

Liberty Charter School

FINANCIAL MANAGEMENT

7400

Miscellaneous Procurement Standards

Procurement Generally

When making purchases with federal funds, the Charter School will follow its procurement policies and procedures which reflect applicable State and local laws and regulations, provided that the procurement practice also conforms to applicable Federal law and the standards identified in applicable federal regulations. See Policy 7420.

Authorization and Control

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

Micro-Purchase Procedures

Notwithstanding the process for Administrator-approved purchases outlined in Policy 7405P, when using federal funds, the Administrator or designee may purchase supplies or services using simplified acquisition procedures when making aggregate purchases of \$3,000 or less, and when making such purchases shall otherwise comply with all applicable Charter School purchase order procedures.

Simplified Acquisition Procedures

When procuring goods or services, whether with federal or state funds, the Charter School shall comply with all requirements and procedures set forth at School Policies 7410, 7408, and 7420 and applicable Idaho law. For purchases less than the federal Simplified Acquisition Threshold (currently \$150,000), the Board may adopt small purchase procedures which do not otherwise conflict with School Policy 7420 or applicable Idaho law. Absent such Policy, all purchases for amounts less than the simplified Acquisition Threshold, shall comply with the requirements and procedures set forth at School Policy 7420 and applicable Idaho law.

Cooperative Purchasing

The Charter School may cooperatively enter into contracts with one or more districts to purchase materials necessary or desirable for the conduct of the business of the School provided that the purchasing cooperative follows State purchasing and federal procurement requirements.

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 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 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 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.

Violations

Any Charter School officer, employee, or agent who violates this policy may be subject to disciplinary action, including but not limited to a fine, suspension, or termination. Violations of law shall be referred to the local, State, or federal authority having proper jurisdiction.

Cross Reference:	7218	Federal Grant Financial Management System
	7235	Fiscal Accountability and IDEA Part B Funds
	7237	Retention of Records Relating to Federal Grants
	7320	Allowable Uses for Grant Funds
	7320P1	Determining Necessity and Reasonableness of Expenses
	7400P2	Procurement Methods Under a Federal Award
	7405	Public Works Contracting and Procurement
	7407	Public Procurement of Goods and Services
	7410	Petty Cash Funds
	7408	Entering into Professional Service Contracts
	7420	Personal Reimbursements

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. § 74-401 et seq.	Ethics in Government
2 C.F.R. § 200.67	Micropurchase
2 C.F.R. § 200.88	Simplified Acquisition Threshold
2 C.F.R. § 200.317	Procurement by States
2 C.F.R. § 200.318	General Procurement Standards
2 C.F.R. § 200.320	Methods of Procurement to be Followed

Policy History:

Adopted on: 2018.11.08

Revised on: 2019.11.13

Reviewed on:

FINANCIAL MANAGEMENT

7400P

Procurement for Child Nutrition Programs Under Federal Grants

The Food Service Manager shall be responsible for retaining information related to the procurement for child nutrition programs under federal grants, including clear and accurate descriptions of the goods or services being procured, the actions taken to procure the goods or services, and any other necessary information to show that the correct bidder was selected. This shall include email correspondence or a short memo describing:

1. What specifications were provided to the vendor, including clear and accurate descriptions of technical requirements;
2. What kind of requirements, if any, were placed on firms to qualify, such as experience or bonding or a requirement that agricultural and food products must be produced and processed in the United States;
3. The quotes received (company, date, price, and other pertinent details); and
4. Whom the procurement was awarded to.

For these purchases, the District shall comply with the purchasing requirements provided by State law, unless local or federal law imposes more restrictive thresholds than State law. For purchases of up to \$3,500, no bidding or quotes shall be required and that purchases shall be spread equitably among qualifying vendors. For purchases from over \$3,500 to \$24,999, the District shall obtain quotes from three sources if possible, and in any case no less than two sources. For purchases of \$25,000 to \$49,000 and purchases of \$50,000 and up, the District shall comply with the requirements stated in Policy 7407. The District shall perform a cost or price analysis prior to making any procurement of \$50,000 or more. This shall include making independent estimates before receiving bids or proposals.

The District shall not acquire unnecessary or duplicative items.

Small, Minority, and Women's Business Enterprises

The District shall take the affirmative steps required by 2 CFR 200.321 to assure that small, minority, and women's businesses enterprises and labor surplus firms are used when possible. These steps include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency or Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are permitted, to take the affirmative steps listed above.

Legal Reference:	2 C.F.R. § 200.318(d)	General Procurement Standards
	2 C.F.R. § 200.321	Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms
	2 C.F.R. § 200.323(a)	Contract Cost and Price
	7 C.F.R. § 210.19(e)	Additional Responsibilities
	I.C. § 67-2806	Procuring Services or Personal Property

Procedure History:

Promulgated on: 2016.09.15

Revised on: 2017.12.14

Procurement Under a Federal Award

In addition to its other policies and procedures regarding procurement, the Charter School shall adhere to the following requirements when making procurements under a federal award. The School shall:

1. Ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be produced, and set forth those minimum essential characteristics and standards to which the material, product, or service must conform. The Charter School will identify all requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals.
2. Prohibit the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract
3. Provide a written method for conducting technical evaluations of the proposals received and for selecting recipients, including factors considered for the evaluation, who performs the evaluation, the number of evaluations performed, the timeframe for conducting any evaluations, and the selection of a vendor and whether another position reviews the evaluation.
4. Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
5. Avoid acquiring unnecessary or duplicative items;
6. Consider consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.
7. Maintain a list of prequalified persons, firms, or products which are used in acquiring goods and services, and include enough qualified sources to ensure maximum open and free competition.
8. Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration

will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

9. Maintain records sufficient to detail the history of procurement. These records will include:
 - A. Rationale for the method of procurement;
 - B. Selection of contract type;
 - C. Contractor selection or rejection; and
 - D. The basis for the contract price.
10. The use of a time and materials type contract is prohibited unless the Charter School determines that no other contract is suitable. Time and materials type contract means a contract whose cost to a school is the sum of:
 - A. The actual cost of materials; and
 - B. The direct labor hours charged at hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. When this type of the contract is used, it will include a ceiling price that the contractor exceeds at his or her own risk. The Charter School will assert a high degree of oversight over such contracts in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

11. The Charter School will adhere to any additional procurement rules as applicable to specific federal programs, such as federal child nutrition programs.

Legal Reference: 2 C.F.R. §§ 200.300 *et seq.* Subpart D – Post Federal Award Requirements.

Procedure History:

Promulgated on: 2018.11.08

Revised on: 2019.06.13

Reviewed on:

Miscellaneous Procurement Standards

This procedure shall apply to purchases with federal funds not solicited through a sealed bid process.

Competitive Proposals

The technique of competitive proposals is normally conducted when more than one source submits an offer, and either a fixed price or cost-reimbursement type contract is to be awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

1. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
2. The Charter School must have a written method for conducting technical evaluations of the proposals received and making selections;
3. Proposals must be solicited from an adequate number of qualified sources; and;
4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The Charter School may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. This method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

Contract/Price Analysis

The School performs a cost or price analysis in connection with every procurement action, (including contract modifications), in excess of the School's simplified procurement threshold or in excess of \$50,000, whichever amount is lower. A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the Administrator or designee must come to an independent estimate prior to receiving bids or proposals.

When performing a cost analysis, the Charter School Administrator or designee negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

Documentation of all such cost and price analyses shall be kept for three years beyond the current year for review.

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source;
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the Charter School; or
4. After solicitation of a number of sources, competition is determined inadequate.

A cost or price analysis will be performed for noncompetitive proposals when the price exceeds \$50,000.

Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 CFR §200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
2. Requiring unnecessary experience and excessive bonding;
3. Noncompetitive pricing practices between firms or between affiliated companies;
4. Noncompetitive contracts to consultants who are on retainer contracts;
5. Organizational conflicts of interest;
6. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
7. Any arbitrary action in the procurement process.

Legal References

2 CFR § 200.317

2 CFR § 200.318

2 CFR § 200.320

2 CFR § 200.67

2 CFR § 200.88

IC § 18-1351 et seq.

IC § 33-316

IC § 74-401 et seq.

Description

Procurement by States

General Procurement Standards

Methods of Procurement to be Followed

Micropurchase

Simplified Acquisition Threshold

Bribery and Corrupt Practices – Definitions

Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials

Ethics in Government

Cross References

Code**Description**

7235	Fiscal Accountability and IDEA Part B Funds
7237	Retention of Records Relating to Federal Grants
7320	Allowable Uses for Grant Funds
7405	Public Works Contracting and Procurement
7407	Public Procurement of Goods and Services
7408	Entering into Professional Service Contracts

Procedure History

Promulgated on: 2018.11.08

Revised on: 2020.04.16

Revised on: 2024.09.18

Liberty Charter School

FINANCIAL MANAGEMENT

7400P3

Requirements and Restrictions for Procurement Under a Federal Award - Competition

The following shall be required in the case of procurement under a federal grant to ensure adequate competition.

Geographical Preferences Prohibited

The School shall conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Buy American and School Meals

When making purchases for the School's lunch program, the School shall, to the maximum extent practicable, purchase domestic commodities or products.

For the purposes of this procedure, "domestic commodity or product" shall mean:

1. An agricultural commodity that is produced in the United States; and
2. A food product that is processed in the United States substantially using agricultural commodities that are produced in the United States.

Additionally, the School shall require school meal program suppliers to attest that their final food products are either 100% domestic commodities or a food product containing over 51% domestic food components, by weight or volume.

Exceptions to this Buy American requirement may be made when the School determines that:

1. The food or food product is not produced or manufactured in the United States in sufficient or reasonably available quantities of a satisfactory quality; or
2. Competitive bids reveal the cost of a United States food or food product is significantly higher than the non-domestic product.

When such an exception is made, the Superintendent or his or her designee shall document such exceptions.

Prequalified Lists

The School shall ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the School shall not preclude potential bidders from qualifying during the solicitation period.

Solicitation Language

The School shall ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers shall be clearly stated; and identify all requirements which the offers must fulfill and all other factors to be used in evaluating bids or proposals.

Contracting with Small and Minority Businesses and Women's Business Enterprises

When soliciting goods and services on projects that will use federal funds, the School shall comply with the following requirements for the purpose of ensuring small business, minority-owned businesses and women's business enterprises are to be used whenever possible:

1. Place qualified small and minority businesses and women's business enterprises on its solicitation lists;
2. Assure that small and minority businesses, and women's business enterprises are solicited and notified whenever they are potential sources of the needed goods or services;
3. Divide the total requirements of a project, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establish reasonable delivery schedules, where the project requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

5. Consult the services, assistance, and information, as appropriate, of qualified organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Require a project's prime contractor, if subcontracts are to be let, to take the affirmative steps listed in the numbered list above.

Legal References: 2 C.F.R. 200.319 Competition.
2 C.F.R. 200.321 Contracts – Minorities, Women and Small
Businesses.

Procedure History:

Promulgated on: 2018.11.08

Revised on: 2019.06.13

Reviewed on: 2020.01.16

Revised on: 2020.04.16

Liberty Charter School

FINANCIAL MANAGEMENT

7400P4

General Procurement Standards for Federal Awards

Contractor Oversight

The Charter School shall maintain oversight to ensure that its contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Conflict of Interest

The following standards of conduct define conflicts of interest and shall govern the performance of employees engaged in the selection, award, and administration of contracts:

1. No Charter School employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest is present when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm or person considered for a contract.
2. Charter School officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or service or item exceeding \$50 in value from any contractors or subcontractor. Any Charter School employee, who solicits any gift, or who accepts an unsolicited gift with a value exceeding \$50, shall be subject to disciplinary action up to and including termination. Any Charter School officer or agent shall be immediately terminated or separated from Charter School service.

Efficient Purchases

The Charter School shall use all resources and assets effectively and efficiently. Accordingly, prior to any purchase request, the requestor shall evaluate the need for the item, and shall ensure that the acquisition of unnecessary or duplicative items is avoided. In addition to the previous requirements, whenever feasible, consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Finally, where appropriate, an analysis will be made of lease versus purchase alternatives, and any similar analysis of alternatives to determine the most economical approach.

1. To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal government, the Charter School shall endeavor to enter into state and local intergovernmental agreements or inter-entity

agreements where appropriate for procurement or use of common or shared goods and services.

2. The Charter School shall endeavor to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
3. The Charter School shall endeavor to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
4. The Charter School shall award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
5. The Charter School shall maintain records sufficient to detail the history of procurement. These records shall include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
6. The Charter School may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and material type contract means a contract whose cost to the Charter School is the sum of:
 - A. The actual cost of materials; and
 - B. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

This formula generates an open-ended contract price, a time-and materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract shall set a ceiling price that the contractor exceeds at its own risk. Further, the Charter School shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

7. The Charter School alone shall be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the Charter School of any contractual responsibilities under its contracts. Violations of law shall be referred to the local, state, or Federal authority having proper jurisdiction.

Legal Reference: 2 C.F.R. § 200.318 General Procurement Standards

Procedure History:

Promulgated on: 2018.11.08

Revised on: 2019.11.13

Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7403

Procurement of Goods and Services for School Meal Programs

When making purchases related to the Charter School federally funded school breakfast and lunch programs, the School shall adhere to the following requirements in addition to any more restrictive requirements imposed by other applicable policies.

Micro Purchases (\$10,000 or Less)

The Charter School shall, to the extent practicable, distribute micro purchases equitably among qualified suppliers. Micro purchases may be awarded without soliciting competitive quotes if the School considers the price to be reasonable. The School shall maintain evidence of this reasonableness with the records of any such purchase.

Small Purchase Procedures (\$10,000 to \$49,999)

Before making a small purchase, the Charter School shall obtain quotes from vendors. When possible, three quotes should be obtained, and in all cases at least two quotes will be obtained. These quotes may be provided verbally and shall be documented by the School.

Semi-Formal Bidding (\$50,000 - \$99,999)

The Charter School shall issue a written request for bids for any purchase subject to semi-formal bidding requirements. This request describing the goods or services desired shall be provided to at least three vendors. Unless there is an emergency, the School shall grant the vendors three days to provide a written response. In all cases, the vendors shall have one day to submit any objections.

Formal Bidding (\$100,000 or More)

At least two weeks before the bid opening, the Charter School shall publish notice of the request for bids. The School shall make bid specifications available upon request and will accept written objections. The School may, at its discretion, request a security or bond from vendors submitting bids.

All bids shall be publicly opened at the time and place prescribed in the invitation for bids.

The purchase shall be made pursuant to an open competitive sealed bid process. The procurement to be made from the qualified bidder submitting the lowest bid price complying with bidding procedures and meeting the specifications for the goods and/or services sought to be procured.

The contract shall be a firm fixed price contract and may specify a lump sum or a per unit price. The Charter School may reject any bid if there is a sound and documented reason to do so.

Legal References: 2 CFR § 200.319
2 CFR § 200.320(a) and (b)
2 CFR § 200.67
I.C. § 67-2806

Competition
Methods of Procurement to be Followed
Micro-purchase
Procuring Services or Personal Property

Policy History:

Adopted on: 2021.08.12

Revised on:

Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7405

Public Works Contracting and Procurement

No contract involving a public works project shall be let to any contractor who is not licensed as required by the laws of this State. Further, the Charter School shall at all times adhere to the bidding requirements for public works contracting and procurement as set out in State law.

Public Works Contractor Licensure Requirements

\$0 to \$50,000	No licensure requirement	IC 54-1903(9)
\$50,000 and above	Licensure required	IC 54-1903(9)

Exemptions from Public Works Contractor Licensure

Less than \$50,000 for construction, alteration, improvement, or repair.	Single project with any number of trades	IC 54-1903(9)
Any construction, alteration, or repair due to an emergency.	Pursuant to the provision of Chapter 10, Title 46 Idaho Code	IC 54-1903(11)

Public Works Construction Bidding

\$0 to \$50,000	No bidding requirements	IC 67-2803(2)
\$50,000 to \$200,000	Semi-formal bidding: Issue written requests for bids describing the work to at least 3 licensed contractors. Allow 3 days for written response; objections 1 day prior to bid. Keep records for 6 months. <u>Accept low bid, or reject all bids.</u>	IC 67-2805(1)
\$200,000 and above	Formal bidding 2 Options A & B: Category A – Open to all licensed contractors. Publication requirements. Written objections allowed. May request bid security/bond. <u>Accept low bid, or reject all bids.</u> See code for details. (IC 67-2805(2)(a).) Category B – Open to pre-qualified contractors. After pre-qualification is determined, the bidding process is in the same manner as Category A. (IC 67-2805(2)(b).)	IC 67-2805(2)

Legal Reference: I.C. § 33-601

I.C. § 54-1903

Real and Personal Property – Acquisition, Use or Disposal of Same
Unlawful to Engage in Public Works Contracting Without License – Exemptions

I.C. § 67-2801 et seq. Purchasing by Political Subdivisions
I.C. § 74-401 et seq. Ethics in Government

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

Policy History:

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Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7405P

Procuring Public Works, Services, and Personal Property

Charter School Procurement Policy

Efficient and cost-effective procurement of goods, services, and public works construction is an important aspect of Charter School operations. The School shall endeavor to buy goods, services, and public works construction through a publicly accountable process that respects the shared goals of economy and quality. The Charter School shall, to the extent reasonably available, endeavor to purchase goods and services from vendors with a significant Idaho economic presence.

Authorization and Control - Generally

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

The Administrator or designee 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 \$25,000.00, except the Administrator 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 Administrator 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 and federal procurement requirements. Staff members shall not obligate the Charter School without express authority of the Board or authorized designee. Staff members who obligate the School without proper authorization may be held personally responsible for payment of such obligations, and may also be subject to discipline, up to and including termination.

All other procurement and purchases shall be made in accordance with the State and federal laws and administrative rules and with Charter School policies and procedures.

Procuring Public Works Construction

Public Works Procurement, Projects Between \$50,000 and \$200,000: When the Board contemplates procurement of public works construction valued at or in excess of \$50,000, but in an amount less than \$200,000, the following procedures shall be followed.

1. The Board or its designee shall prepare a solicitation for bids for the contemplated public works construction, and shall deliver it in writing to no fewer than three owner-

designated licensed public works contractors. Delivery may be accomplished either by electronic or physical delivery. The solicitation shall describe the construction work to be completed in sufficient detail to allow an experienced public works contractor to understand the construction project the Charter School seeks to build.

2. In the event that it is impractical or impossible to obtain three bids for the proposed public works procurement, the Charter School may proceed to acquire the work in any manner the Board or its designee deems best from a qualified public works contractor quoting the lowest price. When fewer than three bids are considered, a description of the School's efforts undertaken to procure at least three bids shall be documented and placed in the records of the Board, and such documentation shall be maintained for at least six months following the date of the final procurement decision.
3. The solicitation for bids shall describe the electronic or physical delivery method or methods authorized to submit a bid, the date and time by which a bid proposal must be received by the clerk, secretary, or other authorized Charter School official, and shall provide a reasonable time to respond to the solicitation, provided that, except in the event of an emergency, such time shall not be less than three business days.
4. The solicitation shall explain that if a potential bidder has an objection to the specifications described in the solicitation, it must submit a written objection to the Charter School. The objection must be received by the School's clerk, secretary, or other authorized person no later than one business day before the date and time of the bidders' deadline to submit bids.
5. When written bids have been received by the Charter School, by either physical or electronic delivery, they shall be submitted to the Board or its designee, who shall present the lowest responsive bid to the Board for approval or, if the Board's designee is so authorized, approve the bid. The Board or the Board's designee is required to either approve the responsive bid proposing the lowest procurement price, or reject all bids and publish notice for bids, as before.
6. In the event two or more price quotations offered by different licensed public works contractors are the same and represent the lowest responsive bid, the Board or its authorized designee may, in the exercise of its discretion to promote the best interests of the Charter School, accept the one it chooses.

Public Works Procurement, Projects greater than \$200,000: When the Board contemplates procuring public works construction valued in excess of \$200,000, the following procedures shall apply. The purchase of construction services shall be made pursuant to a competitive sealed bid process. The purchase shall be made from the qualified public works contractor submitting the lowest bid price complying with bidding procedures and meeting the pre-qualifications, if any are required, established by the bid documents. The competitive bidding process may follow either of two alternate procedures described in detail below, either Category A, bidding open to all

licensed public works contractors; or Category B, bidding open only to licensed public works contractors who satisfy minimum requirements set by the Board or its designee.

Category A: Competitive bidding procedures shall be open to any licensed public works contractor desiring to bid upon a public works project. For all Category A bids, the Board may consider only the amount bid, the bidder's compliance with administrative requirements of the bidding process, and whether the bidder holds the requisite license. When considering bids meeting these requirements, the Board shall award the bid to the qualified bidder submitting the lowest responsive bid.

1. The Charter School's request for bids for a Category A procurement shall set a date and place for the public opening of bids. The Charter School shall publish two notices soliciting bids in the Charter School's official newspaper. The first notice shall be published at least two weeks before the date for opening bids, 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. The notice shall succinctly describe the project to be constructed. Copies of specifications, bid forms, bidder's instructions, contract documents, and general and special instructions shall be created by the Board or its designee and shall be made available upon request by any interested bidder which also submits payment of a reasonable plan copy fee.
2. The solicitation shall explain that in the event a bidder has an objection to project specifications or bidding procedures, it must submit a written objection in writing which must be received by the Board or its designee at least three business days before the date and time the bids are scheduled to be opened. The Board or its designee shall respond to all objections in writing and shall provide written copies of the objection and the response to the objecting bidder, and deliver copies to all other bidders known to the Charter School at that time. The Board or its designee may adjust the bidding timeframes if necessary.
3. All bids shall be delivered under sealed cover to the clerk of the Board or other designee identified in the bid solicitation documents provided to bidders by the Charter School. On the cover of the sealed bid, the bidder must include a concise statement generally identifying the project for which the bid is submitted.
4. In the event the Board deems it to be in the best interest of the Charter School to require bidders to provide bid security, it may do so in an amount equal to at least five percent of the amount bid. If the Board requires bid security, no bid may be considered unless it includes adequate bid security in one of the following forms designated by the Board:
 - A. Cash;
 - B. A cashier's check made payable to the Charter School;
 - C. A certified check made payable to the Charter School; or
 - D. A bidder's bond executed by a qualified surety company, made payable to the Charter School.

5. Once submitted to the Charter School, no bid may be withdrawn after the passing of the date and time set in the notice for opening of the bids. When sealed bids have been received, they shall be opened in public at a designated place and time, thereafter to be compiled and submitted to the Board for award to the lowest responsive bidder, or, if a designee had been authorized to select the lowest bid, for approval of the award.
6. In the event the successful bidder fails to execute the contract, at the sole discretion of the Board, the bidder's security may be forfeited to the Charter School and the proceeds shall be deposited in a designated fund from which the expenses of procuring substitute performance are paid.
7. In the event the successful bidder refuses or fails to execute the contract, the Charter School may award the contract to the qualified bidder which had submitted the next lowest responsive bid. If the Board awards the contract to the next lowest qualified bidder, the Charter School may apply the lowest qualified bidder's security to the difference between the lowest responsive bid and the next lowest responsive bid. The surplus, if any, shall be returned to the lowest bidder if cash or check is used, or to the surety on the bidder's bond if a bond is used. The Charter School may retain reasonable administrative costs not to exceed 25% of the amount of the bidder's security.
8. In its discretion, the Board may reject all bids presented and decide to re-bid the project. Alternatively, the Board may, after finding it to be a fact, pass a resolution declaring that the project sought to be accomplished by the expenditure can be performed more economically by purchasing goods and services on the open market because the project is not a public works project.
9. If the Board chooses to award a competitively bid contract involving the procurement of public works construction to a bidder other than the apparent low bidder, the Board shall, in open session at a duly noticed Board meeting, declare its reason or reasons on the record and shall communicate such reason or reasons in writing to all bidders that submitted a competing bid.
10. In the event a participating bidder objects to the award of the project to a bidder other than the lowest responsive bidder, such bidder shall, within seven calendar days of the date of the Board's award notice, deliver to the Board clerk or designee its written objection to the Board's award, setting forth the express reason or reasons that the Board's award decision is in error. Upon receipt of such objection, the Board shall immediately stay performance of the project until after the Board addresses the contentions raised by the objecting bidder(s). To address the objection(s), the Board shall review its decision and determine whether to affirm its prior award, to modify the award, or to re-bid the project, setting forth its reason or reasons therefor. The Board's review cannot be delegated. After completion of the review process, the Board may proceed as it deems to be in the public's best interest.

11. If two or more identical bids are received, the Board may select the bidder it prefers.
12. If no bids are received, the Board may complete the project by selecting a licensed public works contractor without further competitive bidding procedures.

Category B: When following this procedure, competitive bids may only be submitted by licensed public works contractors which have satisfied the Board's preliminary supplemental qualifications. The solicitation for bids in Category B procurement consists of two stages:

1. An initial stage determining supplemental pre-qualifications for licensed contractors, either prime or specialty contractors; followed by
2. A second stage during which bids are accepted only from prequalified contractors.

The Category B procedure shall be as follows:

1. Notice of the prequalification stage of the Category B competitive bidding process shall be given in the same manner that notice of competitive bidding is provided for a Category A competitive bid request, by providing a specific date and time by which qualifications statements must be received. The Board may establish prequalification standards premised upon demonstrated technical competence; experience constructing similar facilities; prior experience with the Charter School; available nonfinancial resources, equipment, and personnel as they relate to the subject project; as well as the contractor's overall performance history. Such request shall also include the standards the Board will use when evaluating the applicants' qualifications.
2. During the initial stage of the Category B bidding process, licensed contractors desiring to be prequalified to bid on a project must submit a written response to the Board's request for qualifications.
3. The solicitation shall explain that in the event a bidder has an objection to the prequalification procedures, it must submit a written objection which must be received by the Board or its designee at least three business days before the date and time prequalification statements are due. The Board or its designee shall respond to all objections in writing and shall provide the written response to the objecting contractor, and deliver copies to all other contractors seeking to prequalify that are known to the Charter School at that time. The Board or its designee may adjust the bidding timeframes if necessary.
4. After a review of qualification submittals, the Charter School may select licensed contractors that meet the prequalification standards. If any licensed contractor submits a statement of qualifications but is not selected as a qualified bidder, the Board or its designee shall supply a written statement of the reason or reasons why the contractor failed to meet the Board's prequalification standards.

5. The solicitation shall explain that any licensed contractor that fails the prequalification stage can appeal in writing any such determination to the Board within seven days after transmittal of the prequalification results. After reviewing the objection, if the Board sustains the decision that a contractor fails to meet prequalification standards, it shall state its reason or reasons in writing to the contractor. The Board's decision may be appealed to the public works contractor's license board no more than 14 days following the Board's decision. Category B prequalification procedures that are appealed shall be stayed during the pendency of the prequalification appeal until the public works contractor's license board completes its review, but in no instance more than 49 days after the appellate decision of the Board regarding prequalification. Any licensed public works contractor affected by a decision on appeal by the public works contractor's license board may, within 28 days of the final decision, seek judicial review as provided by Idaho Code 67-5201, et seq.
6. Following the conclusion of the prequalification administrative procedures, the bidding stage shall proceed by the setting of a time, date, and place for the public opening of bids. In circumstances involving prequalified prime contractors, a notice soliciting bids shall be transmitted to prequalified bidders at least 14 days before the date of opening the bids. In circumstances involving prequalified specialty or subordinate contractors, the notice soliciting bids shall be published in the same manner applicable to Category A bids. The notice shall succinctly describe the project to be constructed. Copies of specifications, bid forms, bidder's instructions, contract documents, and general and special instructions shall be made available upon request and payment of a reasonable plan copy fee by any eligible bidder.
7. Thereafter, the Board shall proceed with its solicitation of and consideration of bids from prequalified public works contractors in accordance with the procedures set forth above regarding submission and consideration of Category A bids set forth above at Category A paragraphs 2 through 12, inclusive.

Procuring Services or Personal Property, Purchases between \$50,000 and \$100,000

When the Board contemplates an expenditure to purchase or lease personal property or to procure services, other than personal property or services excluded pursuant to section Idaho Code § 67-2803, valued at or in excess of \$50,000 but not to exceed \$100,000, the procurement procedures of this policy shall apply.

1. The Board or its designee shall solicit bids from no fewer than three vendors by written means, either by electronic or physical delivery. The solicitation shall describe the personal property or services to be purchased or leased in sufficient detail to allow a vendor dealing in such goods or services to understand what the Charter School seeks to procure.
2. The solicitation for bids shall describe the electronic or physical delivery method or methods authorized to submit a bid, the date and time by which a bid proposal must be received by the Board or its designee, and shall provide a reasonable time to respond to

the solicitation, provided that, except in the event of an emergency, such time shall not be less than three business days.

3. The solicitation shall explain that a vendor's objections to specifications or bid procedures must be in writing and received by the Board or its designee at least one business day before the date and time upon which bids are scheduled to be received.
4. All timely written bids received by the Charter School, whether submitted electronically or by physical delivery, shall be compiled and submitted to the Board or its designee who shall approve the responsive bid proposing the lowest procurement price, or shall reject all bids and publish notice for bids, as before.
5. In the event the Board determines that it is impractical or impossible to obtain three bids for the proposed procurement, the Board may acquire the property or services in the manner the Board deems to be in the Charter School's best interest from a qualified vendor quoting the lowest price. When fewer than three bids are considered, a description of the Board's efforts to procure at least three bids shall be documented in the Board's official records and such documentation shall be maintained for at least six months following the date of the procurement. In the event two or more bids are the same and are the lowest responsive bids, the Board or its designee may exercise its discretion and select the bid it deems to be in the Charter School's best interest.

Procuring Services or Personal Property, Purchases greater than \$100,000

When the Board contemplates a purchase or lease of personal property or the hiring of services, other than personal property or services excluded pursuant to Idaho Code § 67-2803, valued in excess of \$100,000, the following procurement procedures shall apply.

1. The purchase or lease shall be made pursuant to an open competitive sealed bid process with the procurement to be made from the qualified bidder submitting the lowest bid price that complies with bidding procedures and meets the specifications for the goods and/or services sought to be procured.
2. The request for bids shall set a date, time, and place for the opening of bids. Two notices soliciting bids shall be published in the official newspaper of the Charter School. The first notice shall be published at least two weeks before the date for opening bids, 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. The notice shall succinctly describe the personal property and/or services to be procured. Copies of specifications, bid forms, bidder's instructions, contract documents, as well as general and special instructions shall be made available upon request by any interested bidder.
3. The notice shall explain that written objections to specifications or bidding procedures must be received by the Board or its designee at least three business days before the date and time upon which bids are scheduled to be opened.

4. If the Board deems it to be in the Charter School's best interest, it may require all bidders to provide bid security in an amount equal to at least 5% of the amount bid. If so required, a bid shall not be considered unless one acceptable form of security is enclosed with it, and it is submitted in a form which substantially complies with the form provided by the School. The Board may require that bid security be provided by means of the following:
 - A. Cash;
 - B. A cashier's check made payable to the Charter School;
 - C. A certified check made payable to the Charter School; or
 - D. A bidder's bond executed by a qualified surety company, made payable to the Charter School.
5. No bid received by the Charter School after the time set in the notice for opening of bids may be withdrawn. When sealed bids have been received, they shall be opened in public at a designated place and time. Thereafter the bids are compiled and submitted to the Board for award or, if a designee had been authorized, for approval of the designee's award.
6. In the event the successful bidder fails to execute the contract, the amount of the bidder's security may be forfeited to the Charter School at the sole discretion of the Board. Thereafter the proceeds may be deposited in a designated fund out of which reasonable expenses incurred in procuring substitute performance are paid.
7. The Board may, on the refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest qualified bidder. If the Board awards the contract to the next lowest qualified bidder, the amount of the lowest qualified bidder's security may be applied by the Board to the difference between the lowest responsive bid and the next lowest responsive bid, and the surplus, if any, shall be returned to the lowest bidder if cash or check is used, or to the surety on the bidder's bond if a bond is used. The Board may retain a reasonable administrative cost not to exceed 25% of the amount of the bidder's security.
8. In its discretion, the Board or its designee may reject all bids presented and re-bid or, after finding it to be a fact; the Board may pass a resolution declaring that the subject goods or services can be procured more economically on the open market.
9. If the Board chooses to award the contract for delivery of personal property or services to a bidder other than the apparent low bidder, the Board shall first declare in open session at a duly noticed public meeting its reason or reasons for the award and shall communicate such reason or reasons in writing to all bidders that responded to the Charter School's solicitation for bids.
10. The solicitation shall explain that if any participating bidder objects to the Board's award to a bidder other than the lowest apparent bidder, such bidder shall, within seven calendar

days of the date of transmittal of the notice, object in writing to the award and specifically identify the reason or reasons that the Board's award is in error. Thereafter, the Board shall stay performance of the award until after the Board reviews and addresses the bidder's objections. The Board shall then review its decision and determine whether to affirm its prior award, modify the award, or choose to re-bid and will identify its reason or reasons therefor. The Board shall not delegate this responsibility. After completion of the review process, the Board may proceed as it deems to be in the public's best interest.

11. If two or more bids are the same and the lowest responsive bids, the Board or its designee may accept the one it deems to be in the public's best interest.
12. In its discretion, when the Board purchases goods, it may forgo the above request for bids procedure and may preauthorize the purchase of goods (but not services) at a public auction.

Requests for Proposals: The Board may utilize a request for proposal process as set forth below as an alternative to the competitive bidding process required by the Procuring Services or Personal Property policy subsection set forth above, when the Board contemplates a procurement of goods or services for which the Board determines one or more of the following is true:

1. The submission of fixed specifications by the Board may prevent the discovery of a more cost-effective solution;
2. The specific need to be satisfied by the procurement is amenable to more than one solution; or
3. Factors other than price will determine the best option for the Charter School to satisfy or solve the Charter School's specific need.

Factors to be Considered: When the Board utilizes the request for proposal process, it may consider the following factors when evaluating the vendor's responses to the request:

1. An innovative solution that is offered;
2. Unique product features;
3. Price;
4. Vendor experience in the market;
5. Financial stability of a vendor;
6. Differences among vendors in their ability to perform contract requirements in a timely or efficient manner;
7. Ability to meet product specifications;
8. Product quality;
9. Product performance records;
10. Past performance by a vendor;
11. Future product maintenance or service requirements; and
12. Product warranties.

Requirements of a Request for Proposals

At a minimum, a request for proposals shall:

1. State the instructions of the process;
2. Identify the scope of work for the goods or services contemplated;
3. Identify the selection criteria;
4. Identify the contract terms; and
5. Identify the scoring methodology applying relative weights to factors considered.

Notification, solicitation, and consideration of objections to an award of a procurement contract pursuant to a request for proposal. The notification, solicitation, and consideration of contests concerning the award of a procurement contract pursuant to a request for proposal shall be in accordance with the same procedures and requirements set forth in the policy subsection pertaining to Procuring Services or Personal Property, subject to the selection criteria established by the Board at the outset of each such procurement. After the procurement recommendation is made to the Board under the Request for Proposal process described above, the documents and records compiled in the scoring process shall be made available for public inspection.

Procedure History:

Promulgated on: 2019.11.13

Revised on:

Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7407

Public Procurement of Goods and Services

The Charter School shall at all times adhere to the bidding requirements for the procurement of goods and services as set out in State law.

\$0 to \$50,000	No bidding requirements	IC 67-2803(2)
\$50,000 to \$100,000	Semi-formal bidding: Issue written requests for bids describing goods or services desired to at least three vendors. Allow three days for written response, unless an emergency exists; One day for objections. Keep records for six months. <u>Accept low bid, or reject all bids.</u>	IC 67-2806(1)
\$100,000 and above	Formal bidding: Publish bid notice at least two weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid security/bond. Can reject all if able to purchase more economically in the open market.	IC 67-2806(2)

Exemptions to Public Procurement of Goods and Services Bidding

Personal Property	Already competitive bid (piggy-backing)	IC 67-2803(1)
Less than \$50,000	Contracts or purchases of goods or services	IC 67-2803(2)
Any Amount	Payments of Wages	IC 67-2803(3)
Any Amount	Personal or professional services performed by an independent contractor. (Refer to info on qualifications in I.C. 67-2320)	IC 67-2803(4)
Any Amount	Procurement of an interest in real property – lease or purchase	IC 67-2803(5)
Any Amount	Procurement of insurance	IC 67-2803(6)
Any Amount	Costs of Joint Powers participation	IC 67-2803(7)
Any Amount	Procurement of used personal property	IC 67-2803(8)
Any Amount	Procurement from federal government general services administration (GSA) schedules or federal multiple award schedules (MAS)	IC 67-2803(9)
Any Amount	Procurement of personal property or services through contracts entered into by the division of purchasing of the department of administration of the state of Idaho	IC 67-2803(10)
Any Amount	Procurement of goods for direct resale	IC 67-2803(11)
Any Amount	Procurement of travel and training;	IC 67-2803(12)
Any Amount	Procurement of goods and services from Idaho correctional industries	IC 67-2803(13)

Any Amount	Procurement of repair for heavy equipment	IC 67-2803(14)
Any Amount	Procurement of software maintenance, support and licenses of an existing system or platform that was bid in compliance with state law	IC 67-2803(15)
Any Amount	Procurement of public utilities	IC 67-2803(16)
Any Amount	Procurement of food for use in jails or detention facilities	IC 67-2803(17)
Any Amount	Procurement of used equipment at an auction if authorized by the governing board	IC 67-2803(18)
Any Amount	Emergency Expenditures	IC 67-2808(1)

Legal Reference: I.C. § 67-2801 et seq. Purchasing by Political Subdivisions

Policy History:

Adopted on: 2016.09.15

Revised on: 2017.11.09

FINANCIAL MANAGEMENT

7408

Entering into Professional Service Contracts with Design Professionals, Construction Managers, and Professional Land Surveyors — The Request for Qualifications Policy

Selection of Public Works Professionals to be Based on Qualifications

Notwithstanding any other provision of law to the contrary, it shall be the policy of this state that all public agencies and political subdivisions of the State of Idaho and their agents shall make selections for professional engineering, architectural, landscape architecture, construction management, and professional land surveying services, by persons and firms licensed pursuant to Idaho law to perform such professional services, on the basis of qualifications and demonstrated competence, and shall negotiate contracts or agreements with licensed professional(s) selected to provide the requested professional service(s).

No proposal, bid, or qualifications shall be accepted or denied based on environmental, social, and governance (ESG) standards, including screening or scoring bids, in whole or in part, on subjective ethical or sustainability criteria unrelated to the specifications in a solicitation or qualifications of a bidder.

Procedures to Select Public Works Professionals for Contracts Greater than \$50,000

In carrying out this policy the Board shall use the following guidelines when securing contracts for engineering, architectural, landscape architecture, construction management, and land surveying services on projects for which the professional service fee is anticipated to exceed the total sum of \$50,000, excluding, however, those professional services contracts previously awarded by the School for an associated or phased project, and for which the expenditure is otherwise exempt from the bidding process otherwise required by law. To implement this policy:

1. The Board or its designee will provide a general description of the services being solicited and encourage persons or firms engaged in the services being solicited to submit statements of qualifications and past performance data.
2. The Board or its designee will establish and make available to the public a request for qualifications that includes the criteria and the procedures to be used for measurable scoring, ranking, and selection of qualified persons or firms to perform such services.
3. After receiving responses to a request for qualifications, the Board or its designee shall score and rank the responding persons and firms based on their qualifications and demonstrated competence pursuant to the Board's or its designee's established criteria and procedures. The list of ranked respondents, including the scoring used to develop the ranking, shall be made available to the public. Some examples of selection criteria for consideration may include but are not limited to:

- A. A description of the firm, including its location and longevity;
 - B. Its past performance;
 - C. Its project manager and key staff experience, education, and training;
 - D. Its experience with similar projects;
 - E. Its specific approach to projects or assignments;
 - F. Its proposed schedule, if applicable; and
 - G. Its quality control procedures.
4. The Board or its designee shall select for negotiation the persons or firms whom the public agency or political subdivision determines to be the highest-ranked and best qualified.
5. The Board or its designee shall next negotiate with the highest ranked person or firm for a contract or an agreement to perform such services at a price determined by the Board to be reasonable and fair to the public after considering the estimated value, the scope, the complexity, schedule, and the nature of the services required.
6. In the event the Board or its designee is unable to negotiate a satisfactory contract or agreement with the highest-ranked person or firm, it shall formally terminate negotiations and undertake negotiations with the next highest-ranked person or firm, following the procedure prescribed above.
7. In the event the Board or its designee is unable to negotiate a satisfactory contract or agreement with any of the selected persons or firms, it may recommence negotiations as described in the two items immediately above, until a contract or agreement is reached, or may, in its discretion, cancel the procurement.
8. **Published Request for Qualifications.** When the Board solicits proposals for qualifications for engineering, architectural, landscape architecture, construction management, or land surveying services for which the professional service fee is anticipated to exceed the total sum of \$50,000 it shall publish public notice in the same manner as required for procurement of public works construction projects set forth at Procedure 7405P, which sets forth the procedures required by Section 67-2805(2) of Idaho Code.
9. **A List of Qualified Professionals.** In fulfilling the requirements of the items above, the Board may establish and select from a list of two or more persons or firms selected and preapproved for consideration by the School. When creating a preapproved list of qualified professionals, the Board or its designee shall first publish notice as set forth in the item immediately above. When selecting from such list, no notice shall be required; and
10. Any list established under this item will be valid for up to five years, unless canceled by the Board prior to the list's expiration where the Board has first determined in open session that cancellation of the list would be in the public's best interest.

Procedures to Select Public Works Professionals for Contracts Less than \$50,000

When securing contracts for engineering, architectural, landscape architecture, construction management, or land surveying services on projects for which the professional service fee is anticipated to be less than the total sum of \$50,000, the Board may use the guidelines set forth in the above paragraphs, or may establish its own guidelines for selection based on demonstrated competence and qualifications to perform the type of services required, which shall then be followed by negotiation of the fee at a price determined by the Board to be fair and reasonable after considering the estimated value, scope, complexity, schedule, and nature of services required.

Approvals for Phased Projects

When the Board has previously awarded a professional services contract to a person or firm for an associated or phased project, the School may, at its discretion and in accordance with all provisions of Section 59-1026 of Idaho Code, negotiate an extended or new professional services contract with that person or firm.

Cross References: 7405P Procuring Public Works, Services, and Personal Property

Legal References: IC § 67-2320 Professional Service Contracts with Design Professionals, Construction Managers and Professional Land Surveyors
 IC § 67-2347 Prohibition of Environmental, Social, and Governance Standards in Public Contracts
 IC § 67-2805 Procurement of Public Works Construction
 IC § 59-1026 Willful and Knowing Avoidance of Competitive Bidding and Procurement Statutes

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

Policy History:

Adopted on: 2019.11.13

Revised on: 2021.08.12

Revised on: 2023.07.19

Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7409

Acquisition of Real and Personal Property

Procurement of Public Works, Goods, or Services

Except for the purchase of curricular materials as defined in Idaho Code § 33-117A, all contracts for the construction, repair, or improvement of any real property, or the acquisition, purchase, or repair of any equipment, or other personal property necessary for the operation of the Charter School shall be entered into in accordance with the provisions of Procedure 7405P.

Purchase of Real Property

When purchasing real property for Charter School use, the Board may designate and purchase any real property which it finds is necessary for school purposes or for the operation of the School. After making such determination and to accomplish the purchase of the designated real property, the Board will:

1. Not more than one year prior to any purchase of real property, have such property appraised by an appraiser certified in the State of Idaho. This appraisal shall be entered into the records of the Board and shall be used to establish the value of the real property
2. Determine the size of the site necessary for School purposes. The location of the site shall be consistent with the Charter, Articles and Bylaws.
3. In purchasing such real property, the Board shall purchase such property:
 - A. With cash; or
 - B. Through financing approved by the Board at an open Board meeting.

Cross References: 7405P

Procuring Public Works, Services, and Personal Property

Legal References: I.C. § 33-5204
I.C. § 33-5208
I.C. § 33-601

Nonprofit Corporation – Liability - Insurance
Public Charter School Financial Support
Real and Personal Property—Acquisition, Use,
or Disposal of Same

Policy History:

Adopted on: 2019.11.13

Revised on: 2020.11.06

Revised on: 2021.08.12

FINANCIAL MANAGEMENT

7430

Travel Allowances and Expenses

Every Charter School employee and Board Member will be reimbursed for travel expenses while traveling outside of the Charter School and engaged in official Charter School business. All travel expenses must be reported on the Charter School-approved travel voucher forms and, for employees, approval must be granted prior to traveling by the employee's supervisor and the Executive Director. The Charter School will adhere to the State Travel Policy, which can be found at <https://goo.gl/eDiSGc>.

The Charter School business office will be responsible for the development of procedures and forms to be used in connection with travel expense claims and reimbursements.

Travel Costs Under Federal Award

General: Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. Such costs may be charged on an actual cost basis, or on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip and results in charges consistent with those normally allowed in like circumstances in the recipient's non-federally funded activities and in accordance with the recipient's written travel reimbursement policies.

Lodging and subsistence: Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the Charter School in its regular operations as the result of its written travel policy. In addition, if these costs are charged directly to the federal award, the Charter School will maintain documentation justifying the following:

1. Participation of the individual is necessary to the federal award; and
2. The costs are reasonable and consistent with this policy and any related procedures.

Temporary dependent care costs above and beyond regular dependent care that directly results from travel to conferences are allowable provided that:

1. The costs are a direct result of the individual's travel for the federal award;
2. The costs are consistent with this policy and any related procedures; and
3. Are temporary, lasting only during the travel period.

Travel costs for dependents are unallowable, except for travel of duration of six months or more with prior approval of the federal awarding agency.

Commercial air travel: Airfare costs in excess of the basic, least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:

1. Require circuitous routing;
2. Require travel during unreasonable hours;
3. Excessively prolong travel;
4. Result in additional costs that would offset the transportation savings; or
5. Offer accommodations not reasonably adequate for the traveler's medical needs.

Legal Reference: I.C. § 33-701 Fiscal Year – Payment and Accounting of Funds
 2 C.F.R. § 474 Travel Costs

Policy History:

Adopted on: 2018.11.08

Revised on:

Reviewed on:

FINANCIAL MANAGEMENT

7450

Federal Cash Management Policy

All responsible Charter School employees shall comply with applicable methods and procedures for payment that minimize the time elapsing between the School's receipt of federal funds and their disbursement by the School, as required by in accordance with the Cash Management Improvement Act of 1990. Generally, the School receives payment of federal funds from the State Department of Education on a reimbursement basis.

According to guidance from the U.S. Department of Education (USDE), when calculating the interest earned on USDE grant funds, regardless of the date of obligation, interest is calculated from the date that the federal funds are drawn down from the G5 system until the date on which those funds are disbursed by the Charter School.

Payment Methods

1. **Reimbursements:** The Charter School will initially charge federal grant expenditures to nonfederal funds.

The School Grant Accountant or Business Manager shall request reimbursement for actual expenditures incurred under the federal grants monthly. All reimbursements are based on actual disbursements, not on obligations. Reimbursement requests shall be submitted on a School form to the State Department of Education.

The Executive Director or his or her designee shall promulgate a procedure specifying any further requirements.

Consistent with State and federal requirements, the School shall maintain source documentation supporting the federal expenditures; such as invoices, time sheets, and payroll stubs; and will make such documentation available for the State Department of Education to review upon request.

Reimbursements of actual expenditures do not require interest calculations.

2. **Advances:** To the extent the Charter School receives advance payments of federal grant funds; the School shall strive to expend the federal funds on allowable expenditures as expeditiously as possible. Specifically, the School shall attempt to expend all drawdowns of federal funds within 72 hours of receipt.

The School shall hold federal advance payments in interest-bearing accounts, unless an allowable exception applies. The Charter School shall begin to calculate interest earned on cash balances once funds are deposited into the School's account.

Interest shall be calculated quarterly. Total federal grant cash balances shall be calculated on cash balances per grant and applying the School's average interest rate. Within 30 days of the end of the quarter, the School shall remit interest earned. The Charter School may retain up to \$500 of interest earned per year.

The Executive Director or his or her designee shall promulgate a procedure specifying the process for remitting interest.

Legal Reference:	2 CFR § 200.305	Payment
	31 CFR § 205	Rules and Procedures for Efficient Federal-State Funds Transfers
	31 U.S.C. § 6503	Intergovernmental financing (Cash Management Improvement Act of 1990)

Policy History:

Adopted on: 2011.09.15

Revised on: 2018.11.08

Revised on: 2019.06.13

Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7455

Federal Debarment and Suspension

For all Charter School programs receiving federal funds, the School shall comply with all applicable Federal regulations that restrict or prohibit transactions using Federal funds with all persons or entities that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

This limitation is directed by Executive Order 12549 which provides that “a person who is debarred or suspended shall be excluded from Federal financial and nonfinancial assistance and benefits under Federal programs and activities.” Thus, the Charter School shall refrain from entering into any transaction with a person or entity which has been suspended or debarred by the U.S. Department of Education, or other federal agency from which the School has received federal funds.

Covered Federal Non-Procurement Transactions

Federal funds received by the Charter School that are covered by this policy include, but are not necessarily limited to funds received from the following transactions:

1. Grants;
2. Cooperative agreements;
3. Scholarships;
4. Fellowships;
5. Contracts of assistance;
6. Loans;
7. Loan guarantees;
8. Subsidies;
9. Insurances;
10. Payments for specified uses; and
11. Donation agreements.

District's Covered Transactions with Third Parties

This Policy applies to circumstances where the Charter School enters into a procurement contract with a third party for goods and/or services, and intends to use covered federal funds to partially or fully purchase such goods and/or services, as more specifically described below:

A contract for goods or services is a “covered transaction” if any of the following applies:

1. The contract is awarded to the Charter School pursuant to a nonprocurement transaction listed above and the amount of the contract is expected to equal or exceed \$25,000; or

2. The contract requires the consent of an official of a federal agency. In that case, the contract, regardless of the amount, is always considered a covered transaction, and it does not matter who awarded it. For example, it could be a subcontract awarded by a contractor at a tier below the District's nonprocurement transaction; or
3. The contract is for federally-required audit services.

In addition, a subcontract is also a covered transaction if:

1. It is awarded by a participant in a procurement transaction under a nonprocurement transaction of a Federal agency that extends the coverage of Item 1 above, under "District's Covered Transactions with Third Parties"; and
2. The value of the subcontract is expected to equal or exceed \$25,000.

Charter School Responsibilities before Entering Into Covered Transactions - Prohibition

Prior to entering into a "covered transaction" with a third party, the Charter School shall verify the person or entity with whom it intends to do business is not excluded or disqualified by performing any one of the following:

1. Checking the Excluded Parties List System (EPLS);*
2. Collecting a certification from that person; or
3. Adding a clause or condition to the covered transaction with that person.

** The General Services Administration maintains the EPLS and makes it available to requesting parties. When a Federal agency takes an action to exclude a person under the nonprocurement or procurement debarment and suspension system, the agency enters the information about the excluded person into the EPLS. The EPLS may be accessed online at: <http://epls.arnet.gov> or <http://www.epls.gov>. If the Charter School has a question about any person or entity on the EPLS, it should contact the point of contact for the federal agency that placed the person's name into the EPLS. The agency's point of contact is identified in the EPLS.*

In the event the third party is on the EPLS, the Charter School shall not enter into the contemplated transaction unless and until the federal agency responsible for providing the School with the Federal funds grants a written exception.

Legal Reference: 2 CFR § 200.213	Suspension and debarment
2 CFR § 180	Guidelines to Agencies on Government-Wide Debarment and Suspension (Nonprocurement)
31 U.S.C. § 6503	Intergovernmental financing (Cash Management Improvement Act of 1990)

Policy History:

Adopted on: 2020.01.16

Revised on:

Reviewed on:

Liberty Charter School

FINANCIAL MANAGEMENT

7600

Declaration of Financial Emergency

This section and related Board policies shall apply in the instance of a financial emergency. However, any subsequently enacted statute or amendment to existing statutes shall control over this policy and replace this policy as well as all other related policies, procedures, and forms.

The Board of Directors is dedicated to sound and efficient financial management. Recognizing the limitations and fluctuations in funding and the potential negative impact on the Charter School's fiscal status due to historical revenue and/or expenditure issues, the Charter School must take specific action to ensure education remains the primary goal and responsibility of the Charter School. In the event the financial situation of the Charter School necessitates such action, the Board will consider a declaration of financial emergency.

Prior to declaring a financial emergency, the Board shall hold a public meeting for the purpose of receiving input concerning possible solutions to the financial problems facing the Charter School.

Legal Reference:	I.C. § 33-402	Notice Requirements
	I.C. § 33-515	Issuance of Renewable Contracts
	I.C. § 33-522	Financial Emergency
	I.C. § 33-801	School District Budget

Policy History:

Adopted on: 2016.09.15

Revised on: