

ALBEMARLE COUNTY ATTORNEY'S OFFICE



MEMORANDUM

TO: Albemarle County School Board

FROM: Chris Brown, Senior Assistant County Attorney

DATE: February 17, 2012

RE: Row Club Trailer

We have an unusual situation involving a trailer purchased with funds donated to the Western Albemarle High School Rowing Club. The issue has created insurance/liability issues and Fair Labor Standards Act problems for the School Division. Staff's proposed solution is to transfer the trailer to a non-stock, nonprofit corporation formed by parents of the club's student members and other club backers.

Western Albemarle High School sponsors a rowing club. Over the years, parents or other supporters have made donations to the club to purchase equipment and fund club activities. The funds are actually donated to Western Albemarle High School but designated for club use. When the club wishes to expend accumulated funds for its use, WAHS transfers the needed funds to the club.

In early 2008, the club used such donated funds to purchase a trailer to transport its sculls (those long skinny boats) to meets. The purchase price for the trailer was \$12,896. Again, these were funds donated to WAHS specifically for the club's use; no School Division funds were used. As a side note, the trailer was improperly titled to "County of Albemarle DBA Western Albemarle High School." I will correct this by having the County Executive sign the title over to the Albemarle County School Board before any other steps are taken.

The trailer is causing the Division some problems. First, under our insurance policy, the trailer can only be towed by a vehicle owned by the Division or the County. The vehicle must be driven by a Division or County employee. Most of the club's meets occur on weekends. The club's sponsor is unable to tow the trailer to meets due to her other obligations at the meets. The club must secure a Division or County vehicle and a Division or County employee driver in order to pull the trailer to meets. This results in overtime expenses to the Division and costs for the use of the towing vehicle.

The Division has no use for the trailer.

Parents of student members of the club, and other club supporters have formed Beaver Creek Sculling, a non-stock, nonprofit corporation. The corporation is in the process of applying to the

IRS to become a 501(C) tax exempt entity. Beaver Creek Sculling has agreed to take the trailer, thus allowing parents or other corporation members to tow the trailer using their own vehicles. This will get the trailer off the Division's insurance policy, eliminate the Division's need to provide a vehicle and driver to pull the trailer, and get rid of an asset that is not needed by the Division.

Pursuant to Virginia Code Section 22.1-129(B), the School Board is authorized to sell personal property upon in such a manner and upon such terms as it deems proper.

Staff recommends that the School Board sell the trailer to Beaver Creek Sculling for one dollar, and authorize the Chairman of the Board or the Division Superintendent to execute all documents necessary to transfer title to the trailer to Beaver Creek Sculling.