

**Business and Noninstructional Operations**

**CONTRACTS**

Whenever state law invests the Board of Trustees 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 of Trustees. (Education Code 17604)

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.

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. (Government Code 12990)

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)

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 49431-49431.7, 5 CCR 15500-15501 or 15575-15578, or 7 CFR 210.11 or 220.12, 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.

In accordance with the dates specified in law, the district or a district school 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.

Before the district or a district school enters into or renews a contract that grants exclusive or nonexclusive advertising or sales of carbonated beverages, non-nutritious beverages, or non-nutritious food as defined in 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)

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 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.

**CONTRACTS (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 regulations.

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.
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.
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.

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)

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)

**CONTRACTS (continued)**

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)

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)

**Contracts for Electronic Products or Services**

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

1. Enter into the contract at a noticed, public hearing of the Board
2. Makes a finding that the electronic product or service is or would be an integral component of the education of students.
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.
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.

**Contracts for Digital Storage and Maintenance of Student Records**

The district may enter into or renew a contract with a third party for the purpose of providing services, including cloud-based services, for the digital storage, management, and retrieval of student records and/or to provide digital educational software that authorizes a third-party provider of digital educational software to access, store, and use student records. For these purposes, student records include any information maintained by the district that is directly related to a student and any information acquired directly from the student through the use of instructional software or applications assigned to the student by a teacher or other district employee, and do not include de-identified information. (Education Code 49073.1)

**CONTRACTS (continued)**

Any such contract shall contain all of the following:

1. A statement that student records continue to be the property of and under the control of the district
2. If applicable, a description of the means by which students may retain possession and control of their own student-generated content, as defined in Education Code 49073.1, including options by which a student may transfer student-generated content to a personal account
3. A prohibition against the third party using any information in the student record for any purpose other than those required or specifically permitted by the contract
4. A description of the procedures by which a parent/guardian or a student age 18 years or older may review personally identifiable information in the student's records and correct erroneous information
5. A description of the actions the third party will take, including the designation and training of responsible individuals, to ensure the security and confidentiality of student records
6. A description of the procedures for notifying the affected parent/guardian, or the affected student if age 18 years or older, in the event of an unauthorized disclosure of the student's records
7. A certification that a student's records shall not be retained or available to the third party upon completion of the terms of the contract and a description of how that certification will be enforced, except that these requirements shall not apply to student-generated content if the student chooses to establish or maintain an account with the third party for the purpose of storing that content
8. A description of how the district and the third party will jointly ensure compliance with the federal Family Educational Rights and Privacy Act, 20 USC 1232g
9. A prohibition against the third party using personally identifiable information in student records to engage in targeted advertising

(cf. 3300 - Expenditures/Expending Authority)  
(cf. 3314 - Payment for Goods and Services)  
(cf. 3400 - Management of District Assets/Accounts)  
(cf. 2121- Superintendent's Contract)  
(cf. 4312.1 - Contracts)

**CONTRACTS (continued)**

- (cf. 3300 - Expenditures/Expending Authority)
- (cf. 3314 - Payment for Goods and Services)
- (cf. 3400 - Management of District Assets/Accounts)
- (cf. 2121- Superintendent's Contract)
- (cf. 4312.1 - Contracts)
- (cf. 9124 - Attorney)
- (cf. 0410 - Nondiscrimination in District Programs and Activities)
- (cf. 3554 - Other Food Sales)
- (cf. 3100 - Budget)
- (cf. 3400 - Management of District Assets/Accounts)
- (cf. 3460 - Financial Reports and Accountability)
- (cf. 3290 - Gifts, Grants and Bequest)
- (cf. 1220 - Citizen Advisory Committees)
- (cf. 0000 - Vision)
- (cf. 0100 - Philosophy)
- (cf. 0200 - Goals for the School District)
- (cf. 1230 - School-Connected Organizations)
- (cf. 1321 - Solicitation of Funds from and by Students)
- (cf. 3311 - Bids)
- (cf. 9322 - Agendas/Meeting Materials)
- (cf. 9323 - Meeting Conduct)
- (cf. 5030 - Student Wellness)
- (cf. 1340 - Access to District Records)
- (cf. 9320 - Meetings and Notices)
- (cf. 0440 - District Technology Plan)
- (cf. 6162.7 - Use of Technology in Instruction)
- (cf. 1325 - Advertising and Promotion)
- (cf. 5125 - Student Records)

Legal Reference:

**EDUCATION CODE**

- 200-262.4 Prohibition of discrimination on the basis of sex
- 14505 Provisions required in contracts for audits
- 17595-17606 Contracts
- 35182.5 Contract prohibitions
- 45103.5 Contracts for management consulting service related to food service
- 49431-49431.5 Nutritional standards

**CODE OF CIVIL PROCEDURE**

- 685.010 Rate of interest

**CONTRACTS (continued)**

**GOVERNMENT CODE**

12990 Nondiscrimination and compliance employment programs

53260 Contract provision re maximum cash settlement

53262 Ratification of contracts with administrative officers

**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

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

20104.50 Construction Progress Payments

22300 Performance retentions

**UNITED STATES CODE, TITLE 20**

1681-1688 Title IX, discrimination

Management Resources:

**CSBA PUBLICATIONS**

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

**WEB SITES**

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

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

(9/88 10/93)

3/8/00

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7/12/06

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