



# SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 10.1

**Meeting Date:** April 8, 2021

**Subject:** Public Hearing: First Reading of Revised Board Policy 3315, Relations with Vendors

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: \_\_\_\_\_)
- Conference/Action
- Action
- Public Hearing

**Division:** Legal Services

**Recommendation:** Approve revision to Board Policy 3315.

**Background/Rationale:** 2 CFR 200.318(c)(1) states that LEAs are required to have written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. The standards must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the LEAs. As provided by the California Department of Education during the 2020-21 FPM Findings and Resolutions, revisions to the policies concerning conflicts of interest are necessary. No prior updates to Board Policy 3315 have occurred since its first revision in 2001. Such updates have been reviewed by the CDE.

**Documents Attached:**

1. Executive Summary
2. BP 3315 (Redlines)

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| <p><b>Estimated Time of Presentation:</b> 5 Minutes<br/><b>Submitted by:</b> Raoul Bozio, In House Counsel<br/><b>Approved by:</b> Jorge A. Aguilar, Superintendent</p> |
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# Board of Education Executive Summary

## Legal Department

Revision to Board Policy (BP) 3315: Relations with Vendors

April 8, 2021



### I. Overview/History of Department or Program

2 CFR 200.318(c)(1) states that LEAs are required to have written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. The standards must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the LEAs.

The current version of Board Policy 3315 was adopted in 1998 and revised in 2001. The proposed revisions to Board Policy 3315 are based on the findings and resolutions of the California Department of Education based on the 2020-21 FPM audit. Further, the revised board policy now complies with the language provided by the federal regulations.

### II. Driving Governance:

Pursuant to 2 CFR 200.318(c)(1), LEAs

must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

Board Bylaw 9270 (updated 2020) concerning conflict of interest provides in relevant part:

The Governing Board desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the district and the public. Accordingly, no Board member, district employee, or other person in a designated position shall participate in the making of any decision for the district when the decision will or may be affected by his/her financial, family, or other personal interest or consideration.

# Board of Education Executive Summary

## Legal Department

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### III. Budget:

The proposed policy is intended to create practices that ensure District employees and Board members appropriate engage in the selection, award, and administration of contracts and do not have engage in acts that violate its standards of conduct covering conflicts of interest.

### IV. Goals, Objectives and Measures:

Pursuant to Board Policy 3000 concerning concepts and roles, the District's financial operations are monitored "so as to ensure the [D]istrict's fiscal integrity." As such, the goal is for the District to establish sound policy that ensures its employees and Board members are apprised of the standards of conduct covering conflicts of interest and governing their actions when engaged in the selection, award, and administration of contracts, including disciplinary actions to be applied for related violations.

### V. Major Initiatives:

This policy is critical to advise District employees and Board members of their obligations to refrain from participating in the selection, award, or administration of a contract if they have a real or apparent conflict of interest and the consequence(s) if they fail to do so.

### VI. Results:

Approval of revision to Board Policy 3315. Ensure compliance with federal regulations.

### VII. Lessons Learned/Next Steps:

Next Steps include a second reading of revised Board Policy 3315 and thereafter, an adoption of the same. Information and correspondences concerning this matter have previously been shared with the District. Further updates will be provided as necessary.

# Sacramento City USD

## Board Policy

### Relations With Vendors

BP 3315

#### Business and Noninstructional Operations

No district employee or Governing Board member shall accept personal gifts, commissions or expense-paid trips from individuals or companies selling equipment, materials or services required in the operation of district programs. Gifts include any gift purchased specifically for an employee which is not generally offered to other buyers.

This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, notebooks and other office gadgets which are offered by business concerns free to all as part of their public relations programs.

District purchases of goods or non-employee services shall not be made from vendors with which district employees hold an economic interest. A district employee is considered to hold an economic interest in a vendor if they own, work for, serve as a consultant for, or have other financial interests with the vendor or if a member of an employee's immediate family has a direct financial interest in the potential vendor. A direct financial interest is defined as full or partial ownership, employment by, or existence of a consulting contract.

(cf. 6161.1 - Selection and Evaluation of Instructional Materials)  
(cf. 9270 - Conflict of Interest)

This policy does not prohibit the acceptance of materials and/or services which are of use and benefit to the district.

(cf. 3290 - Gifts, Grants and Bequests)

No district employee or Governing Board member shall participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the district employee or Governing Board member has a financial or other interest in or a tangible personal benefit for a firm considered for a contract. Any district employee or Governing Board member in violation of this policy shall be subject to disciplinary action consistent with 2 CFR 200.318(c)(1). The Superintendent or designee may take disciplinary action as he/she deems appropriate in light of the particular facts and circumstances involved.

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(cf. 4118 – Suspension/Disciplinary Action)

Legal Reference:

EDUCATION CODE

60071 Prohibited offers to influence adoption or purchase of instructional materials

60072 Acceptance of consideration or inducements by school official

60073 Penalties for violation of article

60074 Supplying sample copies

60075 Receiving sample copies

60076 Inapplicability of article; royalties or other compensation of school official for writing or preparing instructional materials; claim of district to royalty

CODE OF FEDERAL REGULATIONS

2 CFR § 200.318 - General procurement standards

Policy SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

adopted: November 16, 1998 Sacramento, California

revised: November 5, 2001

revised: TBD

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