



Board of Education

Staff Report to the Board

Board Meeting Date: February 3, 2016

Executive Committee Lead:
Yousef Awwad

Department: Purchasing & Contracting

Presenter/Staff Lead: Emily Courtnage

BACKGROUND

Per the attached Executive Summary Memorandum, the District adopted revised Public Contracting Rules in 2010 and a subsequent update in October 2012. These Rules comprise the Contracting and Purchasing Manual referenced in Policy 8.50.090-P and govern the District's procurement activities. The District is required to regularly update these rules to reflect legislative changes to state statute.

If adopted, these Rules will replace the 2012 version of the Portland Public Schools Purchasing and Contracting Rules.

PROCESS / COMMUNITY ENGAGEMENT

Purchasing & Contracting staff has been formulating this revision since mid-2014. Several of these changes are mandatory per state statute; others correct minor errors or typos. When making decisions regarding optional changes, we worked in conjunction with impacted departments, including General Counsel, Instruction, Curriculum, and Assessment, and Facilities and Asset Management. Our external legal counsel at Miller Nash advised us regarding these changes and drafted the revised rules, the Findings, and the accompanying Executive Summary.

Notice of the new class special procurements (for instructional resources approved through the District's Instructional Resource Intake Survey and for hotel, catering, and space rental contracts) was published in the Daily Journal of Commerce on January 29, 2016, as required by PPS 47-0287 ("Special Procurements; Request Procedures.").

ALIGNMENT WITH EQUITY POLICY IMPLEMENTATION PLAN

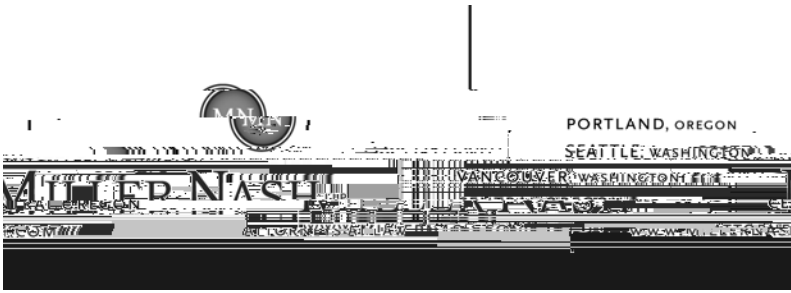
The revisions do not affect the PPS Racial Equity Plan or the District's implementation of the Equity in Public Purchasing & Contracting (EPPC) Policy and related Administrative Directives.

BUDGET / RESOURCE IMPLICATIONS

This policy revision is budget neutral.

NEXT STEPS / TIMELINE / COMMUNICATION PLAN

The revised Rules are scheduled for a first reading at the February 3, 2016 Board Meeting. A



Memorandum

To: Board of Education
From: Jeffrey G. Condit
Client: Portland Public Schools
Subject: 2016 Revisions to Public Cont

the procurement sections of the Public Contracting Code, so I do not anticipate any significant amendments to the District's rules for several more years.

SUMMARY OF AMENDMENTS

Most of the 2016 revisions to the District's rules reflect changes to the Model Rules. The most significant change is to the method of solicitation and contract requirements under the Construction Manager/General Contractor ("CM/GC") form of procurement. The Board can select the CM/GC alternative procurement process by taking an exemption from the standard competitive bidding process. The CM/GC

staff is recommending that this authority be delegated to the superintendent. The amendment requires the general counsel to explain the basis of the offer in a confidential memorandum to the Board each time an offer of judgment is made.



Board of Education Informational Report

MEMORANDUM

Date: March 3, 2016
To: PPS Board of Education
From: Yousef Awwad, Chief Financial Officer
Subject: Public Contracting Rules

At the October 27th meeting of the Business and Operation Committee, Emily Courtnage, Purchasing Director, provided an overview of the revisions to the District's Purchasing and Contracting Policy. The committee was asked to provide feedback on the manual and agreed to meet again to discuss any revisions and make a recommendation to move forward to the Board.

The Committee met on the January 21st but was not able to move forward needing more time to review feedback from the Committee.

At the January 27th meeting of the Business and Operations Committee, Emily Courtnage provided an overview of the revisions to the District's Purchasing and Contracting Policy. The committee was asked to provide feedback on the manual and agreed to meet again to discuss any revisions and make a recommendation to move forward to the Board.

**Portland Public Schools District 1J, Multnomah County, Oregon
Board of Education's
Business and Operations Committee**

**January 21, 2016
Informal Minutes**

The meeting of the Board's Business and Operations Committee convened on the above date at 4:09 pm at the call of Chair Paul Anthony in the Wy'East Conference Room of the Blanchard Educations Service Center, 501 N. Dixon St., Portland, OR 97227.

There were present:

Board

Paul Anthony, Chair
Mike Rosen
Tom Koehler

Staff

David Wynde-Deputy Chief Financial Officer, Budget Director
Emily Courtnage-Program Manager, Purchasing and Contracting
Jeff Condit-Legal Counsel
Amanda Whalen-Chief of Staff
Michelle Riddell-Deputy Chief Human Resources Officer
Sean Murray-Chief Human Resources Officer
Tony Magliano-Chief Operating Officer
Rudy Rudolph
Yousef Awwad-Chief Financial Officer-*by phone*

PUBLIC COMMENT

None

CONTRACTING AND PURCHASING MANUAL

Yousef Awwad, who was participating by telephone, discussed changes made in the policy as a result of Board input.

was best for students and most thought it was best for students to start prior to Labor Day. Director Rosen was appreciative of the compromise and the ability to prep students prior to important testing. He thought it was a great proposal. Chair Anthony asked if there were concerns from Facilities about the calendar. Tony Magliano said there were none. Director Rosen asked if there are solutions for the heat. Tony Magliano

has been collaborative process with PAPSA. Antonio replied yes and the design of the evaluation



Board of Education Informational Report

MEMORANDUM

Date: March 3, 2016
To: PPS Board of Education
From: Yousef Awwad, Chief Financial Officer
Subject: CBRC Budget Principles

At the February 18th meeting of the Business and Operations Committee, Yousef Awwad, David Wynde and Community Budget Review Committee member (CBRC) member, Harmony Quiroz, presented an overview of the Budget Principles which were developed by the CBRC.

The Committee made some recommendations for some changes to the language in the Budget Principles document, and those changes are incorporated in the document which you have been provided. The committee unanimously agreed to recommend the CBRC Budget Principles to the full Board for approval.

Attached are the minutes of the meeting.

**Portland Public Schools District 1J, Multnomah County, Oregon
Board of Education's
Business and Operation Committee**

**February 18, 2016
Informal Minutes**

The meeting of the Board's Business and Operations Committee convened on the above date at 12:10 pm at the call of Chair Paul Anthony in the Board Auditorium of the Blanchard Educations Service Center, 501 N. Dixon St., Portland, OR 97227.

There were present:

Board

Paul Anthony
Tom Koehler
Mike Rosen

Staff

Yousef Awwad-Chief Financial Officer
Tony Magliano-Chief Operating Officer
David Wynde-Deputy Financial Officer and Budget Director
Joe Crelier-Program Director, Risk Management
Amanda Whalen-Chief of Staff
Rosanne Powell-Board Manager

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Quiroz, was there to provide an overview of how the guiding principles were developed. She answered questions about her experience on the committee. Director Rosen stated he was pleased that the committee was now meeting year round

Director Rosen wants to know where the money comes for day to day maintenance. Tony Magliano stated that maintenance is underfunded and described how the District currently pays for these maintenance issues. The committee discussed that they would like to get a "state of affairs" on facilities as well as the desire to see an asset management plan. There was discussion on ho



Board of Education Informational Report

MEMORANDUM

Date: March 8, 2016
To: Members of the Board of Education
From: Debbi Gazarine, District Registrar
Subject: Students requesting exemption from state PE requirement

As part of Division 22 standards, all students requesting an exemption from the state Physical Education (PE) credit requirement must receive approval by their local School Board in order for a waiver to be granted and the requirement to be removed from their transcript.

The Portland School District currently has nine students who have requested waivers from PE. Four of these students were granted PE waivers last year and we are requesting Board approval for five new waiver requests. In accordance with the OAR listed below, all students have a physician statement that documents their specific physical limitation as it relates to this requirement, as well as a written statement of agreement from their parent/guardian. All students will replace the PE credit requirement with alternative coursework as required by the OAR. For the sake of student confidentiality, we are not including the list of students with this memo. However, if you have any specific questions about the students and their requests, you may contact the Office of High Schools to discuss the request.

OAR: 581-02201910 Exemptions:

1) The school district may excuse students from a state required program or learning activity, where necessary, to accommodate students' disabilities or religious beliefs:

(a) Approval of the exemption shall be based upon and shall include:

(A) A written request from the student's parent or guardian or the student, if that student is 18 years of age or older or a legally emancipated minor, listing the reasons for the request and a proposed alternative for an individualized learning activity which substitutes for the period of time exempt from the program and meets the goals of the learning activity or course being exempt;

(B) An evaluation of the request and approval by appropriate school personnel (the alternative should be consistent with the student's educational progress and career goals as described in OARs 581-022-1670 and 581-022-1510).

(b) Following approval by the district school board, and upon completion of the alternative, credit shall be granted to the student.

2) The school district may approve and grant credit to a student for the alternative to a state required program or learning activity if the procedures in the section (1) of this rule are followed.

Stat. Auth.: ORS 326.051

Stats. Implemented: ORS 326.051

Hist.: EB 18-1996, f. & cert. ef. 11-1-96

BOARD OF EDUCATION
SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON

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Personnel

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Other Matters Requiring Board Approval

The Superintendent RECOMMENDS adoption of the following items:

Resolutions 5227 through 5231

RESOLUTION No. 5227

Resolution to Recognize Classified and Non-Represented Employee Appreciation Week March 7-11, 2016

RECITALS

- A. Portland Public Schools' Classified and Non-Represented employees are essential members of our educational team. From the moment students step on a school bus each weekday morning, their learning experience is shaped by members of our Classified and Non-Represented staff. On the front lines and behind the scenes, the men and women of our Classified and Non-Represented staff are in a unique position to influence our school communities. They create a positive learning environment for our students by assisting them in the classroom; preparing and serving meals; caring for their physical needs; transporting them; keeping them safe, and aiding their families. Classified and Non-Represented staff keep our administrative and school offices humming; attend to our buildings and grounds; help us communicate with each other and our community; shepherd supplies and equipment, and because of this vital and integral role, we are grateful for their work and support.

- B. The Board of Education for Portland Public Schools acknowledges and applauds Portland Public Schools' Assistive Tech Practitioners, Attendance Monitors, Book Clerks, Bookkeepers, Bus Drivers, Campus Monitors, Clerks, Community Agents, CNA's, Custodians, Educational Assistants (ESL, Headstart, Gen Ed), Food Service Assistants, Instructional Tech Assts., Library Assistants, Licensed Physical Therapists (LPPTA), Certified Occupational Therapy Assistants (COTA), Maintenance Workers, Nutrition Services, Orthopedic Equip Techs, Occupational and Physical Therapists, Para Educators (Special Ed), Secretaries, Security Techs, Sign Language Interpreters, and Transportation Route Schedulers, Analysts, Senior Analysts, Coordinators, Functional Leads, Managers, Program Managers, Senior Program Managers, Senior Managers, Senior Pr

RESOLUTION No. 5228

Amending the District's Public Contracting Rules to Address Statutory and Administrative Rule Changes and Amending or Enacting New Special Class Procurements

RECITALS

- A. The Board of Directors of School District No. 1, Multnomah County, Oregon ("District") acts as the Local Public Contract Review Board ("Board") pursuant to ORS 279A.060.
- B. ORS 279A.065 empowers public contracting agencies to adopt rules of procedure for public contracts, and the District has adopted such rules ("2012 Rules").
- C. ORS 279A.065(5)(b) requires a local contracting agency to review its rules for revision each time the Attorney General modifies the Model Rules for Public Contracts. The Attorney General updated the Model Rules in 2015 in light of amendments to the Public Contracting Code in the 2013 legislature.
- D. ORS 279B.085 authorizes the Board to declare certain public contracts or classes of contracts for goods and services as special procurements exempt from the competitive procurement process otherwise required by ORS Chapter 279B, upon certain findings.
- E. The Board deems it necessary and advisable to adopt updated rules ("2016 Rules") to address these statutory and rule changes, to improve the format and usability of the District's rules, and to provide for greater public transparency in regard to the District's procurement procedures.
- F. On January 27, 2016, the Board's Business and Operations Committee unanimously recommended presentation of the 2016 Rules to the full Board. The Board held a First Reading of the 2016 Rules on February 2, 2016.

RESOLUTION

- 1. The Board hereby adopts the 2016 Rules as the District's Public Contracting Rules.
- 2. The Board adopts the class special procurements enacted in the 2016 Rules based on the findings in the attached Exhibit A.
- 3. The District's 2016 Rules supersede and replace the District's 2012 Rules for procurements advertised or first solicited on or after the effective date of this Resolution. Procurements advertised or first solicited prior to the effective date of this Resolution shall continue to be processed under the 2012 Rules.

Y. Awwad

FINDINGS IN SUPPORT OF THE DESIGNATION OF CERTAIN CLASSES OF CONTRACTS FOR GOODS AND SERVICES AS SPECIAL PROCUREMENTS UNDER ORS 279B.085

The Board of Directors of School District No. 1J, Multnomah County, Oregon, acting as the Local Public Contract Review Board ("Board"), makes the following findings in support of amendments and additions to the District's class special procurements for goods and services incorporated in the District's 2016 amendments to its Public Contracting Rules ("2016 Amendments").

Class Special Procurements.

Applicable Criteria. ORS 279B.085(4) empowers the Board to designate classes of contracts for goods or services for special procurement outside of the competitive procurement processes otherwise required under ORS Chapter 279B and the District's Public Contracting Rules. In order to approve a class special procurement, the Board must find that the designation of a class of contracts for special procurement:

Is unlikely to encourage favoritism in the award of public contracts or to substantially diminish competition for public contracts; and

Either:

Is reasonably expected to result in substantial cost savings to the contracting agency or to the public; or

Otherwise substantially promotes the public interest in a manner that could not practicably be realized by complying with the requirements that are otherwise applicable under ORS Chapter 279B or the District's Rules adopted to implement those rules.

Findings. The District's class special procurements are set forth in District Public Contracting Rules at PPS-47-0288 (Exhibit A). The District's 2016 Amendments amend an existing class special procurement and adopt a new class special procurement as follows:

Copyrighted Materials and Creative Work (PPS-47-0288(4)).

Findings of Fact. The 2016 Rules amend this section to add instructional resources approved for use through the District's Instructional Resource Intake Survey ("IRIS") process. Pursuant to the IRIS process, vendors are invited to make a presentation to a District committee of subject matter experts (which may be different depending on the instructional materials being sought). The committee will determine whether the materials meet the applicable criteria and will approve or disapprove the materials for District use. Principals and departments may purchase materials on the approved list without further competitive procurement if the total cost is within the delegated authority of the particular District official.

Conclusions of Law. This amendment will not discourage competition because all instructional materials must be reviewed prior to approval for use at the District, and this allows for creation of a list of vetted and approved materials, including digital resources, from which programs and teachers can select. This promotes the public interest in high quality and relevant instruction materials in a way that can't practicably be realized through the standard ORS 279B procurement process.

Hotel, Catering, and Space Rental Contracts (PPS-47-0288(28)).

Findings of Fact. The District rents hotel rooms, meeting spaces, and catering services from time to time. These are selected based upon the particular needs of the program or school and are not typically selected based upon a competitive process in any industry. As a general rule, hotels

and event spaces either require use of particular venue catering services, which are either in-house or must be selected from a short list of approved vendors.

Conclusions of Law. This amendment will not discourage competition because these services are not typically competed, but are chosen based upon location and the particular need. This exemption promotes the public interest in a way that can't practicably be realized through the standard ORS 279B procurement process because the standard process is not relevant to selection of these services and because the District has no or only limited choices with regard to catering services.

Existing Special Procurement and Exemptions Continued. No other amendments to existing special procurements or exemptions.

RESOLUTION No. 5229

Adopting Budget Principles

RECITALS

- A. As part of the work under the Government Finance Officers Association best practices budget framework, the Community Budget Review Committee (CBRC) met six times starting May 2015 to develop a set of budget principles.
- B. On February 18, 2016, representatives of the CBRC presented a draft of these principles to the Board of Education's Business and Operations Committee (BOC).
- C. The BOC reviewed the proposal, made one revision to some wording and voted unanimously to recommend approval of the principles to the Board of Education.

RESOLUTION

The Board of Directors of Portland Public Schools approves and adopts the attached Budget Principles.

Y. Awwad

EXHIBIT "A" TO RESOLUTION 5229

Budget Principles

Recommend by CBRC, February 18, 2016
Recommended by Business & Operations Committee

Background

Budgeting principles set forth the ideals that the district's decision makers will adhere to as they develop the budget and can help counteract the tendency to induct short term emotion into decisions that have long term consequences. Principles are important for creating a shared understanding of the overarching values that underpin budget development. Finally, because principles are broader ideas about what the budget process ought to look like, they are more accessible to elected officials and the public than budget policies, which are more technical.

Recommendation

The CBRC recommends that Portland Public Schools adopt the following set of budget principles to help frame and guide budget deliberations.

Providing Students with an Exceptional Educational Experience and Ensuring their Academic Success Should Drive the Budget Process

Clear goals for an exceptional educational experience and the academic success of our students should guide how resources are allocated, how progress is tracked, and how budget decisions are made to prioritize programs and strategies.

Decisions Should Be Driven By Data

Programs and service providers should be selected based on qualitative and quantitative data on student outcomes, both in terms of academic success and students' whole educational experience. Data should include input from relevant stakeholders. Programs and providers that have a demonstrated track record of success in achieving the district's desired goals should be prioritized for funding.

Base Resourcing Decisions on Cost Effectiveness

The budget process should seek to allocate available dollars optimally, in a way that will create the most benefit for children given the costs. Prioritize strategies and programs with proven cost effectiveness. Strategies and programs that have proven to produce larger gains in student learning relative to their cost should be given priority for funding. Programs that are chosen should be implemented fully and faithfully even if that means fewer programs.

Prioritize the Core Program in

Furthermore, the district must provide resources for the most impactful

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RESOLUTION No. 5230

Students Requesting Exemption from PE State Requirement

RECITALS

- A. In accordance with OAR 581-022-1910, Portland Public Schools may excuse students from a state required program or learning activity, where necessary, to accommodate students' disabilities or religious beliefs:
- B. Approval of the exemption shall be based upon and shall include:
 - 1) A written request from the student's parent or guardian or the student, if that student is 18 years of age or older or a legally emancipated minor, listing the reasons for the request and a proposed alternative for an individualized learning activity which substitutes for the period of time exempt from the program and meets the goals of the learning activity or course being exempt;
 - 2) An evaluation of the request and approval by appropriate school personnel (the alternative should be consistent with the student's educational progress and career goals as described in OARs 581-022-1670 and 581-022-1510).
- C. Following approval by Portland Public Schools Board of Education, and upon completion of the alternative, credit shall be granted to the student.

RESOLUTION

- 1. Be it resolved that the Board of Education approves nine Portland Public Schools high school students to be granted exemption from the state PE requirement.
- 2. In accordance with OAR 581-022-1910, all students have a physician statement that documents their specific physical limitation as it relates to this requirement, as well as a written state of agreement from their parent/guardian. All students will replace the PE credit requirement with alternative coursework as required .

A. Lopez

RESOLUTION No. 5231

Minutes

The following minutes are offered for adoption:

February 23, 2016