

ANTI-DISCRIMINATION POLICY
of the
SCHOOL DISTRICT OF PHILADELPHIA

ADOPTED NOVEMBER 14, 2007

SECTION 1. THE POLICY

It is the policy of the School District of Philadelphia (the "District") acting through and by the School Reform Commission (the "SRC") to ensure equal opportunity in all contracts let by the District (the "Contracts"). In light of this policy, the District has adopted this Anti-discrimination Policy (the "Policy") which is applicable to all Contracts, including but not limited to, Contracts for the design, development, construction, operation and maintenance of school buildings and other buildings and structures owned, leased or used by the District or its contractors, assignees, lessees and licensees (the "Facilities"); Contracts for professional services and Contracts for the purchase of goods, services, supplies and equipment for the District and the Facilities. The objective of the Policy is the promotion of prime contract and subcontract opportunities for minority and woman-owned business enterprises ("M/W/BEs") that are approved by the District or that are certified by the Minority Business Enterprise Council of the City of Philadelphia, Southeastern Pennsylvania Transportation Authority or any other certifying agency designated by the District in its discretion.

The fundamental requirement of the Policy is that all contractors, vendors and consultants that contract with the District (the "Contractors") satisfy the District that they will: (i) not discriminate against any person in regard to race, color, religion, age, national origin, sex, ancestry, handicap or disability; and (ii) provide a full and fair opportunity for the participation of M/W/BEs in Contracts. Contractors must demonstrate that the participation of M/W/BEs is "meaningful and substantial" in all phases of a Contract under criteria adopted by the District. "Meaningful and substantial" shall be interpreted by the District as meaning the range of participation that reflects the availability of bona fide M/W/BEs in the Philadelphia Metropolitan Statistical Area. Participation shall be measured in terms of the actual dollars received by M/W/BEs.

As used in this Policy, the word "Contractors" includes any person, firm, partnership, non-profit corporation, for-profit corporation, limited liability company or other legal entity that contracts with the District.

For purposes of this Policy, the term "minority person" refers to the following: African American or Black (persons having origins in any of the Black racial groups of Africa); Hispanic American (persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin regardless of race); Asian American (persons having origins from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, Hong Kong, India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka); and Native

Americans (which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians).

SECTION 2. PROCEDURES FOR IMPLEMENTATION

1. Articulation of the Policy, Staffing and Reporting

The Office of General Counsel and Office of Small Business Development ("SBD") will develop language to be included in bid solicitations and requests for proposals that clearly sets forth the objective of the Policy (the "Solicitation Language"). District employees shall include the Solicitation Language in all bids, public solicitations, requests for proposals and all communications to potential Contractors, including those who wish to provide professional services to the District. The Policy shall be articulated to the public in general, and to each Contractor, assignee, lessee or licensee doing or seeking to do business with the District. The District may employ additional staff or contract with other public or private entities to assist in the implementation of the Policy. SBD shall provide the SRC with annual reports on the level of M/W/BE participation in all contracting activities.

2. Promotion of M/W/BEs

The District recognizes the importance of having meaningful and substantial M/W/BE participation in all Contracts. To that end, the District will take steps to ensure that M/W/BEs are afforded a fair and equal opportunity to participate. Those steps may include but are not limited to: (i) making public contracting opportunities; (ii) advertising in newspapers and periodicals published by community-based organizations and M/W/BEs; and (iii) designing bid packages in such a way as to promote rather than discourage M/W/BE participation.

3. Contracting Requirements

a. *Bids, Requests for Proposals and Public Solicitations*

Prior to the dissemination of any bid, request for proposals or public solicitation (the "Solicitation"), the applicable contracting department of the District shall submit proposed ranges of M/W/BE participation in the area to be bid (the "Participation Range") to SBD for approval. The Participation Range, as approved by SBD, shall be included in each Solicitation and, if applicable, the Solicitation shall include the names and addresses of bona fide M/W/BEs that are available for contracting or joint-venture opportunities. Each bidder or respondent shall be required to submit: (i) a plan with its bid or proposal that meets the Participation Range set forth in the Solicitation and lists the names, addresses, dollar amounts and scope of work to be performed by M/W/BEs (the "Participation Plan"); or (ii) a brief narrative explaining its reasons for not submitting a Plan that meets the Participation Range set forth in the Solicitation. Submission of the Participation Plan is an element of responsiveness. Failure to submit a completed Participation Plan or a narrative explaining the reasons that the Participation Ranges could not be met may result in the rejection of a bid or

proposal. If the Participation Range in a bid or proposal meets or exceeds the level determined by the District to be meaningful and substantial, there shall be a presumption of compliance with the Policy. If, however, the proposed Participation Range falls below the level determined by the District to be meaningful and substantial, the bidder or respondent must prove to the satisfaction of the District that it did not discriminate in the solicitation of potential subcontractors and/or joint venture partners.

b. *Contracts for Professional Services*

Contracts for professional services that are not the subject of a Solicitation must also include approved Participation Plans. If a proposed Contract for professional services is subject to the approval of the Limited Contracts Authority Committee of the District (the "LCA"), the applicable contracting department shall submit a proposed Participation Plan for the written approval of SBD prior to the submission of the Contract to the LCA. In instances where a proposed Contract for professional services must be approved by a Resolution adopted by the SRC, SBD's approval of the Participation Plan shall be incorporated into the on-line resolution process prior to the submission of the Resolution to the SRC.

4. Sanctions

The Participation Plan shall be a part of each Contract between the District and a Contractor and shall be enforceable as any other contractual term or condition. Sanctions for breach of a Participation Plan may include suspension, cancellation of the Contract and/or disbarment from future contracting opportunities with the District.