

Procurement Management System

Authorization and Control

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

The Superintendent 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 \$10,000, except the Superintendent shall have the authority to make capital outlay purchases without advance approval when it is necessary to protect the interests of the District or the health and safety of the staff or students. The Superintendent shall establish requisition and purchase order procedures as a means of controlling, and maintaining proper accounting of the expenditure of funds that align with State purchasing and federal procurement requirements. Staff members shall not obligate the District without express authority. Staff members who obligate the District without proper authorization may be held personally responsible for payment of such obligations.

Designated individuals may make minor purchases from local businesses for small items used in maintenance, school lunch, and other such programs by using a continuing purchase order maintained at the local business. Requisitions shall be approved by the Superintendent. Individual requests must have the building principal's approval prior to being submitted to the Superintendent's office. As a minimum, requests shall provide the following information:

1. Name of school, department and originator, and date originated;
2. School department or person to which material is to be delivered;
3. Budget year;
4. Specifications of equipment items (manufacturer, stock number, etc.); and,
5. Estimated cost, including delivery, based on latest price.

A multiple-copy purchase order for the order shall be prepared and, when approved, shall be distributed: one copy to the school office from where the order originated for use in verification of item(s), quantity, quality, etc. when the order is received; one copy to the business office for accounting purposes; and the original to the vendor. Upon placement of the purchase order, each school office shall encumber the estimated expenditure against a specific budget category and, if appropriate, to an individual's account, to guard against the creation of liabilities in excess of budgeted expenditures. Each account will be amended by replacing the estimated amount of the purchase with the actual amount when the invoice is received by the District. Packing slips,

shipping invoices, etc., are to be submitted to the principal's office immediately following the inspection of the merchandise.

Staff members shall not obligate the District without express authority. Staff members who obligate the District without proper authorization may be held personally responsible for payment of such obligations.

Expenditures will be made on District voucher forms or vendor invoices. Before invoices are submitted to the Board for payment, they shall be audited by the clerk for accuracy and proof that the goods and services have been received and are satisfactory and that previous payment has not been made. At each regular meeting the Board will audit all bills and accounts by confirming that all expenditures comply with the annual budget. A listing of all bills to be paid will be made available to each Board Member along with the minutes of the previous meeting and the agenda for the next meeting at least 48 hours before the next regular meeting.

Bids and Contracts

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

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

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

When purchasing good and services pursuant to Idaho Code, and determining the most qualified bidder for award of the contract the District, at its sole discretion, may consider not only the

amount of the bids, but may also consider additional factors including but not limited to the relative experience, ability, references and integrity of the bidders to do faithful and conscientious work and promptly fulfill the contract according to contract requirements.

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

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

Sealed Bids (Formal Advertising)

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

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

If sealed bids are used, the following requirements apply:

1. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
3. All bids will be opened at the time and place prescribed in the invitation for bids.
4. A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.

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

Personnel Conflicts of Interest

All purchasing decisions shall be made on the basis of objectivity and shall not be influenced by friendships or other personal relationships. No employee will make any purchase or incur any obligations for or on behalf of the District 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 District 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 District;
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 District.

No employee or Board Member 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 District nor accept anything of monetary value from a business, contractor, or vendor except for unsolicited gifts of \$50 or less in value for food and refreshments of nominal value offered during a business luncheon, dinner, or conference and unsolicited nominal gifts of less than \$10 value when the gift stems from a personal or family relationship.

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

Legal Reference: I.C. § 18-1351 Bribery and Corrupt Practices – Definitions
I.C. § 33-316 Cooperative Contracts to Employ Specialized Personnel
and/or Purchase Materials
I.C. § 33-402 Notice Requirements
I.C. § 33-601 Real and Personal Property – Acquisition, Use or Disposal
of Same
I.C. § 67-2805 Procurement of Public Works Construction
I.C. § 67-2806 Procuring Services or Personal Property
I.C. § 67-2806A Request for Proposal
I.C. § 74-401 et seq. Ethics in Government

- 2.C.F.R. § 180.220 Are Any Procurement Contracts Included as Covered Transactions:
- 2 C.F.R. § 180.300 What Must I do Before I Enter into a Covered Transaction with Another Person at the Next Lower Tier?
- 2 C.F.R. § 200.317 Procurement by States
- 2 C.F.R. § 200.318 General Procurement Standards
- 2 C.F.R. § 200.319 General Procurement Standards
- 2 C.F.R. § 200.320 Methods of Procurement to be Followed
- 2 C.F.R. § 200.323(b) Contract Cost and Price
- 2 C.F.R. § Part 200, Appendix II (1) Contract Provisions for Non-Federal Entity Contracts Under Federal Award

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

Policy History:

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