

Procurement Management System ~~Purchasing~~

Authorization and Control

It is the policy of this Charter School to conduct its purchasing program in a manner to ensure optimum use of Charter School funds. The Board, or its designee, reserves the right to determine what is in the best interest of the Charter School.

The Executive Director is authorized to direct expenditures and purchases within the limits of the detailed annual budget for the school year and pursuant to State purchasing and federal procurement requirements. Board approval for purchase of capital outlay items is required when the aggregate total of a requisition exceeds \$50,000.00, except the Executive Director shall have the authority to make capital outlay purchases without advance approval when it is necessary to protect the interests of the Charter School or the health and safety of the staff or students. The Executive Director shall establish requisition and purchase order procedures as a means of controlling and maintaining proper accounting of the expenditure of funds that align with State purchasing and federal procurement requirements. Staff members shall not obligate the Charter School without express authority. Staff members who obligate the Charter School without proper authorization may be held personally responsible for payment of such obligations.

Bids and Contracts

For micro-purchases up to \$3,000, purchases may be awarded without soliciting competitive bids if the Charter School considers the price to be reasonable. The Charter School shall maintain evidence of this reasonableness in the records of all micro-purchases. If small purchases are between \$3,000 and \$50,000 in cost, the Charter School shall use price or rate quotations obtained from an adequate number of qualified sources and maintain quotations in purchasing records.

With the exception of the purchase of curricular materials, and in accordance with the requirements of Idaho Code, whenever the cost of any construction, repair, or improvement; or the acquisition, purchase, or repair of any equipment; or other personal property necessary for the effective operation of the Charter School exceeds \$50,000 but does not exceed \$100,000, bids shall be called for by issuing written request to at least three vendors as specified in statute as well as following federal procurement requirements. Specifications shall be prepared and be made available to all vendors interested in submitting a bid. The contract shall be awarded to the lowest responsible bidder, except that the Board may reject any bid, reject all bids, or publish notice to rebid the project. If, after calling for bids a second time, no satisfactory bid is received, the Board may proceed under its own direction, subject to the approval of the State Board of Education.

For expenditures exceeding \$100,000, bids shall be called for by issuing public notice as specified in statute as well as following federal procurement requirements. Specifications shall be published in the official newspaper of the Charter School at least two weeks before the opening date, with the second notice to be published in the succeeding week at least seven days before the date that bids are scheduled to be opened. Copies of specifications, bid forms, bidder's instructions, contract documents and general and special instructions shall be made available upon request by any interested bidder.

When purchasing good and services pursuant to Idaho Code, and determining the most qualified bidder for award of the contract, the Charter School, at its sole discretion, may consider not only the amount of the bids, but may also consider additional factors including, but not limited to, the relative experience, ability, references, and integrity of the bidders to do faithful and conscientious work and promptly fulfill the contract according to contract requirements.

Except where a Request for Proposals is advertised, in the event the Charter School awards a contract to a bidder other than the lowest responsive bidder, the Board shall declare its reason or reasons on the record and shall communicate such reason or reasons in writing to all who have submitted a competing bid. The disappointed bidders shall have the right to submit a timely written objection, at which time the Charter School shall stop all work on the project, and shall review its decision and determine whether to affirm its prior award, modify the award, or choose to re-bid, setting forth its reason or reasons therefor. After completion of the review process, the political subdivision may proceed as it deems to be in the public interest.

The Executive Director shall establish bidding and contract awarding procedures that align with State purchasing and federal procurement requirements.

#### Sealed Bids (Formal Advertising)

For purchases over \$150,000, bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all of the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two or more responsible bidders are willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

1. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.

2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
3. All bids will be opened at the time and place prescribed in the invitation for bids.
4. A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.

Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound, documented reason.

#### Personnel Conflicts of Interest

No employee will make any purchase or incur any obligations for or on behalf of the Charter School from any private business, contractor, or vendor in which or with which the employee has a direct or indirect financial or ownership interest.

Purchases or contracted services from any private business or venture in which any employee of this Charter School has a direct or indirect financial or ownership interest will be made on a competitive bid basis strictly in accordance with the following procedures:

1. The interested employee, the business, the contractor, or the vendor will fully disclose, in writing, the employee's exact relationship to the business, the contractor, or the vendor;
2. The affected business, the contractor, or the vendor may submit a bid in compliance with the specifications outlined by the Charter School;
3. The interested employee will not be involved in any part of the bidding process, including but not limited to, preparing specifications, advertising, analyzing, or accepting bids; and
4. This policy will apply to any organization, fund, agency, or other activity maintained or operated by the Charter School.

No employee will solicit gifts, gratuities, favors, prizes, awards, merchandise, or commissions as a result of ordering any items or as a result of placing any purchase order with a business, contractor, or vendor on behalf of the Charter School nor accept anything of monetary value from a business, contractor, or vendor except for unsolicited gifts of \$50 or less in value.

Cross Reference:     7400P Procurement Under a Federal Award  
                           7405 Public Works Contracting and Procurement  
                           7407 Public Procurement of Goods and Services

Legal Reference:     I.C. § 18-1351 Bribery and Corrupt Practices – Definitions  
                           I.C. § 33-316 Cooperative Contracts to Employ Specialized Personnel  
   and/or Purchase Materials  
                           I.C. § 33-402 Notice Requirements  
                           I.C. § 33-601 Real and Personal Property – Acquisition, Use or Disposal  
   of Same

I.C. § 67-2805	Procurement of Public Works Construction
I.C. § 67-2806	Procuring Services or Personal Property
I.C. § 67-2806A	Request for Proposal
I.C. § 74-401 et seq.	Ethics in Government
2 C.F.R. § 180.220	Are Any Procurement Contracts Included as Covered Transactions?
2 C.F.R. § 180.300	What Must I do Before I Enter into a Covered Transaction with Another Person at the Next Lower Tier?
2 C.F.R. § 200.317	Procurement by States
2 C.F.R. § 200.318	General Procurement Standards
2 C.F.R. § 200.319	General Procurement Standards
2 C.F.R. § 200.320	Methods of Procurement to be Followed
2 C.F.R. § 200.323(b)	Contract Cost and Price
2 C.F.R. Part 200, Appendix II(1)	Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

Other Reference: Policies and Procedures Used Template, Idaho State Department of Education, <http://www.sde.idaho.gov/sped/funding/>

Policy History:

Adopted on: 2-3-2007

Revised on: 2-7-2013, 6-10-2015, 11-9-2016, 12-14-2017, 12-18-2018

Reviewed on: