate obsolete educational technology hardware and software as provided by state law.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§ 22.1-79(3), 22.1-129.

Adopted April 19, 2010

Revised/Adopted June 21, 2010

POLICY 3-3.11 NON-LOCALLY FUNDED PROGRAMS / COMPETITIVE GRANTS

In order to further the goals and objectives of the school division, the School Board may seek sources of revenue to supplement the funds provided through local, state and federal appropriations.

To promote efficiency in developing proposals and making application for specially funded programs, the division superintendent shall establish administrative procedures for the preparation of proposals and their review. The division superintendent shall ensure that none of the conditions of acceptance is in conflict with the policies of the School Board, the objectives of the division, or state or federal law.

The division superintendent may submit proposals or application for grants prior to approval by the School Board. No such application or proposal shall be binding on the School Board without its approval.

Adopted April 19, 2010

Revised/Adopted June 16, 2014

POLICY 3-3.12 FINES AND FEES

Generally

The School Board shall assess and collect only such fees as authorized by applicable law and the Virginia Board of Education. Nothing in this policy shall be construed to authorize the assessment of fees to students for instructional materials, textbooks, or other materials used by a School Board employee that are not directly used by a public school student.

Willful Destruction of School Board Property

In General

The School Board may institute an action and recover from the parents or either of them of any minor living with such parents or either of them for damages suffered by reason of the willful or malicious destruction of, or damage to, public property by such minor. No more than \$2,500 may be recovered from such parents or either of them as a result of any incident or occurrence on which such action is based.

Textbooks and Other Property Provided Free of Charge

The School Board may assess a reasonable fee or charge for damages or loss of school property when such property has been provided to students without charge.

Collection of Fines and Fees

The division superintendent is expected to protect the taxpayers of the City of Richmond by making every effort to collect all bills due the school division. Although its intention is not to jeopardize the educational opportunities of students because of the oversight or financial inability of parents, the School Board believes there are important educational values to be learned concerning the payment of obligations. Therefore, the division superintendent will take every fair and reasonable action to ensure the receipt of payment for fines, fees, damages and services.

After exhausting other approaches to the delinquent accounts of adults, the division superintendent is authorized to retain the services of the School Board's legal counsel in the effort to secure collections, advising School Board members of this action as is appropriate under the circumstances. However, no lawsuit shall be filed without the approval of the School Board in a regular or special meeting.

Book Fines and Fees

All students may be required to pay for damages to or loss of textbooks, library books and division materials and will be required to pay fees as assessed by the School Board except in cases of documented hardship. For hardship cases, parents will be required to furnish conditions in writing before fines and fees will be waived. No pupil's scholastic report card or diploma shall be withheld because of nonpayment of any fee or charge.

Significant Amounts

The division superintendent shall be authorized to utilize the following procedures for the collection of significant amounts:

1. Letters to parents and/or guardians requesting payment;
2. Contact with the employer of a parent and/or guardian;
3. Preliminary action through the School Board's legal counsel; or
4. Institute lawsuit, upon approval by the School Board.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§ 22.1-6, 22.1-243, 8.01-43.

Adopted April 19, 2010

Revised/Adopted June 21, 2010

POLICY 3-3.13 GIFTS, DONATIONS, GRANTS AND BEQUESTS

Oversight and Approval

The division superintendent or his/her designee shall be responsible for seeing that any gifts, bequeaths, donations, grants, and/or bequests to any individual Richmond Public School or the School Board shall be properly administered in compliance with Virginia law.

Gifts of money or materials of more than \$1,000 in value may be accepted by a school or student activity only with the written approval of the principal.

Monetary and Substantial Value Gifts

Gifts of money or materials in excess of \$1,000 shall be remitted to the Director of Finance.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §22,1-126.

Adopted April 19, 2010

POLICY 3-3.14 FREE ADMISSIONS

Members of the division superintendent's cabinet may attend Richmond Public School athletic events free of charge. Employees of a Richmond Public School competing in an athletic contest may be admitted free of charge, whether the game is "home" or "away," provided it is within the Richmond Public School district. Each Athletic Director may make arrangements for reduced or waived admission charges for an organization or group of people provided there is no discriminatory effect per state or federal law.

LEGAL REFERENCE: Virginia High School League regulations

Adopted April 19, 2010

POLICY 3-3.15 TAX EXEMPTION

Richmond Public Schools is generally exempt from paying State Sales and Use Tax when purchasing tangible personal property for its use or consumption. If vendors request a tax exemption certificate form, buyers/purchasers will provide the VA Department of Taxation Form ST-12 (Commonwealth of Virginia Sales and Use Tax Certificate of Exemption) to vendors. The signature required at the bottom of the form is the person authorizing/certifying the purchase.

Adopted April 19, 2010

POLICY 3-3.16 INCOME

Income: Tuition Fees

Determination of Non-Resident Pupil Tuition Fees

It shall be the duty of the responsible person in the division superintendent's office, by the second meeting of the School Board in January of each year, to ascertain the per capita cost of operation for the preceding session on the elementary level and the secondary level, which shall be reported to the division superintendent.

The division superintendent shall recommend to the School Board the tuition fees to be charged non-resident pupils, unless exempt by law, based on the per capita costs and the actual, additional costs of any special education or gifted and talented program, where applicable. The School Board shall then fix and determine the amount of tuition fees to be charged, not to exceed the total per capita cost of education, exclusive of capital outlay and debt service. The tuition charged based on per capita cost of education may be supplemented by the actual, additional costs of any special education or gifted and talented program provided to a pupil, unless the pupil's School Board of residence and Richmond Public Schools School Board have entered into a contractual agreement fixing the amount of tuition charged.

Students for Whom English is a Second Language

Students for whom English is a second language who entered school in Virginia for the first time after reaching their twelfth birthday and who have not reached twenty-two years of age on or before August 1 of the school year may be admitted to programs by the division superintendent or his/her designee in accordance with applicable law.

Dependent Children for Full-Time Employees

Subject to the approval of the superintendent or his/her designee, parents or guardians of dependent children who are full-time employees of Richmond Public Schools and who are not residents of the City of Richmond may enroll their children in Richmond Public Schools on a tuition waived basis, subject to the availability of space, as determined after Richmond Public

Schools has met all local, state and federal requirement regarding the enrollment of resident children, including fully exhausting all open enrollment options. This shall not be deemed to include alternative public school programs for which Richmond Public Schools is assessed per pupil tuition. Any children of an employee attending a Richmond Public Schools facility through placement made prior to the January 4, 2010 revision of this policy may continue in that placement through the terminal grade offered at that school.

Receipt of Payment via Debit or Credit Cards

The School Board may receive for goods and services by credit or debit cards. The School Board shall, in addition to any penalties and interest, add to such credit or debit card payments a sum as a service charge for the acceptance of such method of payment. The administration shall promulgate regulations consistent with the policy.

Admission Charges

Schools may make reasonable charges for athletic contests, after-school motion pictures and plays, and other programs outside of school hours. Taxes on admissions to such contests, motion pictures, plays, or other programs shall be paid according to federal, state, and city laws.

The proceeds from such activities shall go into the Student Activity Fund (internal account) and be used for the benefit of pupils of that school.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-5, 22.1-116.1.

Adopted April 19, 2010

3-3.17 TRAVEL AND EXPENSES

The School Board encourages attendance and participation by school personnel at professional meetings, conferences and other functions that contribute to professional growth and improvement. Requests for reimbursement from School Board funds for costs associated with attending such professional growth opportunities will be honored only for travel approved in advance by the division superintendent or his/her designee and for which a statement of travel, with supporting documents, is submitted prior to and at the conclusion of the trip, as appropriate. The division superintendent or his/her designee shall develop authorization and reimbursement procedures, criteria and forms.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-67, 22.1-78, 22.1-122, 22.1-253.12:5, 22.1-296

Adopted April 19, 2010

3-3.18 MINORITY-OWNED BUSINESS PARTICIPATION

A. Minority-Owned Business Utilization Plan

Based upon the findings of a disparity study conducted by National Economical Research Associates, Inc., dated July 18, 1991, which concluded that minority-owned business enterprises have not enjoyed full and equal opportunity to participate in one or more procurement areas, Richmond Public Schools, in awarding contracts to its contractors and suppliers, shall strive to obtain a minimum twenty percent (20%) of the annual aggregate expenditure of contracts and services from minority-owned business enterprises. Such contracts and services shall include, but are not limited to contracts for writing and furnishing policies of insurance and surety bonds in which Richmond Public Schools is the principal insured or party for whom such bond is written and for which policy of insurance or bond the premium charges is billed to Richmond Public Schools.

(i) Definitions

Minority means a minority that has been subjected to legally mandated racial segregation in the City of Richmond.

Good faith minority participation efforts means the sum total of efforts by a particular business to provide equitable participation of minority employees and subcontractors. For past efforts, the sum total shall be comprised of the record of minority participation over the past five years either through employment, retention, and promotion; or through subcontracting or joint ventures in the private sector; or through a combination thereof. For future efforts, it shall be comprised of such efforts which are proposed to allow equitable participation of minority employees and subcontractors.

The Administration shall promulgate regulations implementing this policy.

B. Minority Participation in Construction Projects

(i) Minority Participation

It shall be the official policy of Richmond Public Schools to increase the number of minorities who participate meaningfully in all of its construction contracts. To this end, Richmond Public Schools shall use good faith efforts and shall encourage good faith efforts by all parties who engage in construction contracting with Richmond Public Schools to the following ends:

(1) To simulate the creation and development of minority contractors and subcontractors, and to advance in reasonable and responsible ways, and deliberately and consistently over the long term, their entrance into and participation in the construction industry.

(2) To advance in reasonable and responsible ways, and deliberately and consistently over the long term, the participation of minority individuals at higher skill and

responsibility levels within non-minority firms engaged in construction contracting and subcontracting.

(3) To encourage voluntary efforts by the construction industry to increase the participation of minority individuals and businesses in the industry.

All actions taken by Richmond Public Schools in construction contract procurement shall be consistent with this policy.

(ii) Official Goals in Minority Construction Contracting

It shall be the official goal of Richmond Public Schools to increase the dollar value of all of its construction contracts awarded to minority contractors and subcontractors to the highest level that is reasonably achievable for any particular field of contracting. It shall also be the goal of Richmond Public Schools to have fifty percent (50%) minority employment by all construction firms contracting with Richmond Public Schools. This employment goal shall apply specifically to executive and managerial positions and shall not be satisfied by minority employment solely at the lowest skill and pay levels.

It is acknowledged that the availability of minority contractors and subcontractors may be lower in some construction trades than in others, and that such non-availability may impact on the degree to which contractors can reasonably comply with this policy. Therefore, current availability of minority contractors and subcontractors, in addition to other factors, shall be taken into consideration by the School Board and the Administration in the implementation and enforcement of this policy.

(iii) Definitions

Minority, in the context of construction contracts, means a minority that has been subjected to legally mandated racial segregation in the City of Richmond.

Good faith minority participation efforts means the sum total of efforts by a particular business to provide equitable participation of minority employees and subcontractors. For past efforts, the sum total shall be comprised of the record of minority participation over the past five years either through employment, retention, and promotion; or through subcontracting or joint ventures in the private sector; or through a combination thereof. For future efforts, it shall be comprised of such efforts, which are proposed to allow equitable participation of minority employees and subcontractors.

(iv) Prequalification of Bidders

The Chief Operating Officer is authorized to prequalify bidders prior to any solicitation of bids, whether for goods, services, insurance or construction, by requiring prospective bidders to submit such information as the Chief Operating Officer shall deem appropriate, including but not limited to samples, financial reports, and references. For construction contracts, good faith minority participation efforts previously made and those

efforts proposed to be made by the prospective bidders shall be additional information required to prequalify. The prospective bidders past efforts shall comprise ten percent (10%) of the total prequalification score and proposed efforts shall comprise twenty percent (20%) of the total qualification score.

(v) Report of Minority Participation

The Chief Operating Officer shall at the conclusion of each fiscal year report to the school board on (1) the number and proportion of minority construction contractors and subcontractors located in the Richmond standard metropolitan statistical area; and (2) the level of minority participation in construction contracts that have been awarded by Richmond Public Schools during that fiscal year, both as prime contractors and as to subcontractors.

(vi) Renewal of Existing Construction Contracts

No construction contract shall be renewed unless the contract or has first reported to the Chief Operating Officer or his/her designee in the good faith minority participation efforts which have been made during the contract period, and the Chief Operating Officer or his/her designee verifies that the reported efforts have in fact been made and are reasonable under the circumstances.

(vii) Construction Contracting, Bonding and Insurance

If any person is found by the Chief Operating Officer or his/her designee to have engaged in discrimination on the basis of race in the granting of construction bonds or insurance to subcontracts or desire to receive a subcontract in connection with a Richmond Public Schools contract, the person shall be deemed unqualified to submit a bond or insurance for a Richmond Public Schools construction contract unless and until the Chief Operating Officer or his/her designee that the discrimination has been purged and the adequate assurances have been made that it will not recur. Any determination by the Chief Operating Officer of a violation of this subsection shall be reported in writing to the school board.

(viii) Implementation

The administration shall promulgate regulations implementing this policy.

(ix) Effective Dates of Policy

This policy shall be in full force and effect upon adoption, and shall expire and terminate two (2) years from the date of its most recent revision/adoption, subject to the school board's decision regarding renewal of the policy of adoption.

Six (6) months prior to the expiration of this policy, the administration shall report to the school board whether there is a continuing need for the implementation of the policy.

REFERENCE: “Availability and Utilization of Minority Business Enterprises at the City of Richmond, Virginia Richmond School Board; and Richmond Redevelopment and Housing Authority,” conducted by National Economical Research Associates, Inc., July 6 18, 1991.

Adopted April 19, 2010

ARTICLE IV

POLICY 3-4.1 INSURANCE

Insurance Management

The School Board shall maintain adequate insurance to cover all insurance risks relating to the activities of School Board members and employees, and all real and personal property owned or leased by the School Board. Such coverage shall, at least, satisfy the minimum insurance required by law. The division superintendent or his/her designee shall review the terms of the coverage at least annually.

The division superintendent shall notify the Superintendent of Public Instruction of the status of the division's insurance in accordance with applicable law, and shall report to the School Board that such notification has been made.

Property Insurance

The School Board shall maintain insurance coverage on all vehicles, buildings and their contents owned by the School Board. The division superintendent or his/her designee shall periodically solicit bids from insurance companies to provide insurance on vehicles, buildings, contents, and liability coverage. Such coverage shall, at least, satisfy the minimum insurance required by law.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-84, 22.1-188 through 22.1-198; Virginia Administrative Code, 8 VAC 20-70-120.

Adopted April 19, 2010

POLICY 3-4.2 BLANKET BONDS

Minimum Requirements

Before beginning their duties, the division superintendent, principals, administrative assistants/bookkeepers, School Board clerk, deputy clerk, and all others who handle funds in the local schools shall be covered by a blanket bond of at least ten thousand dollars (10,000) assuring faithful performance. The bond shall be conditioned upon the employee's faithful performance and discharge of his or her duties. The School Board shall pay the associated premiums.

LEGAL REFERENCE: Code of Virginia, 1950, as amended, §§22.1-76; Virginia Administrative Code, 8 VAC 20-240-20.

Adopted April 19, 2010
