Exhibit ${f H}$

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE:	July 11, 2006
то:	BOARD OF EDUCATION
FROM:	Dr. Joe A. Hairston, Superintendent
SUBJECT:	POLICY 1400 – COMMUNITY RELATIONS: RELATIONSHIPS WITH PRIVATE BUSINESS FOR PURPOSE OF PROVIDING PRODUCTS OR SERVICES TO PUPILS
ORIGINATOR:	J. Robert Haines, Deputy Superintendent, Business Services
RESOURCE PERSON(S):	Barbara Burnopp, Chief Financial Officer Phyllis Bailey, Executive Director, Special Programs PreK-12

RECOMMENDATION

That the Board of Education approve revisions to Policy 1400 – COMMUNITY RELATIONS: Relationships with Private Business for Purpose of Providing Products or Services to Pupils. It is recommended that the policy be moved to the 3000 series, as outlined in the attached policy analysis. This is the first reading of this policy.

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- Attachment I Policy Analysis 1400 (New Policy 3130)
- Attachment II Policy 1400 (New Policy 3130)

BOARD OF EDUCATION OF BALTIMORE COUNTY

Policy Analysis for Proposed New Policy 3130 Non-Instructional Services: Fiscal Services Accounting and Cash Management: <u>School Activity Funds – Relationships with</u> <u>Private Business for Purpose of Providing Products or Services to Students</u>

Statement of Issues Addressed By the Proposed Policy

This policy addresses the parameters of purchasing relationships entered into between schools and private businesses providing products for students. It is suggested that this policy be moved from the 1000 series to the 3000 series with other financial policies intended for schools. Changes to the policy are minor, but include references to the Board's Ethics Code.

Cost Analysis and Fiscal Impact on School System

No impact.

Relationship to Other Board of Education Policies

Relationships with vendors are also addressed in other Board policies and in the Ethics Code.

Legal Requirement

None.

Similar Policies Adopted by Other School Systems

Most other policies reviewed address purchasing rules and ethics, but do not specifically address school purchasing. Harford County Public Schools has a policy that addresses similar issues.

Draft of Proposed Policy and Rule (see attached)

Other Alternatives Considered by Staff

Updating the policy but leaving in the current location in the 1000 series.

[COMMUNITY RELATIONS] NON-INSTRUCTIONAL SERVICES: FISCAL SERVICES

ACCOUNTING AND CASH MANAGEMENT: <u>SCHOOL ACTIVITY FUNDS</u> -<u>Relationships with Private Business for Purpose of Providing Products or Services to</u> [Pupils] <u>STUDENTS</u>

The Board of Education, or an individual school, may enter into a relationship with a private business firm for the purpose of providing desirable products or services for [pupils] STUDENTS.

Any profit accruing to a school in the course of such business shall be secondary to the prime purpose of providing only those products or services which are deemed to be desirable in relation to the school program. All such profit shall be applied to school activities which directly benefit [pupils] STUDENTS. All such business arrangements in an individual school shall be approved by the principal.

THE COMPETITIVE NATURE OF PUBLIC PURCHASING AND THE EFFICIENT USE OF PUBLIC FUNDING REQUIRES THAT ETHICAL STANDARDS BE INCORPORATED INTO ALL PURCHASING FUNCTIONS. ACCORDINGLY, ALL EMPLOYEES AND VOLUNTEERS, SEEKING RELATIONSHIPS WITH PRIVATE BUSINESSES, ARE SUBJECT TO THE BOARD OF EDUCATION'S ETHICS CODE POLICIES.

Specific examples of permissible sales of products or services purchased from selected suppliers would be the following:

- 1. School jewelry, pennants, [tee shirts,] SPIRIT APPAREL, yearbooks, caps and gowns, invitations, name cards, and other class accessories
- 2. [Stationery and other s] School supplies [needed by pupils in their school work] WHICH SUPPORT THE CURRICULAR PROGRAM AS SOLD IN SCHOOL STORES
- 3. Pictures taken of [children] STUDENTS, individually or in groups.

[Also see the statements on fund raising in the rule "Relationship with PTA" and the policy "Use of School Facilities" in this series.]

RELATED POLICIES: POLICY 1300, USE OF SCHOOL FACILITIES POLICY 8360 (AND ALL POLICIES WITHIN THIS SUBSERIES) - ETHICS CODE

Policy Adopted: 10/9/69 Edited: 6/12/79 REVISED:_____ Board of Education of Baltimore County