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Legacy Charter School

FINANCIAL MANAGEMENT **7130**

Annual Budget – Planning and Preparation

The Superintendent along with the Administrator shall prepare a calendar which shall ensure all deadlines established by law for budget presentations, notifications, hearings and adoption are met. For the first three years of operation, the Superintendent of Legacy Charter School shall prepare the annual budget for Legacy Charter School and shall train the Administrator in budget preparation and implementation.

The Board's role in budget planning is to ensure that the budget:

- Reflects Legacy's financial objectives and is consistent with the Harbor School Method;
- Reflects the priorities of the Harbor School Method;
- Considers both short and long range funding sources and expenditures.

The Annual Budget must be presented at a public hearing no later than 28 days prior to the annual meeting.

Policy History:
Adopted on: June 29, 2011
Revised on:

Legacy Charter School

FINANCIAL MANAGEMENT **7200**

Accounting System Design

The Charter School accounting system shall be established to present with full disclosure the financial position and results of the financial operations of the Charter School funds and account groups in conformity with generally accepted accounting principles. The accounting system must be in compliance with the accounting system requirements established by legislative action. It shall be possible to demonstrate the accounting system's compliance with finance-related legal and contractual provisions.

Policy History:
Adopted on: September 15, 2016
Revised on:

Legacy Charter School

FINANCIAL MANAGEMENT **7218**

Federal Grant Financial Management System

The Charter School maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met.

Idaho Financial Reporting Management System (IFARMS)

IFARMS provides the basis for complete financial and cost accounting, for the development of program budgets, and for the preparation of periodic financial reports. The uniformity of the system enables the Charter School to fulfill state requirements and provides the flexibility to obtain program and account detail to meet management needs.

Financial Management Standards

The standards for financial management systems are found at 2 C.F.R. § 200.302. The required standards include:

1. **Identification:** The Charter School shall identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification shall include the information described below under "Overview of the Financial Management/Accounting System."

2. **Financial Reporting:** Accurate, current, and complete disclosure of the financial results of each federal award or program will be made in accordance with the financial reporting requirements set forth in the Education Department General Administrative Regulations (EDGAR).

3. **Accounting Records:** The Charter School shall maintain records that adequately identify the source and application of funds provided for federally-assisted activities. These records will contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest, and be supported by source documentation.

4. **Internal Controls:** Effective control and accountability shall be maintained for all funds, real and personal property, and other assets. The Charter School shall adequately safeguard all such property and shall assure that it is used solely for authorized purposes.

   "Internal controls" are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

A. Effectiveness and efficiency of operations;
B. Adequate safeguarding of property;
C. Assurance property and money is spent in accordance with grant program and to further the selected objectives; and
D. Compliance with applicable laws and regulations.

5. **Budget Control:** Actual expenditures or outlays shall be compared with budgeted amounts for each federal award.

6. **Cash Management:** The School shall maintain written procedures to implement the cash management requirements found in EDGAR. See Policy 7450.

7. **Allowable Costs:** The School shall maintain written procedures for determining the allowability of costs in accordance with EDGAR. See Policy 7320.

Overview of the Financial Management/Accounting System

The Charter School accounting system is established to present, with full disclosure, the financial position and results of the financial operations of the School in conformity with generally accepted accounting principles. The accounting system currently used is 2M. The system is in compliance with IFARMS, as required by Idaho statute. IFARMS shall be used as the basis for developing program budgets and the preparation of periodic financial reports. The Business Manager shall be responsible for managing budgets and accounts payable. As required by 34 CFR 200.302, the School shall maintain on file award letters that include Catalog of Federal Domestic Assistance (CFDA) titles and numbers, federal award identification numbers and years, names of the federal awarding agencies, and the name of the State Department of Education (the pass-through entity), for each federal award. The funds are given unique identification numbers in the IFARMS system.

The Business Manager shall be responsible for preparing financial reports, as required for local, state, and federal agencies, for review and approval by the Board of Directors. The financial reports shall reflect the financial activity and status of the Charter School. These reports shall include monthly and cumulative expenditures, program budgets, and balances remaining.

Budgeting

The Planning Phase: Meetings and Discussions: Before Receiving the Grant Award Notice (GAN): The Executive Director or designee, assisted by the Business Manager, shall be responsible for initial federal grant budget development. Initial budget development shall be based upon estimates of federal program award amounts as provided by the State Department of Education, as well as input from program and administrative staff with respect to individual program staff needs, number and assignments of paraprofessionals relative to program allocations, and need for instructional supplies and equipment. The primary considerations of initial budget development shall be the educational needs of students and the availability of existing Charter School resources for meeting these needs.

Budgets shall be prepared and presented in a format that clearly identifies revenue sources and amounts and budgeted expenditures, in accordance with IFARMS accounting codes, and shall be open for public inspection.

The Executive Director or designee shall present the proposed budget to the Board for final approval of the budget and the policies reflected therein, such as proposed changes or additions to instructional programs and proposed salary schedules. Consideration of the proposed budget shall take place in an open meeting with opportunity for public comment. The approved budget shall be included in the minutes of the Board as documentation of its acceptance and approval.

After Receiving the GAN: If the Executive Director or designee determines that final program allocations necessitate revisions to program budgets, he or she, assisted by the Business Manager with input from federal programs staff, shall discuss, review, and propose budget revisions. If proposed revisions require amendment proposals, the Executive Director or designee will follow protocols of the amendment process.

Amending the Budget: The Executive Director or designee shall review and approve any necessary budget amendments and shall submit those amendments to the Board at least seven days in advance of the meeting at which the amendment will be considered. The Board shall have final approval of the amended budget and consideration of the proposed budget shall take place in an open meeting with opportunity for public comment. The approved amended budget shall be included in the minutes of the Board of Directors as documentation of its acceptance and approval.

Budget Control: The Business Manager shall prepare monthly financial reports that monitor budget performance by comparing actual to budgeted revenues and expenditures. Monthly financial reports indicate budgeted amounts, monthly expenditures, year-to-date-expenditures and percentage of budget spent. The Executive Director or designee shall review these reports for the preceding month prior to presentation to the Board.

Accounting Records

The Business Manager shall be responsible for the maintenance of accounting records. Electronic accounting records are maintained in the 2M, and paper records are maintained on file in the Charter School office. All accounting records shall be reviewed by the Executive Director or designee and, where appropriate and required, the Board. The School chart of accounts and financial reports shall be established and maintained in accordance with Generally Accepted Accounting Principles (GAAP) and IFARMS, as required by Idaho Code. Accounting records shall be available for public inspection at any time.

Spending Grant Funds

In determining what items will be included in individual program budgets, the Business Manager and the Executive Director or designee will follow the federal cost principles and individual

program statutes and regulations, as the basis for determining whether individual expenditures are allowable.

While developing and reviewing the grant budget, the Charter School will keep in mind the difference between direct costs and indirect costs.

Direct and Indirect Costs:

1. **Determining Whether a Cost is Direct or Indirect:** Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

   Indirect costs are those that have been incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

   Costs incurred for the same purpose in like circumstances shall be treated consistently as either direct or indirect costs.

   Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials, and other items of expense incurred for the Federal award.

   The salaries of administrative and clerical staff shall normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

   A. Administrative or clerical services are integral to a project or activity;
   B. Individuals involved can be specifically identified with the project or activity;
   C. Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
   D. The costs are not also recovered as indirect costs.

2. **Indirect Cost Rate:** It is at the discretion of the Legacy Charter School to use the indirect cost rate. It is the normal policy of the School not to take indirect costs on federal awards. If the School elects to take indirect costs, it shall follow the procedures for calculating the indirect cost rate prescribed by the State Department of Education and apply the policies and procedures outlined in the federal regulations as described below.
3. **Applying the Indirect Cost Rate:** Once the Charter School has an approved indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items such as equipment, contracts in excess of $30,000, pass-through funds, etc.) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award.

Once the School applies the approved rate, the funds that may be claimed for indirect costs have no federal accountability and may be used as if they were non-federal funds. For direct grants, reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions.

Where a federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.

Cross Reference:	7230	Financial Reporting and Audits
Legal References:	2 C.F.R. Subpart D	Post Federal Award Requirements
	2 C.F.R. § 200.56	Indirect (Facilities & Administrative (F&A)) Costs
	2 C.F.R. § 200.413	Direct Costs
	34 C.F.R. § 75.564	Reimbursement of Indirect Costs
	34 C.F.R. § 76.569	Using The Restricted Indirect Cost Rate

Policy History:
Adopted on: November 15, 2018
Revised on: June 20, 2019
Revised on: April 16, 2020
Revised on: April 15, 2021

Disclaimer:

Charter School Financial Fraud or Theft is a criminal matter and covered by State laws. This policy is merely a guideline so that all Charter School employees understand the possible repercussions of such actions. If you have questions regarding fraud and/or theft, please contact your counsel and/or your local law enforcement agency.

Legacy Charter School

FINANCIAL MANAGEMENT **7225**

Financial Fraud and Theft Prevention

All Charter School employees, Directors, consultants, vendors, contractors, and other parties maintaining a business relationship with the Charter School shall act with integrity and due diligence in matters involving Charter School fiscal resources.

The Principal shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, fiscal irregularities and cybersecurity vulnerabilities within the Charter School. Every member of the Charter School's administrative team shall be alert for any indication of fraud, financial impropriety, or irregularity within their areas of responsibility.

The Principal shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential. While investigating and responding to the financial fraud allegations, the Principal or Chair of the Board of Directors will give priority to avoiding possible retaliation or reprisals.

Mandatory Disclosures

As indicated under 2 CFR 200.113, the School must promptly disclose whenever it finds credible evidence of a violation of the following in connection with a federal award, including any activities or subawards:

1. Federal criminal law involving:

    A. Fraud;
    B. Conflicts of interest; or
    C. Bribery;

2. Gratuity violations found in Title 18 USC; or
3. A violation of 31 USC 3729-3733.

The disclosure must be made in writing to the federal agency, the agency's office of inspector general, and to any pass-through entity, if applicable. The School and any of its subrecipients are also

required to report matters related to recipient integrity and performance in accordance with Appendix XII of 2 CFR Part 200.

Staff Responsibilities

Any employee who suspects that financial fraud, impropriety, irregularity, or a breach in cybersecurity has occurred shall immediately report those suspicions to their immediate supervisor and/or the Principal or his or her designee who shall have the primary responsibility for initiating necessary investigations. Additionally, the Principal shall coordinate investigative efforts with the Charter School's legal counsel, auditing firm, and other internal or external departments and agencies, including the county prosecutor's office and law enforcement officials, as the Principal may deem appropriate.

Employees may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing what they believe is reasonable evidence of gross mismanagement of a federal contract, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract or grant. Employees must be notified of whistleblower rights and protections under 41 USC 4712.

An employee who believes they have suffered reprisal, retaliation, or discrimination for a report under this policy shall report the incident(s) to the Principal or designee. The Board will attempt to ensure that no employee who makes such a report will suffer any form of reprisal, retaliation, or discrimination for making the report. Employees are prohibited from preventing or interfering with those who make good faith disclosures of misconduct. This policy shall not apply when an employee knowingly makes a false report.

In the event the concern or complaint involves the Principal, the concern shall be brought to the attention of the Board Chair who is hereby empowered to contact the Charter School's legal counsel, auditing firm, and any other agency to investigate the concern or complaint.

Definition

As used in this policy, "fraud" refers to intentionally misrepresenting, concealing, or misusing information in an attempt to commit fiscal wrongdoing. Fraudulent actions include, but are not limited to:

1. Behaving in a dishonest or false manner in relation to Charter School assets, including theft of funds, securities, supplies, or other Charter School properties;
2. Forging or altering financial documents or accounts illegally or without proper authorization;
3. Improper handling or reporting of financial transactions;
4. Personally profiting as a result of insider knowledge;
5. Disregarding confidentiality safeguards concerning financial information;
6. Violating Board conflict of interest policies; and
7. Mishandling financial records of Charter School assets, such as destroying, removing, or misusing them.

Internal Controls

The following internal controls shall be a regular practice of the Charter School in an effort to prevent the possibility of fraud:

1. **Treasurer's Receipts:** The clerk should have receipts and numbered duplicates for everything paid out in their custody.

2. **Checks:** The clerk shall keep personal custody of any signature stamps and maintain a log for every check written.

3. **Audit:** An individual not connected to the business office should audit the check register regularly.

4. **Conduct background checks on potential business office employees:** Check all possible references, not just those offered, and perform criminal background checks on key business officials and other warranted individuals.

5. Monthly reviews by an individual not connected with the business office are performed. Checklists are provided to the auditor each year during the audit.

Legal References Description

18 USC	Crimes & Criminal Procedure
2 CFR § 200.113	Mandatory Disclosures

Policy History:
Adopted on: 2016.09.15
Revised on: 2026.02.19

Legacy Charter School

FINANCIAL MANAGEMENT **7235**

Fiscal Accountability and IDEA Part B Funds

The Charter School must ensure fiscal accountability at each phase in the use of Individuals with Disabilities Education Act (IDEA) Part B and Elementary and Secondary Education Act (ESEA) funds. The purpose of this policy is to ensure that the School complies with the State Department of Education requirements described in the Idaho State Department of Education IDEA Funding Manual.

Use of IDEA Part B Funds

The Charter School shall use IDEA funds only to pay excess costs of providing special education and related services to children with disabilities. A cost is determined to be an excess cost of providing special education only if it meets each of the following criteria:

1. The cost would not exist in the absence of special education needs;
2. The cost is not also generated by students without disabilities; and
3. If the cost is specific to a particular child, there is documentation of whether that child is on an Individual Education Plan (IEP).

The Board directs the Administrator or designee to establish procedures and internal controls to ensure that IDEA Part B funds are used only for allowable, excess costs of providing special education and that these costs are accounted for in the proper function/program codes described in 34 CFR 300.202-205. These procedures and controls shall also ensure the accuracy of the Charter School's Excess Cost Calculation, as required by 34 C.F.R. 300.16 and Appendix A to 34 C.F.R.300.

The special education director and the business manager approve all IDEA Part B expenditures (purchase orders, invoices) following the process described in the written procedures for determining allowability of cost (cost principles).

Use of ESEA Funds

The School shall use ESEA funds only to pay for items of cost that meet the standards of 2 CFR 200.403-405 for allowability, reasonableness, and necessity. Additionally, expenses with funding for each program must be closely aligned with the program's goals.

Time and Effort Reporting

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. In order to determine if personnel costs are allowable under IDEA Part B or ESEA, the Charter School shall maintain auditable "time and effort" documentation that shows how each employee paid with any IDEA Part B funds or ESEA program funds spent their

compensated time. Such work shall be documented on the time and effort forms. The form shall be kept for employees paid in full or in part with federal funds or whose salary is used to meet a matching requirement in a federal program. Such documents are written reports of the distribution of an employee's time between cost objectives to align the distribution of employee costs with allowable activities for applicable federal programs.

The Board directs the Administrator or designee to establish a system for time and effort reporting that complies with the requirements of CFR 200.430(g) and with the 7235P Written Compensation Procedure.

Property Procurement and Tracking

The Board directs the Administrator or designee to establish written procedures to ensure that the Charter School's mechanism for procurements using IDEA Part B funds conforms to the standards outlined in 34 C.F.R. 80.36 and with Policy 7400 Miscellaneous Procurement Standards and any related procedures. The Board also directs the Administrator or designee to establish a system to maintain adequate inventory management of property purchased with IDEA Part B or ESEA grant funds.

Property records in the inventory management system should include, at a minimum:

1. Property description;
2. Identification number;
3. Source of funding (including the federal award identification number);
4. The title holder;
5. Acquisition date and cost;
6. The percentage of the federal agency contribution towards the original purchase
7. The location, use, and condition of the property; and
8. Any ultimate disposition data including the date of disposal and sale price of the property.

In addition to the above information, the inventory management system should ensure that all source documents in support of the above information are maintained throughout the life and disposition of the equipment. These records should be updated frequently so that every piece of equipment purchased with federal funds can be accounted for at any given time.

Appeal of Claims of Noncompliance

If a federal agency finds the School has not complied with the requirements of a federal grant, and the Board disagrees with the finding, the Board may direct the Executive Director to object to or appeal the remedy the federal agency seeks to impose, as described in 2 CFR 200.342.

Cross Reference: 7400 Miscellaneous Procurement Standards

Legal Reference:	2 C.F.R. § 200.430	Compensation - Personal Services
	34 C.F.R. Subpart B, Subgroup 43	Children with Disabilities Enrolled by Their Parents in Private Schools

2 CFR § 200.405	Allowability Principles
2 CFR § 200.430	Time and Effort
34 C.F.R. § 300.16	Excess Costs
34 C.F.R. § 300.202	Use of Amounts
34 C.F.R. § 300.203	Maintenance of Effort
34 C.F.R. § 300.204	Exception to Maintenance of Effort
34 C.F.R. § 300.205	Adjustment to Local Fiscal Efforts in Certain Fiscal Years
34 C.F.R. Appendix A to Part 300	Excess Costs Calculation

Fiscal Accountability Checklist: For Sub-Recipients of IDEA Part B Funds

OMB Circular A-87	Cost Principles for State, Local, and Indian Tribal Governments
OMB Circular A-133	Audits of States, Local Governments, and Non-Profit Organizations

Other Reference: Idaho State Department of Education, *IDEA Part B Funding Manual* (Rev. Jan 25, 2018) (available at: https://www.sde.idaho.gov/sped/funding/files/application/resource/IDEA-Part-B-Funding-Manual.pdf) (last accessed Dec. 3, 2019).

Policy History:
Adopted on: 2016.09.15
Revised on: 2018.11.15
Revised on: 2019.06.20
Revised on: 2020.04.16
Revised on: 2026.02.19

Legacy Charter School

FINANCIAL MANAGEMENT **7235F1**

Federal Funds Semi-Annual Certification Form

Employee: _____ Position: _____

Reporting Period: _____

Cost Objective (Program Activity	Grant Program	Fund Code – Function Code	Distribution of Time (Percentage of Hours)

Employee's Signature: _____ Date: _____

I hereby certify this report is an accurate representation of the total activity expended during the period indicated.

Reviewed by supervisor: _____ Date: _____

Legacy Charter School **7235F2**

FINANCIAL MANAGEMENT

Personnel Activity Report

LEA Name: _____ For the Month of: _____

Employee: _____ Year: _____

Position: _____

Supervisor: _____

Cost Objective or Program Activity	Grant – Fund Code	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Total	%
Leave Time																			
TOTAL																			

Cost Objective or Program Activity	Grant – Fund Code	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Total	%
Leave Time																		
TOTAL																		

I certify that the hours reported above are a true representation of work performed.

Employee signature: _____ Date: _____

Immediate Supervisor signature: _____ Date: _____

Legacy Charter School

FINANCIAL MANAGEMENT **7235F3**

Multiple Cost Objective Time and Effort Certification

Employee: _____ Position: _____

Reporting Period: _____

Cost Objective (Program Activity	Grant Program	Fund Code – Function Code	Distribution of Time (Percentage of Hours)

Employee's Signature: _____ Date: _____

I hereby certify this report is an accurate representation of the total activity expended during the period indicated.

Reviewed by supervisor: _____ Date: _____

Legacy Charter School

FINANCIAL MANAGEMENT **7235P**

Written Compensation Procedure (Time and Effort)

Time and Effort Standards

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with State or local funds but is used to meet a required "match" in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

The Charter School's records will accurately reflect the work performed. These records must:

1. Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
2. Be incorporated into official records;
3. Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
4. Encompass both federally assisted and all other activities compensated by the School on an integrated basis;
5. Comply with the established accounting policies and practices of the School; and,
6. Support the distribution of the employee's salary or wages among specific activities or costs objectives.

Time and Effort Procedures

Federal programs staff work in multiple programs and are paid from multiple federal awards. The initial budget for program personnel is determined according the relative percentage of the total of allocations of programs in which the staff member works. Each pay period, the staff member's salary and benefits are calculated and paid according to those initial budget percentages.

At the end of each quarter, the staff member will submit a certification of actual hours worked in each federal program during that quarter. The certification will be signed by the employee and by the business manager or other Charter School staff with after-the-fact knowledge of the employee's activities.

The business manager will reconcile the certification of actual work performed to budgeted amounts and will make corresponding journal entries that reflect actual hours worked in and allowable activities of each federal program.

If an employee works exclusively in a single federal program, that employee will, at least semi-annually complete Form 7235F1 Federal Funds Semi-Annual Certification Form. The form must

be completed at least twice each year and signed by the employee and staff member with after-the-fact knowledge of the employee's activities.

Federal programs staff who work in multiple programs and are paid from multiple federal awards with no fixed schedule shall complete a Form 7235F2 Personnel Activity Report.

Positive Time Reporting

(For Charter Schools that have implemented a financial management system that allows positive time reporting) The Charter School may generate a time and effort report directly from the financial management system.

Legal Reference: Idaho SDE IDEA Part B Funding Manual.

Procedure History:
Promulgated on: November 15, 2018
Revised on: June 20, 2019
Reviewed on:

Legacy Charter School

FINANCIAL MANAGEMENT **7235PF1**

Personnel Activity Report

Employee Name: _____

Employee SSN: *(Optional)* _____

		Percentage of Time Worked by Activity					
Month	Year	Work Activity #1	Work Activity #2	Work Activity #3	Work Activity #4	Work Activity #5	TOTAL % of Time Worked

The signature(s) below certifies this employee performed activities reflected in the attached log as distributed in the above percentages during the month specified.

_____ _____
Signature of Employee Date

_____
Position Title

_____
Job Location/School Name

_____ _____
Signature of Supervisor *(Optional)* Date

This certification is in support of the Time Reporting requirements consistent with SDE Recommended Tracking: "Where employees work on multiple activities or cost objectives, a distribution of wages will be supported by personnel activity report…"

Legal Reference: Idaho SDE IDEA Part B Funding Manual.

Procedure History:
Promulgated On: June 20, 2019
Revised On:
Reviewed On:

Legacy Charter School

FINANCIAL MANAGEMENT **7235PF2**

Single Federal Award or Cost Objective

This form is required to be signed twice annually by the employee(s) paid solely from a single federal fund, (for example, Title I, Title II, IDEA Part B, etc.) or who work solely on a single cost objective and should be available for audit and monitoring reviews.

SDE Recommended Tracking states "where employees are expected to work solely on a single federal award or cost objective charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on the program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee and supervisory official having first-hand knowledge of the work performed by the employee."

I, _____, _____
(Name) *(Title)*

certify that 100% of my time has been spent performing duties associated with

_____*

for the period of (July 1 through December 31) or (January 1 through June 30) of the current year.

(Underline or circle the correct period)

_____ Employee Signature Date _____

_____ Supervisor Signature Date _____

**Insert the name of the federal award or cost objective. Cost objectives could include special education, IDEA Part B Maintenance of Effort Preschool program, etc.*

Legal Reference: Idaho SDE IDEA Part B Funding Manual

Legacy Charter School

FINANCIAL MANAGEMENT **7236**

Employees Paid with Federal Funds and Unexpected or Extraordinary Closures

During any emergency closure of Charter facilities, Charter employees who are paid with federal funds shall be compensated or given unpaid time off in the same manner as similarly situated Charter employees paid with Charter funds. Such employees shall continue to perform their grant-funded duties during the closure, to the extent possible. This may include, to the extent practicable, working by phone, email, and video conference. Employees supported with federal grant funds who are intended to provide direct services to students may maintain contact with students during the period of the unexpected or extraordinary closure using the alternative, appropriate methods. Charter employees paid with federal funds shall return to work as soon as possible.

Federal Funding

It is the intent of the Charter School to apply consistent accounting treatment when allocating funds across both federal and non-federal funding streams. The Charter will ensure that the expenditures incurred meet allowability requirements for the specific program and are both reasonable, regardless of whether the funding stream is federal, state, or local in nature.

Cross References:	7218	Federal Grant Financial Management System
	7320	Allowable Use for Grant Funds
	7320P1	Determining Necessity and Reasonableness of Expenses
	7320P2	Selected Items of Cost

Legal Reference: 2 CFR Part 225

Other References: Idaho SDE IDEA Part B Funding Manual
OMB Memo M-20-11 dated March 9, 2020

Adopted on: April 16, 2020

Legacy Charter School

FINANCIAL MANAGEMENT **7237**

Retention of Records Relating to Federal Grants

The Board directs the Administrator or designee to ensure that fiscal records related to federal grants are retained for a minimum of six years from the obligation of funds. These records shall be available for inspection if required.

Procedures

The Charter School shall maintain records that fully show:

1. The amount of funds under the grant or subgrant;
2. How the Charter School uses those funds;
3. The total cost of each project;
4. The share of the total cost of each project provided from other sources;
5. Other records to facilitate an effective audit; and
6. Other records to show compliance with federal program requirements.

The School shall also maintain records of significant project experiences and results. These records and accounts shall be retained and made available for programmatic or financial audits.

In accordance with State Department of Education record retention policy 4.16.02 Administration of Federal Grant Program, the School shall maintain all fiscal and programmatic records relating to federal grants for a minimum of five years and one additional audit.

The Charter School will destroy paper records by shredding only. In the event of the disposal of computers or electronic equipment that may contain confidential student or personnel records, the School will ensure that hard drives are appropriately "wiped" clean of information prior to disposal.

The School shall retain records based on the schedule provided in Policy 8605.

Collection and Transmission of Records

The Charter School shall maintain electronic records in the 2M Software system, and paper records shall be maintained in the School office under the supervision of the Business Manager or designee. The clerk will have authorized access as directed. Electronic records may be retained instead of paper records provided the electronic records cannot be altered.

Electronic and/or paper records shall be provided to awarding agencies to meet reporting requirements and to auditors and monitors, as appropriate and required. Records that are kept electronically may be transmitted electronically as allowed by 2 CFR 200.335. Electronic copies of paper records may be provided in lieu of paper records provided the School conducts periodic

quality control reviews of the electronic records. These reviews shall ensure the process of creating the electronic records includes safeguards to prevent records from being altered and to ensure the electronic copy is readable by a computer system.

Access to Records

The Charter School shall provide the awarding agency, inspectors general, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, the right of access to any documents, papers, or other records of the School which are pertinent to the federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the School's personnel for the purpose of interview and discussion related to such documents.

Privacy

Access to the 2M Software system, personnel files, the student management system, confidential student files, and special education IEP files shall be password protected in the case of electronically maintained records and kept in locked filing cabinets in the case of paper records. All of these items will be secured with physical, digital access, and cybersecurity measures. These records are maintained under the supervision of the Administrator or designee and the business manager, or federal programs director with exclusive access to paper files and passwords for electronic systems. The Charter School clerk may also have access to these records. Employees shall be trained in the requirements of the Family Educational Rights and Privacy Act (FERPA). If a request for confidential information is received from a source not having clear authority under FERPA or another statute, the School shall consult appropriate legal counsel prior to providing records.

Legal Reference:	2 CFR §§ 200.333-.337	Fixed Amount Subawards
	2 CFR 200.335	Requests for Transfer of Records
	34 CFR §§ 75.730-.731	Records Related to Grant Funds
	34 CFR §§ 75.732	Records Related to Performance
	34 CFR §§ 76.730-.731	State Administered Programs
	.	

Other Reference: Idaho SDE IDEA Part B Funding Manual.

Policy History:
Adopted on: 2018.11.15
Revised on: 2019.06.20
Revised on: 2026.02.19
Reviewed on:

Legacy Charter School

FINANCIAL MANAGEMENT **7270**

Property Records

Property records and inventory records shall be maintained on all land, buildings, and physical property under the control of the Charter School. Such records shall be updated annually.

Property records of facilities and other fixed assets shall be maintained on an ongoing basis. All goods purchased using federal funds shall be delivered to the School office and received by the business manager. Upon receipt of goods, the business manager shall notify the Executive Director or designee of fulfillment of the purchase order.

The business manager checks all items against the invoice to ensure accuracy of delivery. Inventory items will be recorded on the Master Inventory list. No equipment shall be removed for personal or non-School use except according to Board policy.

Property records shall show, appropriate to the item recorded, the:

1. Description and identification;
2. Manufacturer;
3. Date of purchase;
4. Initial cost;
5. Location;
6. Serial number, if available; and
7. Model number, if available

For each piece of equipment and computing device purchased in whole or in part with federal funds, the following information shall be maintained in the office master inventory list. The list includes the following information:

1. A description of the item;
2. Serial number or other identification number, (including Federal Award Identification Number if purchased with federal grant funds);
3. Source of funding for the property;
4. Identification of title holder;
5. Acquisition date;
6. Cost of the property;
7. Percentage of federal participation in the project costs for the federal award under which the property was acquired;
8. Location, use, and condition of the property; and
9. Any ultimate disposition data including the date of disposal and sale price of the property.

Any change in the condition or status of the property should be recorded in inventory records. In the event the property is sold, lost, stolen, or cannot be repaired, the item will be deducted from the master inventory list. The date of the change will be listed along with the sale price if the item is sold.

Property Classifications

Equipment and supplies with a useful life of more than 1 year, including computing devices, will be labeled with "Property of the Legacy Charter School" and with appropriate equipment identification.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the Charter School for financial statement purposes, or $10,000.

Supplies means all tangible personal property other than those described in 2 CFR 200.1 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the School for financial statement purposes or $10,000, regardless of the length of its useful life.

Title to supplies purchased by a federal grant subrecipient vest upon acquisition to the subrecipient. When there is a residual value of $10,000 in aggregate of unused supplies at the end of the performance period, the subrecipient may either retain the unused supplies or sell them. In the event more than $10,000 in aggregate value of unused supplies is sold within one year, the federal grant subrecipient must remit all funds gained from sale back to the pass through agency (SEA) except for $1,000 to cover the cost of sale. Unused supplies are supplies in new condition that have not been used or opened before.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year that are capitalized in accordance with generally accepted accounting principles (GAAP). Capital assets include:

1. Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and

2. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

Physical Inventory

A physical inventory of the property must be taken and the results reconciled with the property records at least yearly.

Each staff member will inventory property items in their room at the end of each school year. The inventory sheet is signed by the staff member taking the inventory as verification and is reviewed by the business manager and stored. Computer and technology equipment is inventoried and recorded in an Excel spreadsheet. Electronic equipment items are labeled with "Property of Legacy Charter School".

Any discrepancy between physical inventory and the master inventory sheet will be researched by the business manager and noted on the master inventory.

Maintenance

In accordance with 2 C.F.R. § 313(d)(4), the Charter School maintains adequate maintenance procedures to ensure that property is kept in good condition. If an item needs repair, the business manager will be notified and proper repair procedures will be determined, either at the School or by sending the item to a qualified repair facility.

Lost or Stolen Items

The Charter School maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property, as well as to investigate any loss, damage, or theft of equipment purchased with federal funds.

When equipment purchased with federal funds is lost, damaged, or stolen and this will have an impact on the program, the School is required to notify the State Department of Education.

Use of Equipment Purchased with Federal Funds

Equipment purchased with federal funds must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award, and the Charter School will not encumber the property without prior approval of the federal awarding agency and the pass-through entity.

During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the federal awarding agency that financed the equipment. Second preference is given to programs or projects under federal awards from other federal awarding agencies. Use for non-federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the federal awarding agency, in the following order of priority:

1. Activities under a federal award from the federal awarding agency which funded the original program or project; then
2. Activities under federal awards from other federal awarding agencies.

In the event that the School no longer needs real or personal property, it will follow the rules, policies, and procedures required by Idaho Code §33-601(4)(b) and by Policy 9100.

Any equipment purchased with federal funds that is no longer useful to the grant program may be sold, retained or otherwise disposed of without any obligation to the federal awarding agency if the equipment has a residual market value less than or equal to $10,000.

Anytime the School is authorized or required to sell property purchased in whole or in part with federal grant funds, the School shall follow all applicable Charter School policies and procedures and ensure the highest possible return.

Cross Reference:

Legal Reference:	I.C. §33-601(4)(b)	Real and Personal Property—Acquisition, Use or Disposal of Same
	I.C. § 33-701	Fiscal Year – Payment and Accounting of Funds
	2 C.F.R. § 200.12	Capital Assets
	2 C.F.R. § 200.20	Computing Devices
	2 C.F.R. § 200.33	Equipment
	2 C.F.R. § 200.94	Supplies
	2 C.F.R. § 200.313	Equipment

<u>Policy History:</u>
Adopted on: 2017.11.16
Revised on: 2018.11.15
Revised on: 2019.06.20
Revised on: 2026.02.19

Legacy Charter School

FINANCIAL MANAGEMENT **7320**

Allowable Uses for Grant Funds

Expenditures will be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the State. When determining how the Charter School will spend its grant funds, the Administrator or designee and the Business Manager will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in Education Department General Administrative Regulations (EDGAR), which are provided in the bulleted list below. The Business Manager and Administrator or designee must consider these factors when making an allowability determination. All costs must:

1. Be necessary and reasonable for the performance of the federal award as outlined in 7320P1.

2. Be allocable to the federal award. A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. For example, if 50% of a teacher's salary is paid with grant funds, then that teacher must spend at least 50% of their time on the grant program.

3. Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the Charter School.

4. Conform to any limitations or exclusions set forth as cost principles in 2 CFR Part 200 or in the terms and conditions of the federal award.

5. Consistent treatment. A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.

6. Be adequately documented. All expenditures must be properly documented.

7. Be determined in accordance with General Accepted Accounting Principles (GAAP), unless provided otherwise in Part 200.

8. Not be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.

9. Be the net of all applicable credits. The term "applicable credits" refers to those receipts or reductions of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the State relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate.

Part 200's cost guidelines must be considered when federal grant funds are expended. In addition, as required by federal rules, the Charter School will follow, as appropriate, all state and School-level requirements and policies regarding expenditures.

Helpful Questions for Determining Whether a Cost is Allowable

In addition to the cost principles and standards described in Procedures 7320P1 and P2, the Administrator or designee, Business Manager, and appropriate federal programs personnel can refer to this section for a useful framework when performing an allowability analysis. In order to determine whether federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

1. Is the proposed cost allowable under the relevant program?
2. Is the proposed cost allocable to the implementation or support of the relevant program?
3. Is the proposed cost consistent with an approved program plan and budget?
4. Is the proposed cost consistent with program specific fiscal rules? For example, the Charter School may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possibly other federal) sources.
5. Is the proposed cost consistent with EDGAR?
6. Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

As a practical matter, the Administrator or designee, business manager, and appropriate federal programs personnel should also consider whether the proposed cost is consistent with the underlying needs of the program. For example, program funds must benefit the appropriate population of students for which they are allocated.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the Administrator or designee, business manager, and appropriate federal programs personnel should review data when making purchases to ensure that federal funds meet these areas of concern.

Legal Reference: 2 CFR §§ 200 *et seq.* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Funds.
2 CFR §§ 200 (Subparts E and F) Cost Principles and Audit Requirements
2 C.F.R. §200.404 Reasonable Costs
2 C.F.R. §200.405 Allocable Costs

2 C.F.R. §200.406 Applicable Credits
2 C.F.R. §§ 200.420-200.475 Considerations for Selected Items of Cost

Policy History:
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Legacy Charter School

FINANCIAL MANAGEMENT **7320P1**

Determining Necessity and Reasonableness of Expenses

Federal grant funds may only be spent on costs which are necessary and reasonable for the performance of the federal award. Charter School staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining the allowability of a cost under a federal program, the Charter School shall comply with the following criteria:

1. Be necessary and reasonable for the performance of the Federal award and be allocable thereto under the following principles.

2. Conform to any limitations or exclusions set forth in the following principles or in the Federal award as to types or amount of cost items.

3. Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the Charter School.

4. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

5. Be determined in accordance with generally accepted accounting principles (GAAP), except, as otherwise provided for in 2 C.F.R. Subpart E – Cost Principles.

6. Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also 2 C.F.R. § 200.306(b) Cost sharing or matching.

7. Be adequately documented. See also 2 C.F.R §§ 200.300 - Statutory and national policy requirements through 200.309 - Period of performance.

When determining reasonableness of a cost, consideration must be given to:

1. Whether the cost is a type generally recognized as ordinary and necessary for the operation of the School or the proper and efficient performance of the federal award;

2. The restraints or requirements imposed by factors such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the federal award;

3. Market prices for comparable goods or services for the geographic area;

4. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the School, its employees, its students, the public at large, and the federal government;

5. Whether the School significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost.

While the relevant federal administrative rule does not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, "necessary" is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the Charter School can demonstrate that the cost addresses an existing need, and can prove it. For example, the School may deem a language skills software program necessary for a limited English proficiency program.

When determining whether a cost is necessary, consideration may be given to:

1. Whether the cost is needed for the proper and efficient performance of the grant program;
2. Whether the cost is identified in the approved budget or application;
3. Whether there is an educational benefit associated with the cost;
4. Whether the cost aligns with identified needs based on results and findings from a needs assessment; and
5. Whether the cost addresses program goals and objectives and is based on program data;

Legal Reference: 2 C.F.R. §§ 200.403 - .405.

<u>Procedure History:</u>
Promulgated on: November 15, 2018
Revised on: June 20, 2019
Reviewed on:

Legacy Charter School

FINANCIAL MANAGEMENT **7320P2**

Selected Items of Cost

2 CFR Part 200 examines the allowability of 55 specific cost items (commonly referred to as Selected Items of Cost). These cost items are listed in the chart below along with the rule where the allowabiliy of the item is discussed. Please do not assume that an item is allowable because it is specifically listed in the regulation, as it may be unallowable despite its inclusion in the selected items of cost section. The expenditure may be unallowable for a number of reasons, including:

1. The express language of the regulation states the item is unallowable;
2. The terms and conditions of the grant deem the item unallowable; or
3. State/local restrictions dictate that the item is unallowable.

The item may also be unallowable because it does not meet one of the cost principles, such as being reasonable because it is considered too expensive. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

Charter School personnel responsible for spending federal grant funds and for determining allowability shall be familiar with the Part 200 selected items of cost section. The Administrator and business manager shall follow these rules when charging these specific expenditures to a federal grant. When applicable, the Administrator and/or Business Manager shall check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, Charter School and program-specific rules may deem a cost unallowable, and Charter School personnel shall follow those non-federal rules as well.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

Item of Cost	**Citation of Allowability Rule**
Advertising and public relations costs	2 CFR § 200.421
Advisory councils	2 CFR § 200.422
Alcoholic beverages	2 CFR § 200.423
Alumni/ae activities	2 CFR § 200.424
Audit services	2 CFR § 200.425
Bad debts	2 CFR § 200.426
Bonding costs	2 CFR § 200.427

Collection of improper payments	2 CFR § 200.428
Commencement and convocation costs	2 CFR § 200.429
Compensation – personal services	2 CFR § 200.430
Compensation – fringe benefits	2 CFR § 200.431
Conferences	2 CFR § 200.432
Contingency provisions	2 CFR § 200.433
Contributions and donations	2 CFR § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals, and patent infringements	2 CFR § 200.435
Depreciation	2 CFR § 200.436
Employee health and welfare costs	2 CFR § 200.437
Entertainment costs	2 CFR § 200.438
Equipment and other capital expenditures	2 CFR § 200.439
Exchange rates	2 CFR § 200.440
Fines, penalties, damages, and other settlements	2 CFR § 200.441
Fund raising and investment management costs	2 CFR § 200.442
Gains and losses on disposition of depreciable assets	2 CFR § 200.443
General costs of government	2 CFR § 200.444
Goods and services for personal use	2 CFR § 200.445
Idle facilities and idle capacity	2 CFR § 200.446
Insurance and indemnification	2 CFR § 200.447
Intellectual property	2 CFR § 200.448
Interest	2 CFR § 200.449
Lobbying	2 CFR § 200.450
Losses on other awards or contracts	2 CFR § 200.451
Maintenance and repair costs	2 CFR § 200.452

Materials and supplies costs, including costs of computing devices	2 CFR § 200.453
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454
Organization costs	2 CFR § 200.455
Participant support costs* *The Board directs the Administrator to adopt procedures indicating which costs shall be classified as participant support costs. Such classification shall be applied consistently across all federal awards.	2 CFR § 200.456
Plant and security costs	2 CFR § 200.457
Pre-award costs	2 CFR § 200.458
Professional services costs	2 CFR § 200.459
Proposal costs	2 CFR § 200.460
Publication and printing costs	2 CFR § 200.461
Rearrangement and reconversion costs	2 CFR § 200.462
Recruiting costs	2 CFR § 200.463
Relocation costs of employees	2 CFR § 200.464
Rental costs of real property and equipment	2 CFR § 200.465
Scholarships and student aid costs	2 CFR § 200.466
Selling and marketing costs	2 CFR § 200.467
Specialized service facilities	2 CFR § 200.468
Student activity costs	2 CFR § 200.469
Taxes (including Value Added Tax)	2 CFR § 200.470
Telecommunication and video surveillance costs	2 CFR § 200.471
Termination costs	2 CFR § 200.472
Training and education costs	2 CFR § 200.473
Transportation costs	2 CFR § 200.474
Travel costs	2 CFR § 200.475
Trustees	2 CFR § 200.476

Likewise, it is possible for the state and/or Charter School to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, Charter School staff shall consult federal, state, and Charter School requirements when spending federal funds.

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute and accompanying program regulations, non-regulatory guidance, and grant award notifications.

Legal References Description

2 CFR § 200.404	Reasonable Costs
2 CFR § 200.405	Allocable Costs
2 CFR § 200.406	Applicable Credits
2 CFR §§ 200 (Subparts E and F)	Cost Principles and Audit Requirements
2 CFR §§ 200 et seq.	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Funds
2 CFR §§ 200.420-.475	Considerations for Selected Items of Cost

Procedure History:
Adopted on: 2018.11.15
Revised on: 2026.02.19
Reviewed on:

Legacy 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.

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 $10,000 or some amount less than $10,000, 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 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 applicable Idaho law. Absent such Policy, all purchases for amounts less than the simplified Acquisition Threshold, shall comply with 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
	7408	Entering into Professional Service Contracts

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	Micro-purchase
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: 2016.09.15
Revised on: 2017.11.16
Revised on: 2018.11.15
Revised on: 2019.12.19
Revised on: 2025.11.05

Legacy Charter School

FINANCIAL MANAGEMENT **7400F**

Time and Effort Documentation

Employee: _____

Position: _____

Reporting Period: _____

Cost Objective (Program Activity)	Fund Code or Program Function Code	Program	Distribution of Time (Percentage of Hours)

I hereby certify this report is an accurate representation of the total activity expended during the period indicated.

Employee Signature: _____

Date: _____

Reviewed by Supervisor: _____

Date: _____

Legacy Charter School

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 Charter School 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 Charter School 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 Charter School shall comply with the requirements stated in Policy 7407. The Charter School 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 Charter School shall not acquire unnecessary or duplicative items.

<u>Small, Minority, and Women's Business Enterprises</u>

The Charter School 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: September 15, 2016
Revised on: January 18, 2018

Legacy Charter School

FINANCIAL MANAGEMENT **7400P1**

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.

<u>Procedure History:</u>
Promulgated on: November 15, 2018
Revised on: June 20, 2019
Reviewed on:

Documented Procurement Programs

The Charter School shall maintain and use documented procedures for procurement transactions under a federal award or subaward, including for acquisition of property or services. These document procurement procedures must be consistent with state, local, and tribal laws and regulations and the standards identified in 2 CFR 200.318 through 200.327.

Informal Procurement Methods

Micro purchases are defined as a transaction with an aggregate purchase value less than or equal to the Charter School's chosen micro purchase threshold. The Charter School's micro purchase threshold is $10,000, unless the Charter School has self-certified a higher micro purchase threshold of up to $50,000 with the State Department of Education. Self-certification must be done annually to remain in effect and must be documented based on internal controls, the Charter School's evaluation of risk, and documented procurement procedures. This documentation shall be made available to the federal agency responsible for the grant, the State Department of Education, and auditors as described in 2 CFR 200.334. The self-certification shall also include:

1. A justification;
2. The specific threshold; and
3. Supporting documentation of:
   A. A qualification as a low-risk audited according to the criteria in 2 CFR 200.520 for the Charter School's most recent audit;
   B. An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or
   C. A higher threshold is consistent with State law.

Micro purchases may be awarded without soliciting competitive price or rate quotes if the Charter School considers the price reasonable based on research, experience, purchase history, or other relevant information, and maintains documentation to support the choice. To the extent practicable, the Charter School will make an effort to distribute micro purchases equitably among qualified suppliers.

Simplified acquisitions are for transactions whose aggregate value is greater than the micro purchase threshold but not more than the simplified acquisition threshold. The Charter School's simplified acquisition threshold is $150,000 or a lower amount determined by the Board based on internal controls, an evaluation of risk, and the Charter School's documented procurement procedures.

Simplified acquisitions require rate or price quotes from an adequate number of qualified sources. The Charter School may exercise judgment on a case-by-case basis to determine how many quotes are considered adequate.

Formal Procurement Methods

Formal procurement methods are required when the aggregate value of a transaction exceeds the simplified acquisition threshold. Formal procurement methods include either the collection of sealed bids or the collection of proposals. Formal procurement methods are competitive and require public notice.

Sealed bidding is used when:

1. A complete, adequate, and realistic specification of the purchase description is available.
2. Two or more responsible bidders have been identified as willing and able to compete for the contract.
3. The procurement lends itself to a firm price contract, and the selection of the final bid is made principally on price.

Sealed bids are publicly solicited from vendors, and a firm fixed price contract is awarded to the responsible bidder whose proposal conforms with all material terms and conditions and is lowest in price.

The following shall be required for sealed bids:

1. Bids must be solicited from an adequate number of qualified vendors, and vendors shall be provided sufficient response time to submit bids.
2. Invitations for bids must be publicly advertised.
3. Invitations for bids must define the items or services with specific information and must include the required specifications for bidders to properly respond.
4. All bids will be opened at the same time and place prescribed in the invitation for bids.
5. Bids will be opened publicly.
6. A firm-fixed-price contract shall be awarded in writing to the lowest responsive bid from a responsible bidder.
7. When specified in the invitations for bids, factors such as discounts, transportation costs, and life cycle costs must be considered in determining which bid is lowest. Payment discounts must only be used to determine the low bid when the Charter School determines that discounts are a valid factor based on prior experience.
8. The Charter School will provide and document a justification for all rejected bids.

Proposals are collected when the aggregate value of the transaction is greater than the simplified acquisition threshold, but conditions are not appropriate for using sealed bids. Proposals can result in a fixed price contract or a cost reimbursement contract.

The following requirements apply to such proposals:

1. Requests for proposals require public notice.
2. All evaluation factors and their relative importance and scoring must be identified.
3. Proposals must be solicited from multiple qualified sources.
4. To the maximum extent practicable, any proposals submitted in response to the public notice must be considered.

5. The Charter School will have written procedures for technical evaluation and selection of proposals.
6. Contracts must be awarded to the responsible offeror whose proposal is most advantageous to the Charter School considering price and other factors.
7. Architectural/engineering professional services shall be selected based on qualifications without consideration of price. Price may only be excluded from consideration for the procurement of architectural/engineering services.

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 even if 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 $150,000, 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.

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;
4. After solicitation of a number of sources, competition is determined inadequate; or
5. The aggregate amount of the procurement transaction doesn't exceed the micro purchase threshold.

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	**Description**
2 CFR § 200.317	Procurement by States
2 CFR § 200.318	General Procurement Standards
2 CFR § 200.320	Methods of Procurement to be Followed
2 CFR § 200.67	Micropurchase
2 CFR § 200.88	Simplified Acquisition Threshold
IC § 18-1351 et seq.	Bribery and Corrupt Practices – Definitions
IC § 33-316	Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials
IC § 74-401 et seq.	Ethics in Government

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
Adopted on: 2018.11.15
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Revised on: 2020.04.16
Revised on: 2026.02.19

Legacy 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 Administrator or his or her designee shall document such exceptions. Non-domestic food purchases shall not exceed the limits set in 7 CFR 210.21(d)(5).

The School shall include language requiring the purchase of foods that meet these Buy American requirements in all procurement procedures, solicitations, and contracts.

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: 2018.11.15
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Reviewed on: 2020.04.16
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Revised on:

Legacy 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.

Substitutions and Deviations

Any time an accepted item is not available, the Administrator or their designee will select an acceptable alternate. The contractor must inform the Administrator or their designee when such an item is not available by five business days before delivery of the item is expected. In the event a non-domestic agricultural product is to be provided to the School, the contractor must obtain written approval of the product in advance. The administrator or their designee must comply with the Buy American Provision.

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, agent or Board Member may participate in the selection, award, or administration of a contract supported by a federal award if they have a real or apparent conflict of interest. Such a conflict of interest is present when the employee, officer, or agent, any member of their immediate family, their 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, nor any 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 found to have violated these standards shall be immediately terminated or separated from Charter School service.
3. Any subrecipient of the Charter School that is not a state, local government, or Indian tribe shall also maintain written standards of conduct covering organizational conflicts of interest. For the purposes of this policy, organizational conflicts of interest are when a recipient of subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization due to relationships with a parent company, affiliate, or subsidiary organization.

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 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.

6. 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 that has proper jurisdiction.

Recordkeeping

The Charter School shall retain all books, records and other documents related to any contract agreement for three years after final payment, and the contractor shall also be required to retain such records during that time. During that period, such records shall be provided in full upon request to the School, the State Department of Education, or to USDA auditors. The documents to be retained by the School shall include at least the following:

1. A written rationale for the method of procurement;
2. A copy of the original solicitation;
3. The selection of contract type;
4. The bidding and negotiation history and working papers;
5. Contractor selection or rejection and the basis for contractor selection;
6. Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
7. The basis for award cost or price;
8. The terms and conditions of the contract;
9. Any changes to the contract and negotiation history;
10. Billing and payment records;
11. A history of any contractor claims;
12. A history of any contractor breaches;
13. A record of the date, time, and location of the public opening of any bids or proposals;
14. Copies of all letters informing parties that submitted bids or proposals that the contract has or has not been awarded to them; and
15. Copies of any advertisements for solicitations of goods or services.

All invitations for bids, requests for proposals, and requests for quotations shall also be signed by the authorized purchaser and kept with appropriate documentation. The authorized purchaser shall be the Business Manager**.**

The Business Manager shall maintain records of all non-competitive negotiation purchases, including at least the following:

1. The name of the item purchased;
2. The dollar amount;
3. The vendor or contractor, and
4. The reason non-competitive procurement was used.

Termination for Cause or Convenience

For all contracts over $10,000 the School shall include a description of how the contract can be terminated for cause or convenience and the basis for settlement when such termination occurs.

Price Adjustment

The School shall contemplate not only the need for including an economic price adjustment clause (sometimes referred to as an escalator) in their contracts, but also to carefully enforce the terms of the clause and demand price reductions when appropriate.

If the following conditions are met, a contract with an economic price adjustment is appropriate and the School may, at its own discretion, include an economic price adjustment clause—or escalator—in their contracts:

1. Contract performance will or may cover an extended period of time;
2. There is serious doubt about the stability of market conditions during the period of the contract;
3. Adjustment standards or indices agreed to are based on contingencies outside the contractor's control; and
4. Contingencies, such as increases in labor costs, that would otherwise be included in the contract price can be identified and covered separately in the contract.

The escalator shall be tied to an appropriate standard or cost index, which shall be noted in the original solicitation of bids as well as the contract documents.

The School shall monitor any elevators included in their contracts to ensure the price is decreased if appropriate and shall respond to contractor notice of warranted price increases.

Construction Contracts ($2,000 or More)

Contractors for any construction contract of $2,000 or more shall comply with the Davis-Bacon Act and its related administrative rules set out in 29 CFR Part 5. This includes requirements related to contract language, wages, and fringe benefits.

Byrd Anti-Lobbying Certificate ($100,000 or More)

Any contractor providing a bid on a contract of $100,000 or more shall file a Byrd anti-lobbying certificate verifying to the School that they will not and have not used federal funds to pay a person or organization to influence or attempt to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. 1352. The contractor shall disclose any lobbying they have engaged in in connection with obtaining any Federal award using non-federal funds. The School shall relay these disclosures to the State Department of Education.

Clean Air Act Requirements ($150,000 or More)

Contractors shall comply with all applicable standards, orders, and requirements issued under Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency regulations that prohibit the use of facilities on the EPA's list of Violating Facilities, unless the applicable contract, grant, or loan is exempt from these requirements. The School shall report any known violation of this requirement to the State Department of Education and the USEPA Assistance Administrator for Enforcement.

Legal References	**Description**
2 CFR § 200.317	Procurement by States and Indian Tribes
2 CFR § 200.318	General Procurement Standards
2 CFR § 200.320	Procurement Methods
2 CFR § 200.334	Record Retention Requirements
2 CFR 200.320(b)(1)(2)	Formal Procurement Methods
2 CFR 200.520	Criteria for a Low-Risk Auditee
2 CFR Appendix II of Part 200	Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
2 CFR Appendix Part 200	Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
29 CFR Part 5	Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act
31 USC 1352	Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions
7 CFR 210.23(c)	Retention of Records
7 CFR 225.15(c)	Records and Claims
7 CFR 226.15(e)	Recordkeeping
7 CFR 250.54	Recordkeeping and Reviews
Executive Order 11738	Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
Food and Nutrition Service	Economic Price Adjustments in Vendor Contracts
IC § 18-1351 et seq.	Bribery and Corrupt Practices – Definitions
IC § 33-316	Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials
IC § 74-401 et seq.	Ethics in Government
Section 306	Clean Air Act
Section 508	Clean Water Act
Other References	**Description**
ISBA Policy Services	https://www.idsba.org/member-services/policy/
Cross References	
Code	**Description**
7218	Federal Grant Financial Management System
7235	Fiscal Accountability and Federal Grant 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

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Revised on: 2026.06.18
Reviewed on:

Legacy 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.

All contractors under these programs shall be in conformance with the applicable portions of the School's agreement under the Child Nutrition Programs. The contractor will conduct program operations in accordance with 7 CFR Parts 210, 7 CFR 215, 7 CFR 220, 7 CFR 225, 7 CFR 226 and 7 CFR 250. All contracts with food service management companies shall include all items required per the State Department of Education. More information on these is available from the State Department of Education's Child Nutrition Programs Department.

The Food Service Director shall be responsible for determining the procurement needs of the School's nutrition programs, forecasting the amounts to be purchased, ensuring the applicable procurement method is used, and for overseeing such procurement. They shall also be responsible for notifying vendors in writing that their bid, proposal, or quote has or has not been accepted.

Discounts and Rebates

All contractors shall fully disclose all discounts, rebates, allowances, and incentives received from their suppliers. The contractor shall return to the School the full amount of any such discounts, rebates, or credits received for any purchase made on behalf of the School. The contractor must individually identify the amount and nature of each of these on bills and invoices presented to the School for payment. The School shall also not make any payment from this account to a contractor that would result in the contractor receiving payment that exceeds their actual, next allowable costs.

The School shall not make any expenditure from its nonprofit food service account for any cost resulting from a cost-reimbursable contract that fails to meet this requirement and any other requirements laid out in 2 CFR 200 and 7 CFR 210.21.

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 $100,000)

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.

Informal Bidding ($100,000 - $250,000)

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 ($250,000 and Above)

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 shall 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:

1. A firm fixed price contract and may specify a lump sum or a per unit price;
2. A cost-reimbursable contract; or
3. Established by line item bidding.

The Charter School may reject any bid if there is a sound and documented reason to do so.

USDA Non-Discrimination Statement

In accordance with federal civil rights law and USDA civil rights regulations and policies, the School, as an institution participating in or administering USDA programs, is prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the School or the State Department of Education or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

Mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410;
Fax: (202) 690-7442; or
Email: program.intake@usda.gov.

Legal References:	2 CFR § 200.319	Competition
	2 CFR § 200.320(a) and (b)	Methods of Procurement to be Followed
	2 CFR § 200.67	Micro-purchase
	I.C. § 67-2806	Procuring Services or Personal Property

Policy History:
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Legacy 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 $100,000	No licensure requirement	IC 54-1903(9)
$100,000 and above	Licensure required	IC 54-1903(9)

Exemptions from Public Works Contractor Licensure

Less than $100,000 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 $100,000	No bidding requirements	IC 67-2803(2)
$100,000 to $250,000	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. Accept low bid, or reject all bids.	IC 67-2805(1)
$250,000 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. Accept low bid, or reject all bids. 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	Real and Personal Property – Acquisition, Use or Disposal of Same
	I.C. § 54-1903	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/

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Legacy 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 that ensures 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 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 $100,000 and $250,000: When the Board contemplates procurement of public works construction valued at or in excess of $100,000, but in an amount less than $250,000, 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, the bidder 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 $250,000: When the Board contemplates procuring public works construction valued in excess of $250,000, 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 contracts 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 consist 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.

<u>Procuring Services or Personal Property, Purchases between $100,000 and $250,000</u>

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 $100,000 but not to exceed $250,000, 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 $250,000

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 $250,000, 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.

<u>Requirements of a Request for Proposals</u>

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:
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Legacy 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 $100,000	No bidding requirements	IC 67-2803(2)
$100,000 to $250,000	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 when impractical to obtain three bids. Accept low bid or reject all bids.	IC 67-2806(1)
$250,000 and above	Formal bidding: Publish bid notice at least two weeks in advance of bid opening and again at least seven days for the 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 $100,000	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 used equipment at an auction if authorized by the governing board	IC 67-2803(18)
Any Amount	Emergency Expenditures	IC 67-2808(1)

Legal References	**Description**
IC § 67-2320	Professional Service Contracts with Design Professionals, Construction Managers and Professional Land Surveyors
IC § 67-2801, et seq.	Purchasing by Political Subdivisions

Cross References

Code	**Description**
7400	Miscellaneous Procurement Standards

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Legacy Charter School

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 $100,000

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 $100,000, 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 School 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 $100,000 it shall publish public notice in the same manner as required for procurement of public works construction projects set forth in 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.

<u>Procedures to Select Public Works Professionals for Contracts Less than $100,000</u>

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 $100,000, 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: 2019.12.19
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Revised on: 2023.07.20
Revised on: 2025.09.18
Reviewed on:

Legacy 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	Nonprofit Corporation – Liability - Insurance
	I.C. § 33-5208	Public Charter School Financial Support
	I.C. § 33-601	Real and Personal Property—Acquisition, Use, or Disposal of Same

Policy History:
Adopted on: December 19, 2019
Revised on: November 19, 2020
Revised on: August 19, 2021

Legacy Charter School

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: November 16, 2017
Revised on: November 15, 2018

Legacy Charter School

FINANCIAL MANAGEMENT **7440**

Charter School Credit Cards

The Board of Directors permits the use of Charter School credit cards by certain school officials to pay for actual and necessary expenses incurred in the performance of work-related duties for the Charter School.

All credit cards will be in the name of the Charter School. Credit cards may only be used for legitimate Charter School business expenditures. The use of credit cards is not intended to circumvent the Charter School's policy on purchasing. Purchases that are unauthorized, illegal, represent a conflict of interest, are personal in nature, or violate the intent of this policy may result in credit card revocation and discipline of the employee.

The Principal shall monitor monthly the use of each credit card by reviewing credit card expenditures and report any serious problems and/or discrepancies directly to the Board.

Credit Card Users

A list of those individuals that will be issued a Charter School credit card will be maintained in the Business Office and reported to the Board each year at its reorganizational meeting in July. Credit card users must take proper care of the credit card(s) and take all reasonable precautions against damage, loss, or theft. Any damage, loss or theft must be reported immediately to the Business Office and to the appropriate financial institution. Failure to take proper care of credit cards or failure to report damage, loss, or theft may subject the employee to financial liability.

Users must submit detailed documentation, including itemized receipts for services, travel, and/or other actual and necessary expenses which have been incurred in connection with school-related business for which the credit card has been used. Failure to provide a proper receipt can make the employee responsible for expenses incurred.

Credit Card Limits

The Charter School shall establish a credit line not to exceed $2000 for each card issued and an aggregate credit limit of $4000 for all cards issued to the Charter School.

Return of Credit Card

A Charter School employee who is no longer employed by the Charter School shall return the credit card upon termination to the Principal no later than five (5) calendar days after termination.

Misuse and/or Unauthorized Use

An employee who violates a provision of this policy shall have his or her credit card revoked immediately and shall be subject to disciplinary action as determined by the Principal and reported to local law enforcement. If the Principal violates a provision of this policy, he or she shall be subject to disciplinary action as determined by the Board and reported to local law enforcement.

Additional Procedures

The Principal, in consultation with the Assistant Principal and/or Business Manager, may establish additional procedures governing the issuance and use of Charter School credit cards that do not contradict any part of this policy. Each cardholder shall be apprised of the procedures governing the use of the credit card and a copy of this policy and accompanying procedures shall be given to each cardholder.

Legal Reference:	I.C. § 18-5701	Misuse of Public Money by Officers
	I.C. § 18-5703	Definitions

Policy History:
Adopted on: September 15, 2016
Revised on:

Legacy Charter School

FINANCIAL MANAGEMENT **7440F**

Credit Card Holder Agreement

By my signature I hereby acknowledge that I have read and understand the _____ Charter School's credit card policy. Furthermore, I affirm that I will not use the credit card for personal reasons. I understand that a violation of this agreement may result in disciplinary action up to and including termination and possible legal action.

Signature	Position
Printed Name	Date Signed

Legacy Charter School

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.

The Charter School shall make payments to contractors in a timely manner and in accordance with the provisions of the contract.

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 G6 system until the date on which those funds are disbursed by the Charter School.

The School shall be able to account for all federal funds received, obligated, and expended.

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 Administrator or their 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.

Any federal funds provided in advance of their use shall be deposited and maintained in insured accounts whenever possible.

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 for administrative expenses.

The Administrator or their 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: 2016.09.15
Revised on: 2018.11.15
Revised on: 2019.06.20
Revised on: 2026.02.19
Reviewed on:

Legacy 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 shall include verifying that no awards, subawards, or contracts using federal funds are awarded to parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in the 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.

Charter School'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 $30,000; 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 School'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 "Charter School's Covered Transactions with Third Parties"; and

2. The value of the subcontract is expected to equal or exceed $30,000.

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 OMB-designated integrity and performance system accessible through the System for Award Management (SAM.gov);
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 (GSA) maintains SAM.gov exclusions and makes them available as detailed in subpart E. When a federal agency takes action to exclude a person under the nonprocurement or procurement debarment and suspension system, the agency enters the information about the excluded person into.SAM.gov Exclusions. If the Charter School has a question about any person or entity on the SAM.gov, it should contact the point of contact for the federal agency that placed the person's name into the Exclusions List.*

Exclusions List

In the event the third party is on the SAM.gov exclusions list, 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:
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Revised on: 2026.02.19
Revised on: 20026.06.18

Legacy 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:
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