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700 - BUSINESS AND NON-INSTRUCTIONAL OPERATIONS POLICIES

710 Organization of Business and Non-Operational Services

The business and non-instructional operations shall encompass the following major functions: finance and financial management, budget, accounting, physical plant, maintenance, operations, facilities construction, purchasing, warehousing, fixed assets/equipment, transportation, risk management, student nutrition, data processing, public affairs, community education, and community services.

711 Chief Officers

Administrative officers responsible for the operation of the business and non-instructional functions of the District shall be designated by the Superintendent.

720 Finance and Financial Management

721 Financial Management - Responsibility For

721.1 Board

All funds of the District shall be subject to the supervision of the Board. The Board shall adopt a budget covering all funds needed for school purposes in accordance with prevailing statutes and regulations of the Commissioner of Education and Early Development. This budget shall be submitted to the Municipal Assembly for review and approval of the amount required to be raised from local sources as well as the total budgeted amount.

721.2 Superintendent

The Superintendent shall direct the development of the annual budget preparatory to its adoption by the Board, and shall be responsible to the Board for maintaining expenditures within the limits prescribed by each major category within the budget as approved. The Superintendent shall administer the budget as enacted by the Board, acting in accordance with legal requirements, and the adopted policies, schedules, procedures, accounting techniques and other business, financial, and administrative controls established by the Board.

721.3 Chief Financial Officer

The Chief Financial Officer shall be responsible for seeing that adequate records of all expenditures and revenues are maintained, controlling the major budget categories and providing the information required for the annual budget preparation and long-range fiscal planning.

722 The Budget and Budgetary Process

722.1 The Budget Defined

The school budget is a written document which presents the Board's plan for the allocation of the available financial resources to sustain and improve the educational functions of the District.

722.2 Budget Contents

The budget shall present a complete financial plan in advance for each year. It shall be organized in accordance with requirements of law and the State Department of Education and Early Development.

The budget will be based upon the educational needs and financial ability of the District as cooperatively identified by the Superintendent and his/her staff, the Board, the community, and the Municipal Assembly and as expressed by the annual statement of Board priority goals for instructional improvement. The Superintendent and his/her staff will also utilize the Board-approved Six-Year Instructional Plan and its annual evaluation as well as the Profile of Performance in its budget preparation.

(Section 722.2 - Revised April 10, 2006)

722.3 Planning and Compilation

Prior to November 15, the Superintendent will present a recommended revenue and expense proforma budget to the Board for approval based on previous discussion at a Board work session. The Board will establish a budget cost ceiling by setting spending limits and assumptions for the annual budget preparation process.

Budget planning shall be based, as much as possible, upon policies adopted by the Board pertaining to staffing and the allocation of funds for specific needs and programs. The Building administrator will review their proposed budget plan with their parent and staff groups. This will take into consideration the needs assessment conducted at the unit level. Building administrators and department heads shall submit their budget requests and justifications to the Budget Director prior to November 15, for the next fiscal year.

722.4 Preparation of the Budget Document

The Superintendent, after considering the needs of the schools, separate and combined, against the sources of anticipated revenue, shall prepare a Preliminary Financial Plan allocating funds for the operation of the District schools. The annual budget will also include a revised three-year revenue and cost proforma analysis.

722.5 Public Hearings

The Board will hold Public Hearings and approve the Proposed Financial Plan and submit it to the Municipal Assembly on the first Monday in March of each year. The public hearing will require a first and second reading before the adoption of the Proposed Financial Plan.

722.6 Final Adoption

The Board shall submit the school budget for the following school year according to the provisions set forth in the Municipal Charter and Alaska Statutes, Chap. 14, Sec. 14.14.060.

722.7 Budget as a Spending Plan

722.71 Responsibility for Administering

The budget shall be considered as a controlled spending plan for the fiscal year. The Superintendent is authorized to make expenditures and commitments in accordance with and in harmony with the specific regulations of the Board and the State of Alaska. The same procedure shall be followed with respect to expenditures provided for by special Board action.

722.72 Methods and Procedures

The Superintendent shall submit to the Board a summary statement of revenues and expenditures, bank balances and report of investments on a monthly basis; and interest earnings/rates on a quarterly basis or by request of the Board.

722.73 Transfer of Funds Between Categories

The Superintendent or his/her designee, may transfer funds between budget categories within those limits authorized by the Board.

The Board may approve transfer of funds between budget categories above the limits set for the Superintendent.

The Superintendent shall submit to the Board a listing of budget transfers on a monthly basis or by request of the Board.

723 Revenue

723.1 Local

Local revenue for school support is derived from real and personal property taxes levied by the Municipal Assembly, fees, interest earnings, fund balance and other local funds.

723.2 State

State funds, both categorical and general, are based upon objective formulae. The District shall conform to the statutes and requirements to qualify for the Public School Funding Program and other state funds; and shall file the required reports and forms to secure the amount of state funds to which it is entitled.

723.21 Alaska Public School Funding Program

The Public School Funding Program monies allocated to the District are to constitute a part of the District's General Fund and shall be budgeted and expended under authority of the Board subject to the law and State Board regulations. The expenditure of earmarked funds shall be restricted to the programs for which the

funds have been authorized according to law and regulations of the State Board.

The District shall maintain financial records of the receipt and all disbursement of all monies. The records must be in the form required by the Department of Education and Early Development and are subject to audit by the Department of Education and Early Development at any time. (AS 14.17.910)

723.3 Federal Revenues

The District shall conform to the statutes and requirements to qualify for Impact Aid, reimbursement for school breakfast and lunch program and other federal funds, both categorical and general, and shall file the required reports and forms to secure the amount of federal funds to which it is entitled.

723.4 Grants

Applications shall be made for grants when available provided that none of the conditions of acceptance are in disharmony with the policies of the Board, the objectives of the District, or the laws of the State of Alaska.

723.5 Trust Funds

All trust funds shall be deposited under the supervision of the Chief Financial Officer.

724 Management of Funds

724.1 Salary and Payroll Management

The Superintendent oversees the authorization of overtime.

724.2 Payroll Deductions

No voluntary deduction shall be made from an employee's paycheck without written authorization of the employee on file. The deduction shall be in effect until revoked in writing, or by the terms of the authorization.

724.3 Investments and Collateralization

The Superintendent or his/her designee is authorized to invest excess funds of the District by direct investment or through the Municipality of Anchorage pursuant to Board Policies 724.31 or 724.32 and in compliance with Board Policy 724.33.

724.31 Direct Investments

a. Investments Allowed

The Superintendent or his/her designee is authorized to invest excess funds of the District directly as follows:

(1) Ten Days or Less

The Superintendent or his/her designee is authorized to secure investments in repurchase agreements from the District's regular banking institution(s) for not to exceed ten (10) five (5) days. All such investments shall be collateralized, as set forth in Board Policy 724.31.b. The securing of such investments is exempt from any competitive bidding requirements.

(2) Undesignated Time Period

The Superintendent or his/her designee is authorized to secure investments for any length of time in the following:

- (a) Obligations of, or obligations insured or guaranteed by, the United States or an agency or instrumentality of the United States; or,**
- (b) Repurchase agreements secured by obligations insured or guaranteed by the United States or agencies or instrumentalities of the United States.**

These investments shall be secured according to the collateralization requirements set forth in Board Policy 724.31.b and the competitive bidding requirements set forth in Board Policy 724.31.c.

b. Collateralization Requirements

- (1) Each investment in excess of any F.D.I.C. insured amount shall be collateralized at all times with United States Government guaranteed securities having a market value, plus accrued interest, which equals or exceeds the collateralized amount of the District's investment.
- (2) Collateral shall be held, in the District's discretion, by the District's agent in the District's name, or in the bank's trust department in the District's name, or by the bank's agent in the District's name.

c. **Competitive Bidding Requirements**

- (1) Investments secured pursuant to Board Policy 724.31.a(2) shall be offered only to banks and other appropriate financial institutions or brokerage firms approved by the District's Chief Financial Officer and having a main or branch office within the Municipality of Anchorage.
- (2) The bids for each investment must be separate and with a maturity date. Partial bids for each investment are acceptable only if identified as to specific maturities. Bids for each investment must identify both the rate of return and any fee that would be incurred by the District as a result of the investment. The award of each investment will be made to the bank or banks offering the highest net yield to the District. Net yield shall be determined by subtracting any fee to be charged from the gross yield. If identical proposals are received from two or more banks, the investment will be divided equally among such bidders.
- (3) The District may reject all bids received.

724.32 Investment Through Municipality Of Anchorage

The Superintendent or his/her designee is authorized to secure investments for two years or less through the Municipality of Anchorage under its collateralization and bidding requirements (AMC 6.50.030).

724.33 Investment Reports

The Superintendent shall provide to the Board each month a report of investments transacted during the month, unless the Board requests a report of investment transactions for a different period of time.

725 Purchasing and Contracting

It is the policy of the District to encourage full and open competition among potential contractors and suppliers; to centralize purchasing and contracting to realize the economies resulting therefrom; and to seek maximum value for every dollar expended. Any discretionary departures from this policy, taken by the Administration, shall be in the best interest of the District.

The function of the Purchasing Department is to serve the educational program of the District by procuring necessary supplies, equipment, construction, and services. To this end, the Purchasing Department shall serve as the agent (contracting officer) of the District to prepare, advertise, open, and recommend the award of contracts on behalf of the District. In this capacity, the Purchasing Department shall, in addition to following required state purchasing guidelines:

- a. Prepare for the purchase, rental, or other provision of supplies, materials, equipment, and/or contractual services on behalf of the District;
- b. Prescribe the time, manner, authentication, and form of requisitions for supplies, materials, equipment, and contractual services;
- c. Fix standards of quality and quantity and develop standard specifications in conjunction with affected divisions of the District. (In this regard, the use of "brand name or better" specifications is specifically authorized);
- d. Prescribe and prepare forms for bids, requests for proposals, and contracts for the purchase, rental, or other acquisition of goods or services, which bids, requests for proposals or contracts may contain provisions as the affected division may consider necessary (as well as such provisions as are required by the Board in these policies or otherwise);

- e. Schedule and conduct pre-bid conferences and pre-proposal conferences when deemed necessary;
- f. In conjunction with the affected division, prepare a tabulation of bids/evaluation of proposal(s) and recommendation for award of contract for the Board in cases in which the Board makes the award of contract;
- g. Provide for issuance of purchase orders and/or contracts without prior approval of the Board when the provisions of Board Policies 725.12, 725.142 or 725.22 are met;
- h. Take steps on a regular basis to inform new and existing businesses of the types of goods and services which the District purchases and the procedures through which the District acquires such goods and services;
- i. Adopt and pursue administrative procedures to implement Board Policy relative to purchasing and contracting.

725.1 Acquisition of Personal Property or Services

725.11 Acquisition of Personal Property or Services Valued at \$50,000 and Above

- a. The acquisition of personal property, or personal services, the estimated cost of which is fifty thousand dollars (\$50,000) and above shall be by formal competitive procedures except as exempted by Board Policy 725.13.
- b. No project or contract specification shall be subdivided to avoid formal competition requirements. This provision does not preclude use of alternate deductible items.
- c. Formal procedures include public advertising and the use of competitive bidding and/or the use of competitive requests for proposals to obtain maximum value for the District through the encouragement of full and open competition when practicable.
- d. Public advertising shall include requests for bids or proposals for goods or services published at least once in a local newspaper of general circulation at least ten (10) days proceeding the last day set for receipt of bids or submission of proposals. Additional notices may also be published in

appropriate trade journals or sent directly to known active prospective bidders/proposers. Circulation may be restricted to vendors within the Municipality if required goods or services are available through them and adequate competition exists among them.

- e. The newspaper notice shall include all of the following:
 - (1) A general description of the work, materials, or services sought;
 - (2) Where bidder forms and specifications and/or requests for proposals may be obtained;
 - (3) The closing time and place for submittal of bids/proposals;
 - (4) The time and place for opening of bids/receipt of proposals; and
 - (5) The amount of bid security, if any, required.

725.12 Acquisition of Personal Property or Services Valued at Less than \$50,000

- a. The acquisition of personal property or personal services, the estimated cost of which is less than fifty thousand dollars (\$50,000) may, at the discretion of the Superintendent or his/her designee, be on the basis of informal procedures under which the requirement for publicly advertised invitations to bid or requests for proposals need not be observed. Informal procedures shall include obtaining quotations or proposals, when practical, from at least three (3) contractors, preferably in writing.
- b. The Purchasing Department shall pursue procedures to assure that where numerous potential and interested contractors exist, requests for quotations/requests for proposals are made in a manner which is calculated to obtain the best price and performance for the District while promoting competition to the greatest extent practicable.
- c. The Purchasing Department shall maintain a record of all informal bids/informal proposals submitted, and such

record shall be kept open to the public for inspection. Such records will be maintained by the District for at least one year from the conclusion of any contract.

725.13 Exemption from Formal Competitive Procedures and Reporting

725.131 Exempt

Even when the estimated amount of personal property or services is fifty thousand dollars (\$50,000) and above, formal competitive procedure requirements in Board Policy 725.11 need not be followed in conjunction with the acquisition of the following personal property or services:

- a. Books, films, periodicals, and other educational materials;
- b. Proprietary (sole source) items for which no competition exists;
- c. Weekly and monthly food service requirements relative to perishables, emergency requirements, and the requests which cannot reasonably be obtained on a timely basis through the formal competitive procedures;
- d. Goods or services from agencies of the Federal, State, or local government;
- e. Goods or services available from local vendors on State of Alaska or Municipality of Anchorage, or Federal GSA contracts;
- f. Professional services (such as property and casualty insurance) purchased jointly with the State of Alaska or Municipality of Anchorage, or Federal GSA.
- g. Goods or services purchased for and to be reimbursed by student/parent teacher organizations;
- h. Items traded in on like items;
- i. Professional or consultant services (such as legal, negotiations, or educational services) not including architectural/engineering design services;

(Section 725.131 - Revised March 28, 2005)

725.132 Reporting

The Administration shall make an annual report to the Board of all acquisitions exempt from competitive requirements pursuant to paragraph 725.131.a - j in excess of fifty thousand dollars (\$50,000). In addition, the Administration shall make semi-annual reports to the Board of all professional or consultant services contracts above ten thousand dollars (\$10,000), excluding architectural/engineering design services contracts, (paragraph 725.131.i).

725.14 Approval of Contracts for Personal Property and Services

725.141 Board Approval Required

All contracts awarded at one hundred thousand dollars (\$100,000) and above require approval by the Board except as exempted by Board Policy 725.13.a - .i.

725.142 Board Approval Not Required

The following purchase contracts need not be approved by the Board:

- a. Contracts let by the purchasing officer or his/her authorized designee if all of the following conditions are met:
 - (1) The estimated value of a personal property or services contract does not exceed one hundred thousand dollars (\$100,000);
 - (2) Funds for the acquisition in question have been authorized in the District budget approved by the Board; and
 - (3) Sufficient funds exist in the appropriate account to cover the acquisition in question.
- b. Petty cash purchases under Board Policy 725.16.
- c. Exempt contracts let by the Superintendent or his/her authorized designee pursuant to Board Policy 725.131 .a -.i.

- d. Emergency contracts let by the Superintendent pursuant to Board Policy 725.15 provided that sufficient funds exist to cover the acquisition in question.

725.15 Emergency Contracts

When an emergency for personal property or services does not allow sufficient time to engage in normal procurement procedures the Superintendent or his/her designee may enter into any contract without following the procurement procedures required by Board Policies 725.11 or 725.12. The Superintendent shall make a full report concerning any such emergency contracts awarded at fifty thousand dollars (\$50,000) and above to the Board at the next scheduled Board meeting.

725.16 Petty Cash Accounts

Petty cash funds may be established for each school unit and department of the District. Such funds shall be used only for the payment of properly itemized bills up to two hundred fifty dollars (\$250) unless authorized by the Superintendent or his/her designee under conditions calling for immediate payment. Allowances, responsibility, security, and accounting of petty cash funds shall be in accordance with state law and procedures established by the Superintendent.

725.2 Acquisition of Construction Projects and Architectural/Engineering Design Services

725.21 Acquisition of Construction Projects and Architectural/Engineering Services Valued at \$100,000 and Above

The acquisition of construction projects and architectural/engineering design services, the estimated cost of which is one hundred thousand dollars (\$100,000) and above, shall be by formal competitive procedures as set forth herein and consistent with the Facilities Department Project Procedures Manual.

- a. No project or contract specification shall be subdivided to avoid formal competitive procedures. This provision does not preclude use of alternate deductible items.

- b. Public advertising shall include a notice inviting bids or proposals for construction projects and/or architectural/engineering design services published at least three (3) times in a local newspaper of general circulation at least twenty-one (21) days preceding the last day set for receipt of bids or submission of proposals. Additional notices may also be published in appropriate trade journals or sent directly to known active prospective bidders/proposers.
- c. The newspaper notice shall include all of the following:
 - (1) A general description of the construction work, materials, or professional services sought;
 - (2) Where bidder forms and specifications and/or requests for proposals may be obtained;
 - (3) The closing time and place for submittal of bids/proposals;
 - (4) The time and place for opening of bids/receipt of proposals; and
 - (5) The amount of bid security, if any, required.
- d. All contracts awarded under the provisions of Board Policy 725.21 require approval of the Board.

725.211 Acquisition of Construction Projects Valued at \$100,000 and Above

- a. The acquisition of construction projects which the estimated cost is one hundred thousand dollars (\$100,000) and above shall be by formal competitive procedures. Formal competitive procedures include public advertising and the use of competitive bidding or requests for proposals to obtain maximum value for the District through the encouragement of full and open competition when practicable.
- b. In the majority of the invitations, the invitation to bid format will be used. However, there may be some exceptions where a competitive request for proposals format will be used. The use of a competitive request for proposals will be

approved by the Board prior to advertising, as required by Board Policy 725.213. When using a competitive request for proposals format, the specified evaluation criteria shall include a price component which shall be weighted at least fifty-one percent (51%) in the evaluation scoring.

A committee shall be established by the Superintendent or his/her designee under the guidance of the Purchasing Department, for the purpose of evaluation scoring. At least one member of the committee, but less than a majority of the committee, shall be a person with construction, engineering, or design expertise, who is not employed by the District, and who has no direct or indirect financial interest in the project. (Section 725.211.b - Revised January 14, 2008)

- c. In addition to price, the evaluation criteria will include at least some of the following factors:
 - (1) The ability, capacity, and skill of the proposer to perform the contract.
 - (2) Whether the proposer can perform the contract within the time specified without delay or interference.
 - (3) The character, integrity, reputation, judgment, experience, and efficiency of the proposer.
 - (4) The quality of performance by the proposer on previous contracts.
 - (5) Whether the proposer is in arrears on any existing contract with the District or is in litigation, arbitration, or other legal disputes with the District.
 - (6) Previous compliance by the proposer with laws and regulations relating to the contract.
 - (7) The number and scope of conditions attached to the proposal.
 - (8) The number and scope of minor variations contained in the proposal.
 - (9) If the subject of the contract will require future maintenance or repairs, the availability of replacements, replacement parts, and maintenance service for any machinery, equipment, or other

material proposed to be installed or supplied by the proposer.

- (10) The quality, availability, and adaptability of the supplies, equipment or contractual services to the particular use required.
 - (11) Whether the apparently successful proposer is prepared to furnish supplies, equipment, or contractual services which meet the specifications of the District.
 - (12) After the minimum acceptable qualifications have been demonstrated, enhancements offered or demonstrated by the proposer which increase the quality, efficiency, or value of the project as defined in the request for proposal may be considered.
- d. To demonstrate the integrity of the process, each proposer shall, upon request, be entitled to a private meeting with the committee chair or the chair's designee subsequent to evaluation scoring and prior to contract award, for the purpose of receiving an explanation from the committee as to the basis of only the proposer's score. (Section 725.211.d - Revised January 14, 2008)

725.212 Acquisition of Architectural/Engineering Design Services Valued at \$100,000 and Above

- a. The acquisition of architectural/engineering service will be solicited using a request for proposal and evaluated on qualifications-based factors, specific to the project. Fees shall not be an evaluation factor in the selection process.
- b. An architectural/engineering consultant or firm is recommended by a committee appointed by the Superintendent under the guidance of the Purchasing Department. At least one member of the committee, but less than a majority of the committee, shall be a person with construction, engineering, or design expertise, who is not employed by the District, and who has no direct or indirect financial interest in the project. The recommendation is forwarded by the Superintendent to the Board for approval. To demonstrate the integrity of the process, each proposer shall, upon request, be entitled to a private meeting with the committee chair or chair's designee subsequent to the

committee recommendation and prior to Board approval, for the purpose of receiving an explanation from the committee as to reasons why the proposer was not recommended. (Section 725.212.b - Revised January 14, 2008)

- c. The Board will approve selection of the architect and/or engineer and will further approve architectural/engineering service contracts in the amount of one hundred thousand dollars (\$100,000) and above.
- d. After the Board has approved the selection of the architectural/engineering consultant or firm (hereinafter "A/E"), the A/E will proceed with a qualifications-based selection of any required sub-consultants. After the A/E's selection of sub-consultants, the Superintendent or his/her designee shall negotiate the fee with the A/E. If a fair and reasonable fee agreement cannot be negotiated between the District and the A/E because the A/E is unable to negotiate a fee agreement with the most qualified sub-consultant, the District may allow the A/E to negotiate a fee agreement with the next qualified sub-consultant. In the event that a fair and reasonable fee agreement cannot be negotiated between the District and the A/E, the next qualified A/E will be selected, and the process repeated.

725.213 Acquisition of Projects Valued at \$100,000 and Above by use of Alternative Techniques

When it best serves the interest of the District, the use of alternative techniques may be approved by the Board, as indicated below. The use of an alternative technique shall be based on appropriate evaluation and planning to ensure quality, creativity, flexibility, innovation, and excellence. Evaluation and planning may consider:

- (1) Standardization of equipment and systems.
- (2) Life cycle costs.
- (3) Operation and maintenance requirements.
- (4) Current technologies and design trends.
- (5) Local site conditions.
- (6) Complexity of the project.
- (7) Construction costs.

- (8) Risk reduction/sharing.
- (9) Project completion requirements.
- (10) Constructibility.

- a. A modified two-step Invitation to Bid process may be used. The first step is the identification of qualified bidders based on any or all of the criteria referenced in 725.361. In the second step, identified, qualified bidders are invited to submit a bid.

The two-step Invitation to Bid process may also be used for term contracting. In term contracting, the first step is the identification of a limited number of pre-qualified term contractors for identified multiple projects of a similar scope not to exceed \$500,000 per project. In the second step, when the District has a project ready to bid, the term contractors are invited to bid on the project with award of the contract to the lowest bidder. The pre-selection process establishes a pool of qualified contractors for a period of two (2) years.

- b. The Design/Build process may be used to obtain competitive contracts. With the exception of the price consideration set forth in the following sentence, selection criteria shall be qualifications based. The specific evaluation criteria shall include a price component which shall be weighted at least fifty-one percent (51%) in the evaluation scoring.

In the Design/Build process, the District first develops design and budgetary criteria for the project. It then contracts with a single entity to provide complete design services, and perform construction of the project.

- c. General Contractor/Construction Manager (GC/CM). In the GC/CM process, the project is designed by an architect/engineer under contract with the District. However, the District also contracts with a GC/CM to provide pre-construction services such as cost estimating, value engineering, constructibility reviews, and project scheduling in cooperation with the architect/engineer. The specific evaluation criteria shall include a price component

which shall be weighted at least fifty-one (51%) in the evaluation scoring.

After design, the GC/CM submits a Guaranteed Maximum Price (GMP) to the District for construction of the project. If the District and the GC/CM can agree on that GMP and on a construction schedule, the District contracts with the GC/CM as the project's general contractor.

- d. **Best Value Contracting.** In this one step competitive proposal contracting process, projects are awarded to the contractor offering the best combination of price and qualification, instead of just the lowest bid price. The specific evaluation criteria shall include a price component which shall be weighted at least fifty-one percent (51%) in the evaluation scoring.
- e. **Job Order Contracting.** In this competitive contracting process, an indefinite quantity contract is used for anticipated multiple construction projects, the cost of any individual job order no to exceed \$250,000. Typical work will include minor construction, repair, rehabilitation, and alteration services.

Pricing is based upon a coefficient multiplier applied to a unit price book (UPB). The specific evaluation criteria shall include the coefficient multiplier weighted at least fifty-on percent (51%) in the evaluation scoring. When a job order is issued, the district and the contractor agree on the scope of work and the cost is determined by applying the coefficient multiplier to the appropriate units in the UPB. The duration of the indefinite quantity contract shall not exceed four (4) years, including extensions.

- f. Other methods as approved by the Board.

(Section 725.213 - Revised January 14, 2008)

725.22 Acquisition of Construction Projects and Architectural/Engineering Design Services Valued less than \$100,000

The acquisition of the cost of construction projects and architectural/engineering design services which are estimated not to exceed one hundred thousand dollars (\$100,000), may, at the

discretion of the Superintendent or his/her designee, be on the basis of informal procedures under which the requirement for a publicly advertised notice need not be observed. Informal procedures shall include obtaining quotations, bids, or proposals, whenever possible, from at least three (3) firms, preferably in writing. The Purchasing Department shall pursue procedures to assure that where numerous potential and interested firms exist, the solicitation of quotations, bids, or proposals is made in a manner which is calculated to obtain the best price and performance for the District, for example, posting on the District website, while promoting competition to the greatest extent practicable. Contracts awarded pursuant to this policy shall be in the form of a purchase order or short form contract signed by the contracting officer or his/her designee. The Purchasing Department shall maintain a record of all quotations, bids, or proposals received, and such record shall be kept open to the public for inspection. Such records will be maintained by the District for at least one year from the conclusion of any contract.

The Superintendent or his/her designee shall approve the contract.

(Section 725.22 - Revised January 14, 2008)

(Section 725.221 (Acquisition of Construction Projects Valued Less than \$100,000) - Removed January 14, 2008)

725.222 Acquisition of Architectural/Engineering Services Valued less than \$100,000

The acquisition of architectural and/or engineering services pursuant to 725.22 will be evaluated on qualifications based factors.

725.23 Emergency Construction Projects and Architectural/Engineering Design Services

When an emergency does not allow sufficient time to engage in normal procurement procedures, the Superintendent or his/her designee may enter into any contract for construction and/or architectural/engineering design services without following the procedures required in Board Policies 725.2 - 725.222. The Superintendent shall make a full report concerning any such emergency contract awarded at one hundred thousand dollars (\$100,000) and above to the Board at the next scheduled Board

meeting. For purposes of this section, "emergency" means a situation that presents an immediate threat of serious harm to persons or property.

725.24 Rehabilitation, Repair and Construction of School Buildings

When the District undertakes responsibility for rehabilitation, construction or repair of school buildings, the purchasing and contracting procedures of Board Policy 725 and the written administrative procedures set forth in the Facilities Department Project Procedures Manual shall apply.

725.3 General Requirements and Conditions for All District Purchases

725.31 Non-Discrimination

- a. No bidder/proposer on any District contract may illegally discriminate on the basis of race, color, religion, national origin, ancestry, age, sex, marital status, physical or mental disability, or change in marital status in employment, provision of services, or otherwise. Any bidder/proposer submitting a bid or proposal of fifty thousand dollars (\$50,000) or more must certify that if awarded a contract on the basis of that bid or proposal, he/she as the contractor will not illegally discriminate against any member or applicant for employment because of race, color, religion, national origin, ancestry, age, sex, marital status, physical or mental disability, or change in marital status, in employment, provision of service, or otherwise. (Section 725.31 - Revised November 12, 2007)
- b. All successful bidders/proposers shall insure such non-discrimination. All successful bidders/proposers must agree to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination section and this section shall be deemed to be a part of every contract entered into by the District under these policies.
- c. The District requires adherence to the Anchorage Municipal Code, relating to Minority Business Enterprises and will monitor and implement this Code through the District's Equal Employment Opportunity Director (EEO).

- d. It is the policy of the District that socially and economically disadvantaged minority businesses located within the Municipality of Anchorage, be afforded an equitable opportunity to participate in District contracts.
- e. Any appeal from a decision of the Equal Employment Opportunity Director shall be to the Superintendent and, if not satisfied, to the Board.

725.32 Vendor Bidder Lists

Vendor Bidder lists may be maintained in accordance with procedures established by the Purchasing Department.

725.33 Bid Bond/Security

- a. Any individual or organization submitting a bid/proposal shall accompany the bid/proposal with adequate bid security as may be required. Bid security, when required, shall be in the form of a corporate surety bond from a surety company authorized to do business in Alaska, or a certified cashier's check. Any bidder/proposer who is not awarded a contract shall have his bid bond exonerated or certified cashier's check returned. Any bidder/proposer awarded a contract shall forfeit the bid security if the bidder/proposer fails to enter into the contract. The successful bidder/proposer will have his bid security exonerated upon execution of the contract.
- b. On projects for which the estimated cost is one hundred thousand dollars ((\$100,000) or less, the bid specifications may require a bid bond no greater than five (5) percent of the bid amount or five thousand dollars (\$5,000), whichever is less, and waive the requirement of a performance and payment bond. Solicitations may allow for certified cashiers check and/or corporate surety bond. However, additional bonding or security may be required on such contracts where it is determined essential to protect the interests of the District. If the Superintendent, or his/her designee, determines that additional bonding or security is essential, this decision shall be reduced to writing and a file copy maintained for review by the public.

725.34 Pre-Bid/Pre-Proposal Conference and Addenda

725.341 Pre-Bid/Pre-Proposal Conference

The Purchasing Department may provide for a pre-bid/pre-proposal conference. Such conference if deemed necessary, shall be held at least seven (7) days prior to the date for submission of bids/proposals.

725.342 Addenda to Solicitation Documents

- a. Clarifying information which may affect the bid/proposal shall be issued in the form of written addenda to all prospective bidders/prospective proposers, whether or not present at the pre-bid/pre-proposal conference.
- b. No oral change or interpretation of a contract document shall be relied upon by the prospective bidder/proposer or shall be binding on the District whether issued at a pre-bid/pre-proposal conference or otherwise. Addenda may be issued when changes, clarifications, or amendments to bid/request for proposal documents are deemed necessary by the District. Addenda shall be issued when questions arise which might affect solicitation responses.
- c. The Purchasing Department shall deliver any addenda to all prospective bidders/prospective proposers by mail, fax, or by hand. While the Purchasing Department shall make reasonable efforts in each case to assure that each prospective bidder/prospective proposer receives addenda in a timely fashion, for example, posting on the District website, the risk of non-receipt of any addendum lies with the prospective bidder/prospective proposer.
- d. The issuance of an addendum should normally occur a sufficient number of working days before the time scheduled for the receipt of bids/proposals so as not to detrimentally impact a bidder/proposer's ability to submit a responsive and considered bid/proposal by that due date. When an addendum contains detailed, complicated, or voluminous information, the date of issue should normally be at least five (5) working days before the due date. If an addendum is issued less than four (4) working days before the time scheduled for the receipt of bid/proposals, the addendum shall contain a new due date which shall be at

least one (1) working day after the originally scheduled due date.

- e. Receipt of any addenda shall be acknowledged by each bidder/proposer as part of the bid/proposal submitted.

725.35 Bids/Proposals Submittal, Withdrawal and Late Bids

725.351 Submittal

Each bid/proposal must be signed by the bidder/proposer and submitted in a sealed envelope addressed to the District and plainly marked with the name of the procurement and the time and date of bid opening/proposal deadline.

725.352 Withdrawal

Any bid/proposal may be withdrawn or withdrawn and resubmitted by the bidder/proposer without penalty prior to the scheduled time for opening of bids/receipt of proposals.

725.353 Bid/Proposal Opening and Tabulation Procedure

- a. Bids shall be opened in public at the time and place stated in the public notice, or any extension thereof under Board Policy 725.34 which time shall be immediately after the closing time for submission of bids. The time for submission of bids shall be during the normal business day.
- b. Proposals shall be received up to the proposal due time and date specified in the request for proposals.
- c. A tabulation of bids/proposals shall be prepared and transmitted to the Board by the Superintendent with appropriate recommendations for acceptance or rejection. A copy of the tabulation shall be furnished upon request to each bidder/proposer.

725.354 Late Bids/Proposals

Late bids/proposals shall not be considered and shall be returned to the bidder/proposer unopened, except that the District reserves

the right at its discretion to consider bids/proposals which have been delayed or mishandled through the mail system or by a commercial carrier when the envelope/package containing the bid/proposal bears postmark or commercial carrier affixed evidence of having been mailed at least three (3) calendar days, (in the case of U.S. mail) or clearly marked for delivery (in the case of a commercial carrier), in advance of the bid opening/proposal due time. Postmark evidence means a printed, stamped or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed on the date of mailing by employees of the U. S. Postal Service.

725.355 Rejection of Bids/Proposals

The Board shall have the authority to reject any and all bids/proposals.

725.355.1 Reasons for Rejection

A bid/proposal shall be rejected if:

- a. The bid/proposal is late (except as provided by Board Policy 725.353 hereof);
- b. The bidder/proposer fails to include security pursuant to Board Policy 725.33 hereof;
- c. The bidder/proposer submits more than one bid/proposal;
- d. The bid/proposal is not signed.

725.355.2 Reasons for Rejection by Discretion

A bid/proposal may be rejected at the discretion of the Administration, if:

- a. The bidder/proposer has failed to perform under some other contract with the District;
- b. The bidder/proposer fails to supply plans, specifications, samples, etc., when such item was called for in the invitation to bid or request for proposal;

- c. The bid/proposal fails to include acknowledgment of all addenda issued by the District;
- d. The bid/proposal contains an alteration or erasure which is not initialed by the signer of the bid/proposal;
- e. The bidder/proposer changes or qualifies a material term or condition of the invitation to bid/request for proposal.

725.355.3 Waiver of Irregularities

The Board/Administration has the authority to waive any and all irregularities on any or all bids/proposals except that the irregularities noted in Board Policy 725.355.1 shall not be waived.

725.355.4 Negotiation

The Board/Administration reserves the right to negotiate when such an approach is in the best interest of the District.

725.36 Award of All Contracts

725.361 Award to Lowest Responsible Bidder

In the case of Invitations to Bid, the contract shall be awarded to the lowest responsible bidder. In determining the "lowest responsible bidder," the District may consider, in addition to price, at any point in the selection process, any of the following factors:

- a. The ability, capacity, and skill of the bidder to perform the contract.
- b. Whether the bidder can perform the contract within the time specified without delay or interference.
- c. The character, integrity, reputation, judgment, experience, and efficiency of the bidder.
- d. The quality of performance by the bidder on previous contracts.
- e. Whether the contractor is in arrears on any existing contract with the District or is in litigation, arbitration, or other legal dispute with the District.

- f. Previous compliance by the bidder with laws and regulations relating to the contract.
- g. The number and scope of conditions attached to the bid.
- h. The number and scope of minor variations contained in the bid.
- i. If the contract is one the subject of which will require future maintenance or repairs, the availability of replacements, replacement parts, and maintenance service for any machinery, equipment, or other material proposed to be installed or supplied by the bidder.
- j. The quality, availability, and adaptability of the supplies, equipment or contractual services to the particular use required.
- k. Whether the bidder is prepared to furnish supplies, equipment, or contractual services which meet the specifications of the District.

725.362 Award to Other than Low Bidder

When the award of a contract is made to other than the lowest bidder, a full and complete written statement of the reasons therefore shall be filed with the other documents relating to the transaction. For award of contracts that require Board approval, a full and complete written statement of the reasons why the contract is not being awarded to the lowest bidder will be included in the Board memorandum.

725.363 Tie Bids

When two or more bidders, each of whom fully meets bid conditions, are tied, awards shall be made as follows:

- a. Tie bids involving Anchorage firms with non-Anchorage firms, award shall be made to the Anchorage firm.
- b. If no other basis for choosing exists, the successful bidder will be determined by lot. The drawing will be held by the Purchasing Department in the presence of a representative of each of the tied bidders at a time reasonably convenient to

the bidders. If a bidder's representative cannot attend a drawing within a time frame which allows the contract award to proceed in a timely manner, or if a representative fails to appear for a previously scheduled drawing time, an impartial witness from the Purchasing Department staff will be selected to observe the drawing on the bidder's behalf. The Purchasing Department will report the fact that a tie bid existed and the results of the drawing in any required memorandum to the Board which recommends contract award to the successful bidder.

725.364 Award to Successful Proposer

In the case of Requests for Proposals less than one hundred thousand dollars (\$100,000), the contract will be awarded based upon the evaluation criteria specified in the Request for Proposals.

In the case of Requests for Proposals of one hundred thousand dollars (\$100,000) and above, the recommended award of contract will be brought to the Board for its approval.

725.365 Re-advertising

In the event all bids/proposals are rejected, the Administration reserves the right to re-advertise the invitation to bid/or request for proposal or any portion thereof either as initially advertised or with such changes in the invitation to bid or request for proposal as may appear necessary (1) to bring the estimated cost within the limit of funds available; (2) to make the invitation to bid/request for proposal conform more closely to District needs; (3) to correct errors or inappropriate specifications contained in the initial invitation to bid/request for proposal; or (4) to make such other changes as may be deemed in the best interest of the District.

725.366 Notification of Award to Bidders/Proposers

- a. For awards not requiring Board approval, the Purchasing Office and/or Purchasing Contracting Office shall notify all participating bidders/proposers of the Intent to Award in writing on the same day of the issuance of intent to award.

- b. For those awards requiring Board approval, the Administration will make public in the Purchasing Office and/or the Purchasing Contracting Office each notice of Intent to Award ten (10) calendar days prior to the scheduled award by the Board. Bidders/Proposers may, upon request to the Purchasing Office and/or Purchasing Contracting Office, review the bid tabulation/proposal scoring summary prior to the scheduled Board award date.

725.367 Recommendations to the Board

The Administration, after evaluating the formal competitive bids or proposals received, recommends by memorandum to the Board a bidder/proposer for contract award.

725.368 Appeal Process for Aggrieved Bidders/Proposers

725.368.1 Appeal Process for Aggrieved Bidders/Proposers for Contracts Under \$100,000

Protest of awards by aggrieved bidders/proposers for contracts not requiring Board approval as identified in Board Policies 725.142 and 725.22, will be addressed to the Administration through the Purchasing Office or Purchasing Contracting Office in accordance with the procedures identified in the procurement documents. The appeal will be forwarded by the Purchasing Office or Purchasing Contracting Office for an independent review. Such independent reviews may be conducted by a not directly involved District employee or an experienced but disinterested third party from outside the District. The findings from the independent review will be reported to the Board.

725.368.2(a) Appeal Process For Aggrieved Bidders/Proposers for Contract Awards at \$100,000 and Above

Any aggrieved bidder/proposer may, in writing, appeal the intended award of a contract. For construction projects and architectural/engineering design services, the appeal must be received by the Purchasing Director with a copy to the Superintendent's office within ten (10) calendar days after receipt of the notice of intent to award or the notice of intent to negotiate. For personal property or services, the appeal must be received by the Purchasing Director with a copy to the Superintendent's office

within seven (7) calendar days after receipt of the notice of intent to award or the notice of intent to negotiate. The appeal must include the name of the person submitting the protest, the name of the bidder/proposer represented by that person, the specific bid/request for proposal contract award which is being appealed and a detailed explanation of the reasons for the appeal. The aggrieved bidder/proposer must serve all other bidders/proposers with its appeal. Failure to appeal to the District as provided herein constitutes a waiver by the aggrieved bidder/proposer of any objections to the intended contract award. The Administration shall obtain an independent review of the appeal issues. The findings of the independent review will be reported to the Board. If the independent review cannot be reasonably obtained within three (3) calendar days of receipt of the appeal, the appeal shall still be presented to the Board with a written explanation of the reasons why an independent review has not been obtained. (Section 725.368.2(a) - Revised January 14, 2008)

725.368.2(b) Consideration of Aggrieved Bidder's/Proposer's Appeal

The Superintendent, upon review of the aggrieved bidder's/proposer's appeal, may pull the award recommendation from the Board agenda in an attempt to satisfy the aggrieved bidder's/proposer's appeal or he/she may decide to proceed with the award recommendation as scheduled. In which case, after consideration of the aggrieved bidder's/proposer's appeal and allowing the apparently successful bidder/proposer the opportunity to rebut any contentions of the aggrieved bidder/proposer, the Board may:

- a. Award the contract as recommended, indicating its reasons for rejecting the appeal;
- b. Recommend that the contract be awarded to some other bidder/proposer, in which instance formal award will be held over until the next Board meeting except that the Board may award the contract at that meeting to some other bidder/proposer if it finds that a delay in making the award would adversely affect the District;
- c. Stay any award of the contract to permit further consideration of the appeal, with action to be scheduled as soon as practicable, but in no event more than twenty (20) days after the stay as initiated;

- d. Reject all bids/proposals;
- e. Take such other action as appears appropriate and in the best interest of the District under the circumstances.

725.368.3 Appeals of Emergency Contract Awards

Emergency contract awards are not appealable.

725.369 Limitation of Liability

In the event that a contract is awarded to one party, and it is determined after award of the contract that it should have been awarded to some other party, the only financial liability of the District, if any, to the aggrieved party shall be actual costs reasonably incurred by that party in the preparation and submittal of its bid/proposal.

725.37 Payment

No payment for goods or services shall be made unless the goods or services are received and the receiving document is signed by an authorized District representative. The Accounting Department shall establish procedures to insure that no unauthorized payments are made, to facilitate to the extent possible the timely payment for properly approved purchases, and to otherwise implement this policy.

725.4 Conflict of Interest

725.41 Inapplicability to Collective Bargaining Agreements

As used in this Policy 725.4, the word "contract" does not include a collective bargaining agreement.

725.42 Prohibited Acts

- a. No Board member or District employee may take any action in their official capacity to influence the District's selection of any bid or proposal, or the District's conduct of business, in any matter in which he or she has a substantial financial or private interest.

- b. A Board member shall disclose any financial or private interest in any decision before the Board before comment, debate, or vote on the matter. The Board member may not participate in the debate or vote until a determination is made that a financial or private interest is or is not substantial as defined by Municipal Code. The Board shall follow the procedures of the Municipal Code in acting upon and resolving a member's disclosure of financial or private interest. No Board member or employee shall testify before the Board, any legislative body or any municipal board or commission without first disclosing their financial or private interest in the subject of the testimony.
- c. No Board member or employee may disclose confidential information obtained in the performance of his or her official duties unless authorized or required by law or Board policy to do so, or use that information to advance the Board member or employee's financial or private interest or the financial or private interests of others.
- d. A Board member or employee may not engage in business or accept employment with, or render services for, an organization or individual outside the District where that activity is incompatible or in conflict with the Board member or employee's duties, or will impair availability, productivity, or independence of judgment in performing his or her duties.

725.43 Disclosure and Waiver of Conflict of Interest

- a. No Board member or employee shall knowingly engage in any act in conflict with the performance of the Board member or employee's official duties.
- b. No Board member, employee, or a member of their household, shall acquire, directly or indirectly, an economic interest in a District or municipal contract, or engage in business with the District or the municipality, unless the contract is competitively solicited and other requirements of Section 725 of Board Policy and section 1.15 of the Anchorage Municipal Code are met.
- c. The following acts and circumstances shall not be deemed to be in conflict with the performance of official duties if, at the

earliest opportunity after having acquired such knowledge, the Board member or employee files a disclosure pursuant to 725.44 or requests and obtains a waiver pursuant to Board Policy 725.45:

- (1) Such person owns a sole proprietorship, or is a partner in a partnership, or is an officer, director, major shareholder (five percent (5%) or more of the outstanding shares) or has management control in a corporation that submits a bid, proposal or quotation to the District or attempts to enter or enters into a contract with the District;
- (2) Such person has any significant financial interest in any sale, lease or rental to the District of any service or property and such person has knowledge that the District intends to purchase, lease or rent the property or service;
- (3) Such person wishes to sell or receive royalties on books or materials sold to the District for use in the school system for which the employee is the author;
- (4) Such person is an employee who has been providing private services to a child who transfers to a new school or class or advances to a higher grade and the child becomes a student in the class being taught/aided by his/her service provider.

725.44 Disclosure

A Board member or District employee is required to comply with Board Policies and the Municipal Ethics Code by disclosing conflicts of interest. At the earliest opportunity after having acquired knowledge that the board member, employee, or an immediate family member intends to do business with the District or the Municipality of Anchorage, the Board member or employee must do the following:

- a. Disclose the conflict of interest in writing to the Superintendent or his/her designee and the Municipal Ethics Board prior to award of a contract to the business entity;

- b. Disqualify himself/herself from participating in any decision by the District to recommend award of or to award a contract to the business entity; and
- c. Renew the disclosure for the next fiscal year, if work of any kind is intended to be performed.

725.45 Waiver for Board Members and Employees

725.451 Board Members:

- a. A Board member must submit the request for waiver in a notarized statement to the Superintendent or his/her designee on the prescribed form. The statement must fully disclose the conflict of interest, and include the nature, type, and extent of the Board member's financial or private interest in the intended transactions. A Board member's waiver must be granted by the Board in compliance with the procedures of Section 1.15 of the Municipal Ethics Code. Granted waivers expire on the last day of the fiscal year in which they are granted. If the Board member wishes to continue the activity which requires the waiver into the next fiscal year, a new waiver must be applied for and must be granted by the Board.
- b. A Board member or a member of his or her household may not acquire an economic interest in a District or municipal contract unless the contract is competitively solicited and the requirements of the Municipal Ethics Code are followed. A board member desiring to submit a bid or proposal for such a contract must submit a request for waiver to the Superintendent and file a notice of intent to respond to a public solicitation with the municipal clerk. The Board member may not influence the award and may take no action with respect to the development of the solicitation, award, or administration of the contract. No waiver may be granted unless: 1) the Superintendent or designee confirms in writing that no conflict exists or the potential for conflict has been managed; and 2) the person or Board, as applicable, responsible for awarding the contract determines the integrity of the public solicitation process is not adversely affected by the award.

725.452 Employees:

- a. Waivers may be granted in certain situations. However, no waiver may be granted for an employee, or his or her household member, to acquire an economic interest in a District or municipal contract unless that contract is competitively solicited and all other requirements of Board policy and the Municipal Ethics Code are met. The following District employees may request a waiver from the acts identified in Board Policy 725.43 .a - .c, 539.1.a - .c and 540.a - .c:
 - (1) A part-time employee.
 - (2) A full-time employee who wishes to submit a bid, proposal, or quotation for a contract for the providing of goods or services which are outside the area of that employee's trade or profession and which would not interfere with the performance of that employee's job.
 - (3) A full-time employee who wishes to submit a bid, proposal, or quotation or a contract to be performed at a time other than during a period of employment (for example, summertime work by a certified employee).
 - (4) A part-time or full-time employee who wishes to sell or receive royalties on books or materials sold to the District for use in the school system for which the employee is the author.
- b. The employee must submit the request for waiver in a notarized statement to the Superintendent or his/her designee on the form prescribed by the Administration. The statement must fully disclose the conflict of interest and include the nature, type and extent of the employee's financial or private interest in the intended transactions.
- c. If the employee wishes to submit a bid or proposal where the employee would acquire an economic interest in a competitively solicited District or municipal contract, the requirements of AMC 1.15 must be followed. The employee must submit a request for waiver to the Superintendent or designee and file a notice of intent to respond to a public solicitation with the municipal clerk. A waiver may not be granted, and a contract award may not be made, if:

1. the employee or a member of his or her immediate family works for the department awarding or administering the contract;
2. the employee or a member of his or her immediate family would, in the performance of official duties, take any action with respect to the solicitation, award, or administration of the contract;
3. the employee in fact or appearance attempts to influence the award.

Absent (1) – (3) immediately above, a waiver may be granted if: 1) the employee's administrative supervisor and the designated ethics officer each confirm in writing that no conflict exists or the potential for conflict has been managed; and 2) the purchasing officer responsible for procurement confirms in writing that the integrity of the public solicitation process is not adversely affected.

- d. The waiver must be granted by the Board (Board Policy 540 - Publications) or by the Superintendent or his/her designee before the employee may submit a bid, proposal or quotation for any District or municipal contract for which the waiver is requested. Granted waivers expire on the last day of the fiscal year in which they are granted. If the employee wishes to submit a bid, proposal or quotation on a District or municipal contract in any year after his/her waiver has expired, he/she must request and be granted a new waiver for each new fiscal year before he/she may submit such a bid, proposal or quotation.

725.46 Contract Voidable

Any contract awarded by the District shall be voidable at the option of the District if any Board member or employee had any conflict of interest described in Board Policy 725.42 at the time of the award of the contract.

(Sections 725.4-725.46 Revised January 26, 2009)

725.47 Complaints Regarding Conduct

- a. Written complaint regarding alleged violations of any provision of Board Policy 725.4 shall be filed with the Superintendent who shall forward such complaints to the Board or to the Municipal Ethics Board.
- b. If the complaint is filed with the Superintendent and if the Board decides the allegations are serious enough to warrant an investigation, the Board shall appoint a committee to investigate the alleged violations or the Board may refer the complaint to the Municipal Ethics Board if the complaint appears to involve a violation of the Municipal Ethics Code. If the complaint is to be investigated by a committee appointed by the Board, this committee shall be composed of one Board member, one member of the administration and three members of the public. The committee shall have the authority to conduct a formal hearing on the matter, with the same power to administer oaths and affirmations, examine witnesses and compel attendance of persons and production of documents, papers, books, accounts, letters and records by subpoena which the Board itself would have. Any person who appears before the committee and gives evidence shall have the right to be represented by counsel. Any person against whom a complaint has been made may demand and shall be entitled to a hearing which is open to the public. If the complaint is investigated by the Municipal Ethics Board, the procedures followed shall be those procedures adopted and followed by the Municipal Ethics Board.

725.48 Sanctions

- a. If the committee appointed under Board Policy 725.47, subparagraph b., determines that any appointed District officer or employee has violated any provision of this section, the committee shall deliver a copy of its written decision to the Superintendent, the Board and the affected officer or employee, together with the committee's recommendation for disciplinary action. A violation of this section shall be grounds for suspension, discharge or such other disciplinary action as the Superintendent shall determine.
- b. If the committee determines that a Board member has violated this section, the Board may take such action as it is

empowered to do by law, including but not limited to, public censure.

- c. If a complaint is investigated by the Municipal Ethics Board, the Ethics Board, upon completion of its investigation, shall make recommendations to the Board pursuant to AMC Section 1.15.150.

726 Special Fund Expenditures

726.1 Local/State/Federal Projects Fund

Funds from local, state and/or federal revenue sources used to supplement the educational programs will be maintained according to local, state and federal statutes and regulations, and grant documents.

727 Accounting and Financial Reporting

727.1 Classification of Funds

Funds shall be classified in accordance with the District's chart of accounts and in accordance with state law and the regulations of the State Board of Education and Early Development.

727.2 Financial Reports

The financial records shall be kept in accordance with generally accepted principles of governmental accounting. All financial transactions shall be recorded in general, appropriation, revenue and expenditure records. Appropriate entries from the adopted budget shall be made in the records for the respective funds. Separate accounts shall be maintained for each of the several funds.

727.21 Periodic Reports

The Chief Financial Officer shall submit a Comprehensive Annual Financial Report (CAFR) before October 1 of each year for the previous fiscal year ended June 30.

727.22 Public Inspection

All financially related records shall be maintained at the District office. Records shall be open for public inspection during reasonable business hours.

727.3 Audits

- a. The Board will maintain a standing audit subcommittee with members appointed by the Board President. The audit subcommittee oversees District financial, operational and management audits. Audit reports shall be presented simultaneously to the Board and the Superintendent.
- b. The Board may direct the District to contract with an independent firm for financial, operational and management audits.

727.31 Internal

Internal auditing is an independent appraisal activity by employees of the District for the review of accounting, financial and other District operations.

727.32 Annual Independent Financial Audit

The Board shall, before October 1 of each year, provide for an annual independent financial audit by a certified public accountant of all school accounts for the school year ending the preceding June 30. One certified copy of the audit shall be filed with the Commissioner of Education and Early Development and one certified copy shall be posted in a public place at the principal administrative office at the District. (AS Sec. 14.14.050)

727.4 Internal Controls

Internal controls shall be established by the Superintendent to ensure the safeguard and management of District assets.

The Superintendent shall establish a control environment which shall include a reliable and accurate accounting system. Procedures shall be established with a well-defined organizational structure, sound personnel procedures, management awareness of operations through adequate monitoring, and a governing body oversight by the Board Audit Subcommittee.

728 Student Funds

728.1 Restriction on Sales to Students

- a. Sale of supplies, materials and equipment to pupils through school stores, or through the classrooms, or through any other agency of the school shall be held to a minimal basis and approved by the principal.
- b. With the approval of the principal, staff members may specify the types of materials to be procured for certain school uses, but under no circumstances are they to specify a particular supplier.
- c. Copies of specifications shall be made available to all prospective suppliers so as to encourage maximum participation and competition. One or two year contracts with options to renew may be issued at the discretion of the school for such items as sweaters, class rings, announcements, etc. In no case shall such contracts exceed five consecutive years.
- d. In the case of indigent children, fees for laboratory materials, shop materials, activities, and other like fees may be waived at the discretion of the principal.

728.2 Responsibility for Handling Student Activity Funds

All monies derived from any school-sponsored activity shall be collected, accounted for and deposited as directed by the Superintendent.

Any individual responsible for the handling of any school monies or assets is required to deposit promptly all such funds and assets as directed by the Chief Financial Officer in a school designated account. It is the intent of this regulation that principals shall act as treasurers and be responsible for their extra-curricular accounts.

728.3 Fines and Fees

All fines and fees collected are sent to the District Accounting Office and are not retained in the school unit. All monies shall be accounted for according to the District's Accounting Handbook.

729 Risk Management

729.1 Risk Management Policy Statement

The District is committed to effectively manage all risks of accidental loss by:

- a. Protecting the District against the financial consequences of catastrophic losses.
- b. Preserving the District's assets, and educational system from loss, destruction or depletion.
- c. Establishing a Loss Control Plan to identify, prevent and control accidental losses and their consequences.
- d. Creating a system to continually evaluate and assess the District's capacity and financial resources to provide protection from loss.
- e. Striving to establish an exposure-free work and educational environment in which District personnel, students, and the public can enjoy safety and security in the course of their pursuits.

729.2 Property and Casualty Insurance

- a. Risk Management Department is responsible to:
 - (1) Review annually the risks that face the District.
 - (2) Eliminate or reduce as far as possible the conditions, hazards or risks that could cause loss.
- b. With regard to risks of accidental loss, the District shall self-insure all losses:
 - (1) Which occur with predictable frequency;
 - (2) Which will not imperil the District's ability to continue providing education for the students of the District; or
 - (3) Which will not have a significant impact on the District's fiscal position.

- c. If the risks cannot be reduced, eliminated, or self-insured, the District shall:
 - (1) Obtain insurance;
 - (2) Assume the risk of loss in areas where the maximum possible loss is small or assume portions of the losses in other areas where insurance premium savings can be advantageous to the District; or
 - (3) Assume other risks where the cost of insurance is prohibitive.
- d. The District will prepare a statement of property values that will take into consideration the inflation factor associated with replacement costs of facilities and equipment.

729.3 Safety, Health and Loss Control

- a. The District is committed to effectively manage known risks of safety, health and property by:
 - (1) Recognizing that no operation is so important that it cannot be done with appropriate safeguards.
 - (2) Complying with all applicable laws and regulations.
 - (3) Providing appropriate guidance where controlling laws or regulations do not exist.
 - (4) Designing and operating our facilities and equipment in a way that eliminates unacceptable safety, health and loss risks, and providing an environment free of recognized hazards that could lead to death, injury, illness or other losses.
 - (5) Providing a professional loss control staff.
 - (6) Creating a system that continually evaluates the District's capacity to provide a safe, healthful and loss free workplace.
- b. The District has adopted the following safety and health principles to provide direction and focus to our operations:
 - (1) All injuries are preventable.

- (2) Management at all levels is accountable for managing safety, health and property as set forth in paragraph "a" above.
- (3) All accidents and injuries should be investigated.
- (4) All operating exposures should be reasonably safeguarded.
- (5) Training employees to work safely is essential.
- (6) Working safely is a condition of employment.
- (7) Develop a positive process for the sharing of safety and health related information.

729.4 Liability Protection

a. Board/Employee Liability Protection

- (1) The District shall indemnify, protect and defend the Board, its individual members, the Superintendent, and employees against claims, demands, and/or suits for alleged violations of civil rights or constitutional rights, wrongful death, bodily injury, personal injury, and property damage when negligence or other wrongful acts are alleged to have been committed in the scope of employment, service, or under direction of the District.
- (2) No protection shall be provided under this section unless the person seeking protection was a member of the Board, the Superintendent, or employee of the District acting within the scope of his/her authority at the time of the incident from which the claim arises. Additionally, no protection shall be provided unless the individual or individuals seeking protection provide the District with timely notice of the claim and provide full cooperation in the preparation of the defense of the claim.
- (3) Contracts or agreements entered into by the District prior to the effective date of this Policy may contain provisions relating to liability coverage and

indemnity/defense obligations. This Policy shall not alter those contracts or agreements.

- (4) The District may maintain liability insurance or provide such other protection as appears sufficient to accomplish the purposes set out in Board Policy 729.4.a(1).
- (5) Nothing in these policies is intended to establish liability where it would not otherwise exist or to indicate the consent of the District or any of its employees, officers, or agents to be sued or otherwise held liable in any form for any claim for which insurance or indemnity would be provided by this section.
- (6) Nothing in this policy shall prohibit the District and/or its insurer from exercising a right of subrogation against any individual or organization otherwise covered by this policy if liability has been created through the willful or malicious conduct of such individuals or organization.

b. Volunteer Workers' Liability/Medical Protection

- (1) The District shall provide liability protection for duly authorized volunteer workers as written in Board Policy 729.4. Such protection shall be excess to any insurance coverage which a volunteer or volunteer organization might otherwise possess.
- (2) Medical costs resulting directly from injuries to volunteer workers incurred in the scope of the volunteer's reasonable performance of the duties which he/she has been authorized to perform on behalf of the District by the District will be covered by the District to the extent that these costs are not covered by other medical or accident insurance covering the volunteer and are not otherwise recoverable from a third party who may be responsible for such injuries. Such medical payments will be made to the injured volunteer worker, but no indemnification or reimbursement shall be made nor may the volunteer file any further claim against the

District or any of its officers, agents, employees or insurers for lost time from any occupation or any other economic or non-economic injury or damage unless the injury is the result of gross negligence on the part of the District.

- (3) Nothing in this policy prevents the District from entering into written agreements with individuals or organizations (including but not limited to PTA's) providing volunteer services to the District which agreements contain provisions defining the scope of the volunteer's activities and responsibilities and the level and nature of the District's responsibilities as well as the allocation of such responsibilities between the District and the volunteer.

729.5 Resolution Of Claims and Lawsuits

The Superintendent is responsible for overseeing claims, employment lawsuits, student lawsuits, other lawsuits, administrative actions, and workers' compensation compromise and release settlements brought by parties against the District. The Superintendent shall make at least semi-annual reports to the Board on the status of such claims, lawsuits, administrative actions and settlements. The Superintendent shall recommend to the Board how to resolve such claims, lawsuits, administrative actions, and settlements except for those under 729.51. The Board must authorize such resolutions. Risk analysis reports shall be prepared by appropriate District counsel, at the direction of the Superintendent, before settlement recommendations are presented to the Board.

(Section 729.5 - Revised June 25, 2001)

729.51 Settlements Less Than \$50,000

Claims, employment lawsuits, student lawsuits, other lawsuits, administrative actions, and workers' compensation compromise and release settlements less than fifty thousand dollars (\$50,000) may be settled at the discretion of the Superintendent or his/her designee. The District shall maintain records of all such settlements.

729.6 Recovery From Third Parties or Insurance Companies

The Superintendent or his/her designee is authorized to recover bodily injury or property damage losses to the District from third parties or for insured property losses from insurance companies. Recovery of damages from third parties in the amount of fifty thousand dollars (\$50,000) and above or recovery of insured property losses in excess of property insurance deductible will be reported to the Board.

730 Buildings, Grounds, and Equipment

Pursuant to AS 14.14.060(i), Anchorage Assembly Resolution AR 82-276, and related Memorandum of Understanding passed by the Assembly and the School Board, the District, through the Superintendent, shall provide for all construction, major rehabilitation and major repair of school facilities. The Superintendent shall also provide for maintenance, both preventative and routine, and custodial services of District facilities.

730.1 Definition of School Property

- a. All real and personal property, including buildings, grounds and equipment, of the District, or any item of equipment or real property loaned, leased or donated to the District, shall be deemed as school property by these rules and regulations.
- b. For budgetary purposes, equipment is defined as those instructional materials, tools, and movable furniture which have a life of more than one year and which are not used up in instruction or the operation of the schools. Materials which have a life of less than one year and are consumed in instruction and operations are termed "supplies," unless state and federal regulations require otherwise.

731 Safety and Security

The goal of the District shall be safe and secure schools. The Board has established a policy for zero tolerance of threats and violence. All District facilities shall be as free as possible from hazards, accidents and crisis. All students and staff shall be drilled on safe evacuations and other responses in the event of fire, natural disaster or other school crisis. In order for this goal to be reached, the District and each school in the District shall comply with AS

14.33.100, entitled, "Required School Crisis Response Planning." Each school principal, each school employee, each student and each visitor must carry out his/her respective responsibility to ensure safety and security for all.

731.1 Enforcement

The Superintendent, his/her staff, and building principals shall take whatever action is necessary for the continued enforcement of the safety policies of the Board.

731.2 Inspections

All school buildings and equipment shall be inspected periodically to assure that all are maintained at the highest level of safety.

731.3 Security of Buildings and Grounds

The Superintendent is ultimately responsible for security at all District facilities. He/she shall designate those staff at each school and support facility who is responsible for security during their duty hours.

731.4 Pest Management

The Superintendent shall establish a pest management plan to actively promote a healthy and safe school environment for students and staff. The Anchorage School District will use procedures that safely prevent and control pests while avoiding the unnecessary use of toxic chemicals. Pesticides may pose risks to human health and the environment, with special risks to children. The District will use non-chemical pest prevention and control measures first (such as sanitation and caulking), with pesticides used only as a last resort. The District will provide notification to students, parents/guardians and staff if a facility is to receive pesticide treatment as detailed in the District's pesticide management plan.

732 Equipment and Real Property

732.1 Disposition or Exchange of Property

- a. Sale or exchange of real property approved for disposition shall be referred to the Municipality of Anchorage.
- b. Buildings which are surplus to the District's needs or are otherwise not in the District's best economic interests to retain, shall be referred to the Municipality of Anchorage for disposition, including demolition.
- c. Personal property which is obsolete, unusable, or surplus to District needs, or is otherwise not in the District's best economic interests to retain, shall be disposed of by requesting sealed bids or public auction, or other means as practical. The Administration will submit to the Board for approval the method of disposal of any such personal property which is non-perishable and has an expected net sale or auction value of over two hundred fifty dollars (\$250) for the individual item.

Personal property which has an expected net sale or auction value less than two hundred fifty dollars (\$250) for the individual item, may be sold to the public, provided that a determination of price reasonableness is made by the Purchasing Director. However, individual items may be transferred to governmental units and then to nonprofit organizations without charge. Such transfers shall be made in accordance with the prioritization established in Board Policies 854.1 through 854.4. The Administration shall establish procedures to facilitate such transfers.

Personal property with an expected gross auction sale value of under five dollars (\$5.00) per item may be transferred to the public with the approval of the unit administrator. Disposal of textbooks, library books, and supplies shall be in accordance with administrative procedures developed by the Superintendent as noted under Board Policy 345.5.

Personal property purchased through restrictive federal grants, or other funding sources which have restrictive disposal provisions, shall be processed in accordance with those terms specified therein.

732.2 General Fixed Assets - Equipment

Inventories of equipment shall be maintained in accordance with state, municipal or federal administrative regulations and good business practice.

732.3 Care of District Property, Assets and Facilities

All employees of the District are responsible for the proper accounting of all property and equipment used by them either in the course of regular instruction of classes or in any other situation where the District is responsible or where any activity is conducted in the name of the District. Employees are responsible for promptly reporting damage, loss, or theft of any District property or equipment.

732.4 Permanent Property Records

The Superintendent shall designate the school official responsible for maintaining the permanent property and equipment records.

Procedures shall be developed to ensure that when property or equipment is transferred from one location to another the permanent inventory file reflects said transfer.

740 Capital Improvement Programs

741 Long-Range Planning

The long-range capital improvement program is a guide for the acquisition of school sites, the construction of new buildings and the modernization and rehabilitation of existing buildings and sites.

The District believes in long-range planning and will attempt to identify site needs for twenty (20) years into the future.

741.1 Determination Of Needs

741.11 Forecasting Growth Patterns

It shall be the responsibility of the Superintendent to furnish enrollment information necessary for the determination of District facility needs and to confer with the Municipality of Anchorage demographer for future growth predictions.

741.12 Updating Needs

The Superintendent shall develop procedures and recommendations for annually updating the Six-Year Capital Improvement Plan document to provide guidance for capital outlay expenditures and to assure that the District has well-planned District facilities when needed at the proper locations at reasonable costs. Public testimony shall be considered in the development of the Six-Year Capital Improvement Plan. The Six-Year Capital Improvement Plan shall be approved by the Board and submitted to the Municipal Assembly at least ninety (90) days before the end of the current fiscal year of the District.

741.13 Funding Sources for Capital Improvement Projects and Site Acquisitions

The sources of funding are bonds that are voter approved and sold by the Municipality, other Municipal funding, state funding, federal funding, surplus funds, insurance proceeds, and other sources such as community groups' donations.

- a. Bonding
 - (1) The authority to issue bonds for school facilities rests with the Municipal Assembly. The Administration shall prepare information setting forth the need for school building bonds and make recommendations to the Board for approval. The recommendation, as approved by the Board, shall be forwarded to the Municipal Assembly.
 - (2) If bonds are approved by the qualified voters of the Municipality of Anchorage, then funds raised through the sale of bonds may be utilized only for the purposes set forth in the election which authorized the sale of the bonds. The purposes for which bond funds may be used are: to pay costs of planning, designing, acquiring property, as well as for site preparation, constructing, acquiring, renovating, installing and equipping educational capital improvement projects within Anchorage. Bond funds may be used to acquire other bondable capital assets; and for early buy back/call of issued bonds.

- b. The Board may make provisions for minor capital construction projects within the General Fund budget appropriations.

741.2 Community/Staff Participation

The community/school staff shall be given the opportunity to provide assistance and advice on the educational program, the facilities needed to carry out the program, and in conjunction with the local PTA or parent groups, the development of the educational specifications and space requirements of contemplated District facilities.

The Superintendent shall decide if the services of outside consultants are needed.

741.3 Relations With Other Governmental Agencies

Cooperation with persons from municipal, state, and federal governmental agencies will be maintained. The Board will meet at least quarterly with the Anchorage Assembly. The District and other governmental agencies shall communicate on a regular basis to share information related to short and long-range planning which may have impact on the District's Capital Improvement Plan. The District shall cooperate with the Municipal Planning and Zoning Commission in accordance with AMC 21.10.015.a.6.

742 Project Development

742.1 Securing Architectural and Engineering Services

The Board, through the Superintendent, is responsible for the design criteria of school buildings and sites. A design of a school building shall provide for multiple use of the building for community purposes, enhance educational program delivery, and be cost effective.

742.2 Site Selection Procedure

- a. The Board advocates long-range 20-year planning for future school sites. The first phase of the school site selection process is the identification of the need for a school. The District identifies geographic areas where additional schools

will be needed based on enrollment projections and Municipal demographic information. Specific site acquisition priorities are identified annually in the Six-Year Capital Improvement Plan.

- b. Funds for review and acquisition may be obtained from various sources as described in Board Policy 741.13. The Municipality may offer excess lands for District use.
- c. Sites are selected in accordance with Title 25 of the Municipal Code. They may be selected by the Standard School Site Selection Process (AMC 25.25.210) or by Request for Proposals Sections AMC 25.25.3000 through AMC 25.25.399.
- d. After preparation of the site selection report, the Board and the Municipal Planning and Zoning Commission hold public hearings and make recommendations of the preferred site to the Municipal Assembly. The public hearings may be joint meetings, but each body makes an independent recommendation to the Municipal Assembly.
- e. The recommendations are forwarded to the Municipal Assembly for its approval. The Municipal Assembly approves the site selection.
- f. The Municipal Administration is responsible for acquiring the site for the District's use. Should the Municipal Assembly select a site other than one recommended by the District, the District is not required to accept and/or use that site.

742.3 Facility/Site Design and Construction Procedures

- a. The District establishes a need for a new or remodeled facility and includes it in the annual Six-Year Capital Improvement Plan.
- b. Funding is obtained through bonding, grants, or other means as described in Board Policy 741.13.
- c. Educational specifications, including a program statement, are prepared by the Administration in accordance with 741.2. Board approval is required for all major projects.

- d. An architectural/engineering consultant or firm is recommended by a committee appointed by the Superintendent or his/her designee under the guidance of the Purchasing Department for design contracts of one hundred thousand dollars (\$100,000) and above. The recommendation is forwarded to the Board for approval. Final approval of such architectural/engineering firms is the responsibility of the Board for services in accordance with Board Policy 725.212. Design contracts under one hundred thousand dollars (\$100,000) do not require Board approval.
- e. Design is accomplished by the architectural/engineering firm with reviews and approvals by appropriate local, state and federal agencies. The Superintendent shall submit schematic designs to the Board for approval. The use of prototypical design is recommended whenever appropriate.
- f. The ownership of drawings, specifications, and other documents produced by the architectural/engineering consultant or firm (A/E) for the project, and the ownership of any copyrights relating to those documents shall remain with the A/E. The District shall obtain an unrestricted, irrevocable license to use the drawings, specifications, and other documents, without infringing any copyrights, and without additional compensation to the A/E. Unrestricted use shall include use (1) for any additions, alterations, or other subsequent work to the project; (2) to demonstrate or reference conceptual arrangements, in whole or in part, for incorporation into any District project; and (3) reuse of a prototypical design on a District project.
- g. The facility shall be designed to best serve the needs of the District through quality, creativity, efficiency, flexibility, innovation, and excellence. Designs shall consider:
 - (1) Standardization of equipment and systems.
 - (2) Life cycle costs.
 - (3) Operation and maintenance requirements.
 - (4) Current technologies and design trends.
 - (5) Local site conditions.

- h. Prototypical facility designs are to be used when reuse is determined to be in the best interest of the District, considering, among other factors, current codes and technology, new building materials, improvements in design and construction practices, specific site conditions, and program requirements. A prototypical facility design is defined as a design that is originally intended, or becomes intended, for use on other projects. Prototypical design documents are construction documents requiring only site adaptation design revisions and code upgrades.
- i. In the event of reuse of a prototypical facility design, Board Policies 725.21, 725.212, 725.22, and 725.222, shall be waived if the District is able to negotiate a fair and reasonable fee agreement with the designer of record for any needed adaptations to the prototypical facility design. Adaptations may be needed as a result of factors such as code upgrades and unique site characteristics. In the event a fair and reasonable fee agreement cannot be reached with the designer of record, the applicable board policies set forth above shall be followed. If the A/E for any needed adaptations is not the designer of record, that A/E shall have no right or license to reuse of the prototypical facility design, with or without needed adaptations, for any other purpose. This subparagraph shall not apply to the reuse of a prototypical facility design in a Design/Build process. In that circumstance, the entity awarded the Design/Build contract decides which A/E to use for any needed adaptations, subject to the District's approval that the A/E meets the minimum qualifications set forth in the Design/Build request for proposal or other solicitation method.
- j. In the event the District reuses a prototypical facility design in a Design/Build process, the entity contracting with the District to provide complete design services and to perform construction of the project, shall have no right or license to reuse of the prototypical facility design, with or without needed adaptations, for any other purpose.
- k. A comprehensive evaluation of the construction process will be conducted following completion of projects with design costs of one hundred thousand dollars (\$100,000) or above. A summary will be reported to the Board.

- l. After the facility has been in operation for a specified time, usually one year, a post occupancy evaluation and warranty inspection are to be made.

743 Construction Contracts

The Board shall approve all major rehabilitation, construction and major repair of school buildings.

When the District undertakes responsibility for rehabilitation, construction or repair of school buildings, the purchasing and contracting procedures of Board Policy 725 and the administrative procedures set forth in the Facilities Department Project Procedures Manual shall apply.

743.1 Construction Scope and Process

Contract modifications/change orders on construction projects shall not be used to avoid procurement by the competitive procedures set forth in Policies 725.2-.24. Except for emergency procurements authorized under Policy 725.23, contracts for construction projects may only be modified or change orders issued under the following circumstances:

- a. To change the scope of a project under a construction contract to meet unforeseen or changed state, municipal, or federal requirements.
- b. To change the specifications of a construction contract to meet unforeseen or changed conditions which render the original specifications inappropriate, impracticable, incomplete, or not in the best interests of the District.
- c. To change the time for completing a construction contract.
- d. To correct an error in contract specifications.
- e. To resolve a good faith dispute between the District and a contractor as to a party's rights and obligations under the contract.
- f. To change administrative provisions of the contract without materially altering the construction contract terms.

- g. The Superintendent and/or the Director of Facilities are authorized to make contract modifications or to execute change orders up to one hundred thousand dollars (\$100,000) that are within the project's budget. Prior to entering into such contract modifications or change orders, the Superintendent and/or Director of Facilities shall consult with the Purchasing Contracting Officer. The purpose of the consultation shall be to determine if the contract modifications or change orders result from circumstances set forth in paragraphs .a-.f above, or if an emergency situation exists pursuant to Policy 725.23.
- h. The Superintendent is authorized to make contract modifications in excess of one hundred thousand dollars (\$100,000) but not-to-exceed two hundred fifty thousand dollars (\$250,000) that are within the project's budget. Prior to entering into such contract modifications or change orders, the Superintendent shall consult with the Purchasing Director. The purpose of the consultation shall be to determine if the contract modifications or change orders result from circumstances set forth in paragraphs .a-.f above, or if an emergency situation exists pursuant to Policy 725.23.
- i. All contract modifications or change orders above two hundred fifty thousand dollars (\$250,000) shall be recommended by the Superintendent to the Board for its approval. The Superintendent shall advise the Board of the circumstances set forth in paragraphs .a-.f above or of the emergency circumstances pursuant to Policy 725.23, which allow for such a modification or change order.
- j. A contract modification or change order which meets a circumstance set forth in paragraphs a.-.f above, shall not be divided into separate modifications or change orders for the purpose of avoiding the dollar limitations set forth in paragraphs .g - .i above.
- k. The Administration will provide monthly reports to the Board detailing contract modifications/change orders by project with notations if cumulative change orders exceed two hundred fifty thousand dollars (\$250,000) or greater than ten (10) percent of the initial Board approved contracts over one million dollars (\$1,000,000) or those pricing requests/claims forecasted to exceed this threshold. If the

cumulative cost of all contract modifications/change orders on a project exceeds two hundred fifty thousand dollars (\$250,000), the report shall also state the new cumulative cost resulting from the project's contract modifications/change orders reported that month.

743.2 Security

743.21 Performance and Payment Bonds

- a. For projects for which the architect/engineer's estimated cost is one hundred thousand dollars (\$100,000) and over a contractor must provide a corporate surety bond from a surety company authorized to do business in Alaska to guarantee the full and faithful performance of his/her contract obligations and the payment of all claims for labor and materials expended pursuant to the contract, whenever and in such amount as is deemed necessary by the contracting officer. All such bonds shall be approved as to form by the District's attorney.
- b. Terms and conditions used in this policy for contracts under one hundred thousand dollars (\$100,000), as well as those at one hundred thousand dollars (\$100,000) and above, shall be consistent with Alaska Statute 36.25.010(a).

743.22 Working Conditions at Project

The District requires that all contractors on school construction projects meet the federal Fair Employment Standards and other applicable federal, state and local laws.

743.23 Insurance During Construction

The contractor shall provide builder's risk and fire insurance, naming the Municipality of Anchorage and the District on the policy; and shall furnish public liability and property damage insurance in amounts to be determined by the District and provide for holding the District and Municipality harmless. The contractor shall also obtain workers' compensation insurance as required by state statute.

743.3 Construction Administration

Expert oversight and inspection shall be provided by the District during the time the building is under construction.

743.4 Payments to Contractors

Payments to contractors shall be based on the actual extent of completion and made in a timely manner. The District will strive to complete all payments within thirty (30) days. The ASD Facilities Procedures Manual shall ensure compliance with the payment requirements set forth in Alaska Statutes 36.90.200-290.

743.5 Dispute Resolution

- a. On major construction projects, the District, under the authority of the Superintendent will establish an independent Dispute Resolution Process. The process to be used will be identified in the Request for Proposal or Invitation to Bid documents.
- b. On minor construction projects, the Dispute Resolution Process will be as identified in the request for proposal or invitation to bid.

744 Acceptance of the Completed Project

The project must pass the substantial and completion inspections by the District, as well as the final certificate of occupancy from the Municipality, before it is accepted from the contractor.

745 Naming of Schools and Facilities, Fields and Other Areas

- a. When a school or facility is to be named, the Superintendent will appoint a Districtwide committee. The committee will include a central office administrator as chairperson, a principal, and at least five other citizens in the community. Citizens, Board members, students, PTA's and/or other parent groups, school personnel, community councils, and community members-at-large may submit names for consideration by the committee. The Superintendent will make the final recommendation to the Board.

In selecting names, special consideration will be given to those names that have special meaning to students and will enhance educational values.

Schools or facilities may be named for national, state or local leaders as well as for community locations.

No two schools in the District will be given the same name nor will schools or facilities be named after living people.

- b. Fields and/or other specific areas on a school campus or within a school building may be named by the Board.

In selecting names for these areas, special consideration will be given to those names of individuals or organizations that have special meaning to the students and/or staff and the community, and which will honor commitment and dedication to that particular field, or area of the school.

Requests for naming such areas will be submitted through the building principal to the Superintendent. The Superintendent will review the request and will submit the suggestions to the Board with a recommendation for action.

746 Retirement of Facilities

- a. As a population matures or changes, certain school buildings or facilities may no longer be needed and should be recycled for the benefit of the public. In determining which facility is to be retired or use redirected for District purposes, the Board will be guided by this combination of factors:
 - (1) Educational flexibility: School buildings which are least adaptable for housing a modern and flexible educational program.
 - (2) Cost: Buildings representing the highest costs in terms of upkeep and maintenance.
 - (3) Alternate use: Buildings which can best be adapted for alternate use and therefore command the greatest return to the community.
 - (a) Redirecting school for an administrative use.

(b) Returning management authority to the Municipality and/or federal government.

(4) Demographic Projections.

- b. Disposal of real property shall be handled as outlined in Board Policy 732.1 and shall be accomplished within state/local/federal statutes and regulations.
- c. The Board will seek both professional advice and the advice of the community in making its final determination as to the retirement of any school facility.

747 Retirement and Transfer of Sites

As a population matures or changes, certain sites may no longer be needed and should be recycled for the benefit of the public. Sites to be retired for school purposes shall be handled as follows:

- a. Consideration of site transfer or retirement shall include a 20-year forecast as provided for in Board Policy 742.3.a.
- b. Retirement and transfer of management rights of sites shall be handled as outlined in Board Policy 732.1 and AMC 25.40.010 D, Heritage Land Bank Established - Purpose and Mission.
- c. The Board will seek both professional advice and the advice of the community in making its final determination as to the retirement of any site.

748 Leased Property/Buildings

The District may lease property/buildings to support the educational program as necessary.

750 Transportation

751 Responsibilities and Duties

751.1 Board

The Board through contract with the State Department of Education and Early Development, shall provide transportation for pupils in accordance with the State Department regulations.

751.2 Superintendent

The Superintendent shall be responsible for the total transportation program. Bus routes shall be set by the Superintendent.

751.3 Hazardous Walking Routes

The Board shall designate as hazardous those walking routes which cannot be safely traveled by children not served by regular school bus routes (those children who live within 1-1/2 miles of the nearest school). These routes shall be designated as hazardous routes, and transportation shall be provided by the District where so designated by the Board and Superintendent. The cost of such Hazardous Transportation routes will be equally shared by the District and the Alaska Department of Education and Early Development.

- a. A Hazardous Transportation Committee, composed of persons from various government agencies, District personnel, and two representatives from the Anchorage Council of PTAs, one from Anchorage and one from the Chugiak/Eagle River area, shall be appointed by the Superintendent. The Committee shall make recommendations to the Superintendent and the Board for designation of hazardous routes each spring prior to the end of school. The Committee will meet periodically during the school year to review and/or re-evaluate hazardous routes. Minor adjustments to the total hazardous routes' program may be made by the Committee during the year without approval, as determined by the Committee and the circumstances involved.
- b. The Hazardous Transportation Committee will be chaired by the Superintendent's designee, and will be responsible for holding and conducting meetings of the Hazardous Transportation Committee and the maintenance of minutes and records.

- c. Requests for designation of additional hazardous routes will be submitted to the Superintendent or designee for Committee review; and based on locally developed standardized criteria, a determination shall be made by the Committee for approval or disapproval of the addition.
 - (1) If the group requesting the additional route(s) is not satisfied with the decision of the Committee, an appeal may be submitted to the Superintendent or designee for approval/ disapproval.
 - (2) A final appeal may be submitted to the Board by a group who is not satisfied with the decision of the Superintendent.

752 Arrangements for the Required Services

752.1 Publicly Owned and Maintained Equipment

Provisions may be made for the purchase, use and maintenance of publicly owned school buses for transportation of pupils to school and to school activities.

752.2 Other Transportation

The Superintendent shall be authorized to arrange and recommend such contractual provisions for the transportation of pupils by private buses, or other vehicles where regular school bus transportation is not feasible or sufficient.

753 School Buses

753.1 Standards

All publicly and privately owned school buses shall meet or exceed minimum standards and specifications and specific requirements of the State Department of Education and Early Development.

753.2 Maintenance, Inspections, and Safety

It shall be the responsibility of the Superintendent to organize maintenance and repair service for school buses.

753.3 Standby Equipment

Provisions shall be made for standby equipment in case of emergencies. Upon approval of the Superintendent, buses or equipment may be borrowed from other sources.

754 Procedures for Emergencies

Minimum safety standards and driver training, accident prevention and procedures for emergencies to ensure safety shall be set forth in the School Transportation Handbook. A copy of the Handbook shall be made available to all bus drivers, attendants and transportation supervisory personnel.

760 Food Services

All monies derived from the operation, maintenance or sponsorship of the food service facilities shall be deposited in the same manner as other monies belonging to the District. Such monies shall be expended in such a manner as may be approved and directed by the Board according to state and federal regulations.

761 Health Standards

Schools are required to maintain satisfactory health and sanitation conditions at all times and meet the standards of the Department of Health and Human Services outlined in the Anchorage Municipal Code.

762 Free/Reduced Price Meals

Free, or reduced price meals, may be furnished to a student whose parents or guardian qualify under Federal Family Income and Size Regulations or other standards which may be established by the Superintendent or his/her designee.

763 Cost of School Employee Meals

The cost of meals to school employees shall reflect the actual cost to the District of preparing and serving meals.

764 Cafeteria and Other Food Service Facilities

- a. The District may operate cafeterias and other food service facilities for students and employees in such manner and under such-conditions as the Board may direct.
- b. Cafeteria facilities and personnel shall be available for functions of school and community groups, provided such use of the cafeteria does not conflict with its normal daily operation.
- c. An approved cafeteria employee must be on duty when major equipment (range, oven, dish machine, etc.) or storage facilities are used. Groups will be billed for salaries, benefits, fees, or other out-of-pocket expenses.

765 Vending Machine and Other Food Sales

- a. All snacks and beverages sold in vending machines will be healthy choices in all schools and administrative facilities throughout the District. This requirement will extend to teacher lounges as well as office lounges and break rooms. Healthy choices will be those foods that may be available under policy 351.
- b. All food and beverage sales at school will be healthy choices during the school day starting at 6 a.m. and ending one-half hour after the school day. This requirement will include related activities of parent teacher association groups, booster clubs, school stores, as well as any other fund raising.
- c. Special events, such as cultural celebrations or other events tied to the curriculum, may be conducted as an exception if approved by the building principal.
- d. Schools on the National School Lunch Program/NSLP (schools that serve breakfast and/or lunch that are on the federal reimbursement program).
 - (1) The sale of any type of food or drink (vended or other), except for water, during the breakfast and lunch food service times is prohibited in the food service area, except by the Student Nutrition Program.
 - (2) Vending machines dispensing healthy choices are permitted for use subject to the above restriction and

the approval of the building principal, in middle school and high school buildings. Vending machines of any type shall not be available to students at elementary schools.

- (3) The building principal has the discretion to determine, subject to this policy, what, when, and where any other food or beverage items may be sold.

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770 Environmentally Sound Practices, Conservation, Waste Minimization

The District will maintain environmentally safe schools. The District office and all schools are encouraged to achieve Green Star awards. As such the District will strive to support resource and environmental stewardship through education and by conducting its asset management practices in a manner that conserves the environment and minimizes waste.

- a. The District is committed to a program of education for students and staff which incorporates these principles into the educational curriculum and is a part of staff training objectives.
- b. Asset management practices shall promote improved productivity and efficiency by:
 - (1) Identifying conservation opportunities and improving the efficiency of building systems through the implementation of energy conservation practices without affecting occupant comfort;
 - (2) Reducing or eliminating waste;
 - (3) Reusing as much material as possible, and recycling; and
 - (4) Reducing air emissions from mobile and stationary sources.

780 Records Management

- a. Records management is important to the overall function of the school district.
- b. Appropriate records management does the following:
 - (1) facilitates identification and retrieval,
 - (2) reduces the volume stored,
 - (3) improves storage and retrieval systems,
 - (4) increases the efficiency of operations,
 - (5) reduces costs,
 - (6) protects essential records,
 - (7) improves accountability and customer service,
 - (8) reduces liability,
 - (9) protects confidential and personally identifiable information, and
 - (10) insures compliance with applicable laws and regulations
- c. District records shall be developed, maintained, and disposed of according to the requirements of federal and state laws and regulations.
- d. The School Board adopts as a component of its records management system the Model Records Retention Schedule for Alaska School Districts.
- e. The Superintendent or designee will implement a records retention program consistent with this Schedule and may make adjustments to the Schedule as necessary to effectively manage District records. Changes to the Schedule, if any, shall be in writing.
- f. The School Board authorizes the destruction of records having no legal or administrative value or historical interest, following retention for those periods prescribed in the records retention schedule.
- g. The Superintendent or designee shall undertake the preservation and retention of records and data, including electronically stored information, when there becomes a likelihood of litigation.

(Policy Section 780 – Added April 27, 2009)

(Policy Section 700 – Revised June 5, 2000)