

Purchasing Policy

IDEA Public Schools

Table of Contents

Sec. 1. PURPOSE OF POLICY..... 5

Sec. 2. APPLICABILITY..... 5

Sec. 3. AUTHORITY OVER FISCAL AFFAIRS 5

 Sec. 3.1. Controlling Policy..... 5

 Sec. 3.2. Delegate..... 6

 Sec. 3.3. Prudent Person Rule..... 6

 Sec. 3.4. Abuse and Waste Prohibited..... 6

 Sec. 3.5. Fiduciary Duty of the Board..... 6

Sec. 4. DEFINITIONS..... 6

 Sec. 4.1. Component Purchases..... 6

 Sec. 4.2. EDGAR..... 6

 Sec. 4.3. Goods..... 6

 Sec. 4.4. Local Funds..... 6

 Sec. 4.5. Micro-purchase Threshold..... 6

 Sec. 4.6. Officer..... 7

 Sec. 4.7. Ordinary Care..... 7

 Sec. 4.8. Other Services..... 7

 Sec. 4.9. Personal Property..... 7

 Sec. 4.10 Non-professional services..... 7

 Sec. 4.11. Professional Services..... 7

 Sec. 4.12. Public Funds..... 8

 Sec. 4.13. Public Works..... 8

 Sec. 4.14. Separate Purchases..... 8

 Sec. 4.15. Sequential Purchases..... 8

 Sec. 4.16. Services..... 8

 Sec. 4.17. Simplified Acquisition Threshold..... 8

 Sec. 4.18. Supplies..... 8

Sec. 5. GENERAL REQUIREMENTS APPLICABLE TO ALL PURCHASES..... 9

Page 2 of 35

IDEAL PUBLIC SCHOOLS BOARD POLICY **PURCHASING POLICY**

Sec. 6.3.11. Rejection of Bids.....	18
Sec. 6.3.12. Separate Bids for Entities.....	18
Sec. 6.3.13. Other Federal Procurement Standards.	18
Sec. 7. PROCUREMENT OF PROFESSIONAL SERVICES.....	18
Sec. 7.1. Selection of Provider.....	18
Sec. 7.2 Special Procedure for Architectural, Engineering, and Land Surveying Services.	18
Sec 7.2.1. Procuring Architectural, Engineering, or Land Surveying Services..	18
Sec 7.2.2. Contract Outcome	19
Sec. 7.3. Limitation on Fees.....	19
Sec. 7.4. Monitoring of Provider Performance.	19
Sec. 8. PROCUREMENT OF PUBLIC WORKS.	19
Sec. 8.1. Rules and Procedures.	19
Sec. 8.2. Delegation of Authority.	19
Sec. 8.2.1. Authority to Procure Construction Services.	19
Sec. 8.2.2. Authority to Contract.	20
Sec. 8.3. Authorized Methods of Procurement.	20
Sec. 8.3.1. Determination of Best Value Procurement Method.....	20
Sec. 8.3.2. Evaluation Criteria and Selection Process.	20
Sec. 8.3.3. Documentation and Public Disclosure.	20
Sec. 8.3.4. Authorized Methods of Procurement.	20
Sec. 8.3.5. Default Procurement Method.....	21
Sec. 8.3.6. Recommendation of Alternative Procurement Method.	21
Sec. 8.3.7. Board Determination and Record.....	21
Sec. 8.3.8. Legal and Professional Advice.....	21
Sec. 8.4. Notice.	21
Sec. 8.5. Response to Requests for Bids, Proposals, or Qualifications.	21
Sec. 8.5.1 Sealed Bids, Proposals, or Qualifications Required.....	21
Sec. 8.5.2 Receipt and Opening of Bids.	22
Sec. 8.5.3. Withdrawal by Bidder.	22
Sec. 8.5.4. Bid Opening.	22
Sec. 8.6. Awarding of Contract Under Competitive Bidding Method.....	22
Sec. 8.7. Criteria to Consider.	23
Sec. 8.8. Safety Record of Bidder Considered.....	24
Sec. 8.9. Notification of Contractor's Criminal History.....	25

IDEA PUBLIC SCHOOLS BOARD POLICY
PURCHASING POLICY

Sec. 8.10. Contract with Person Indebted to IDEA. 25

Sec. 8.11. Right to Work..... 25

Sec. 8.12. Selection of Architect or Engineer. 26

Sec. 8.13. Other Professional Services. 26

Sec. 8.14. Suspension of Policy 26

Sec. 8.15. Change Orders..... 26

Sec. 8.16. Monitoring and Oversight. 27

Sec. 9. TRAINING AND UPDATES..... 27

Sec. 10. ADMINISTRATIVE PROCEDURES..... 27

SEC. 11. DATE ADOPTED AND EFFECTIVE. 28

SEC. 12. RETENTION..... 28

SEC. 13. CERTIFICATION 28

Sec. 14. APPENDIX 1: EDGAR THRESHOLDS MATRIX 29

Sec. 15. APPENDIX 2: BID TECHNICAL FORM / SCORE CARD..... 29

Sec. 16. APPENDIX 5: PURCHASING CODE OF CONDUCT (EFFECTIVE
DATE: JANUARY 2017)..... 30

 Sec. 16.1. Organizational Conflicts 31

 Sec. 16.2. Gifts..... 32

Sec. 17. APPENDIX 6: PROCUREMENT STANDARDS OF CONDUCT
CERTIFICATION STATEMENT 32

Sec. 18. APPENDIX 7: CNP ADDITIONAL PROCUREMENT GUIDANCE FROM
TDA 33

 IDEA CNP Procurement Procedures Manual SY21-22 33

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the “Board”)

of IDEA Public Schools, Inc. doing business as IDEA Public Schools (hereafter, “IDEA”) shall endeavor to maximize the use of IDEA funds to purchase goods and services to further IDEA’s mission and facilitate the implementation of the charter program. Through this policy, the Board shall address the legal requirements, as applicable pertaining to the purchase of property, goods, and services with Federal, state, and local funds, and as may be amended, promulgated at:

- (a) Texas Education Code (“Tex. Ed. Code”), notably Sections 12.104(b)(1), 12.115(a)(2) 12.1053(b)(2), 12.107, 12.121 and Chapter 44, Subchapter B (“Chapter 44”);
- (b) Texas Government Code (“Government Code”) Chapter 2254, Subchapter A and Chapter 2269 (“Chapter 2269”);
- (c) Texas Local Government Code (“Local Government Code”) Chapter 271, Subchapter B;
- (d) Texas Business Organizations Code (“Tex. Bus. Org. Code”) , notably Sections 3.101, 22.201, 22.221 and 22.235;
- (e) Texas Administrative Code, Title 19 (“19 TAC”), Chapter 100, notably §§ 100.1001, 100.1067, 100.1079, and 100.1113;
- (f) Code of Federal Regulations, Title 2, Part 200 (“2 CFR 200”);
- (g) Financial Accountability System Resource Guide (“FASRG”);
- (h) *Standards for Internal Control in the Federal Government*; and
- (i) *Government Auditing Standards*.

Sec. 2. APPLICABILITY.

This policy pertains to the purchase of any and all goods and services through the use of local, state, or federal funds. If not otherwise defined herein, capitalized terms shall have the same meaning as found in applicable state or federal law.

Sec. 3. AUTHORITY OVER FISCAL AFFAIRS

Sec. 3.1. Controlling Policy.

- (a) Unless otherwise indicated,¹ the Board’s Policy Authority Over Fiscal Matters² will govern and control over the policy statements set forth in this Policy.³

¹ Tex. Educ. Code § 12.1054; 19 TAC §§ 100.1143–100.1151.

² 19 TAC § 100.1067(f).

³ Tex. Educ. Code § 12.1166.

IDEAL PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 3.2. Delegate.

For the Board policy pertaining to the Delegate and designee, see Section 3(d) and Section 4 of the Board's Policy Authority Over Fiscal Matters. The Delegate or designee must apply appropriate disciplinary action(s) for the violation of this policy by an employee.

Sec. 3.3. Prudent Person Rule.

See Policy Authority Over Fiscal Matters, Section 7.

Sec. 3.4. Abuse and Waste Prohibited.

See Policy Authority Over Fiscal Matters, Section 8.

Sec. 3.5. Fiduciary Duty of the Board.

See Policy, relating to Allowable and Prohibited Uses of Funds Section 6.

Sec. 4. DEFINITIONS

Sec. 4.1. Component Purchases.

"Component purchases" means purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.⁴

Sec. 4.2. EDGAR

"EDGAR" means the Education Department General Administrative Regulations which sets forth the procurement standards applicable to micro-purchases, small purchases, sealed bids and competitive proposals.

Sec. 4.3. Goods.

"Goods" means personal property such as appliances, contract rights, equipment, furniture, intellectual property, materials, software, supplies and vehicles.

Sec. 4.4. Local Funds.

"Local funds" means funds received from private donors, fundraising efforts, charter holder development activities, or other activities, efforts, functions, programs, and/or services not directly or indirectly supported by or with public funds (federal or state).

Sec. 4.5. Micro-purchase Threshold.

Micro-purchase threshold means \$10,000 for funds administered by the Texas Department of Agriculture and \$15,000 for state or other federal funds, unless a higher threshold is adopted by the Delegate under an administrative procedure conforming to Section 6.3.1 of this policy. See Appendix 1.

⁴ Tex. Educ. Code § 44.032(a)(1).

IDEAL PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 4.6. Officer.

“Officer” has the meaning set forth in Sec. 5 of the Controlling Policy.

Sec. 4.7. Ordinary Care.

“Ordinary care” means “the care that an ordinarily prudent person in a similar position would exercise under similar circumstances.”⁵

Sec. 4.8. Other Services.

“Other services” means any service not specifically identified as a professional service.

Sec. 4.9. Personal Property.

“Personal property” has the meaning set forth in Section 3.1(f) of the Capital Assets Policy.

Sec. 4.10 Non-professional services

Means any service not specifically identified as a professional service under Section 4.10 of this policy.”

Sec. 4.11. Professional Services.

“Professional services” means services:⁶

- (a) Within the scope of the practice, as defined by state law, of:
 - (1) Accounting;
 - (2) Architecture;
 - (3) Landscape architecture;
 - (4) Land surveying;
 - (5) Medicine;
 - (6) Optometry;
 - (7) Professional engineering;
 - (8) Real estate appraising; or
 - (9) Professional nursing; or
- (b) Provided in connection with the professional employment or practice of a person who is licensed or registered as:
 - (1) A certified public accountant;
 - (2) An architect;
 - (3) A landscape architect;
 - (4) A land surveyor;

⁵ ARM Sec. 17; 2 CFR § 200.

⁶ Tex. Gov’t Code § 2254.002(2).

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

- (5) A physician, including a surgeon;
- (6) An optometrist;
- (7) A professional engineer;
- (8) A state certified or state licensed real estate appraiser; or
- (9) A registered nurse; or
- (c) Provided by a person lawfully engaged in interior design, regardless of whether the person is registered as an interior designer.

Sec. 4.12. Public Funds.

“Public funds” means funds received from the State of Texas pursuant to Tex. Ed. Code §12.106. Public funds also include any funds raised or received as a result of the expenditure of public funds received pursuant to Tex. Ed. Code §12.106 and/or the use of public property or through the use of public funds or public property as collateral for borrowed funds. It also includes federal funds, including where IDEA is grantee or subgrantee.⁷

Sec. 4.13. Public Works.

“Public works” means the construction, alteration, renovation, or repair of a public building, structure, road, highway, or other improvement or addition to real property.

Sec. 4.14. Separate Purchases.

“Separate purchases” means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase.

Sec. 4.15. Sequential Purchases.

“Sequential purchases” means purchases, made over a period of time, of items that in normal purchasing practices would be purchased in one purchase.

Sec. 4.16. Services.

“Services” means professional services and non-professional services.

Sec. 4.17. Simplified Acquisition Threshold.

“Simplified acquisition threshold” means \$100,000 for funds administered by the Texas Department of Agriculture and for public works contracts and \$350,000 for state or other federal funds.⁸ See Appendix 1.

Sec. 4.18. Supplies.

In accordance with 2 CFR §200.94, “supplies” means all tangible personal property other than those described in 2 CFR §200.1, Equipment. A computing device, as defined at 2 CFR §200.1, is a supply if the

⁷ Tex. Educ. Code §§ 12.107 and 12.128; 19 TAC § 100.1001(22), (27).

⁸ ARM Sec. 17; 2 CFR § 200.1; Tex. Educ. Code § 44.031(a).

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

acquisition cost is less than the lesser of the capitalization level established by IDEA for financial statement purposes or \$10,000, regardless of the length of its useful life.

Sec. 5. GENERAL REQUIREMENTS APPLICABLE TO ALL PURCHASES

Sec. 5.1. Authority to Procure Goods and Services.

- (a) The Delegate or designee may approve the procurement of goods and services conforming with this policy and applicable law up to the amounts authorized by the Board in the Adopted Budget, as amended.
- (b) The Delegate or designee may not approve the procurement of goods and services that result in an expenditure of funds in excess of the item(s) appropriated in the Adopted Budget, as amended.
- (c) The Delegate or designee may not approve a procurement of goods and services failing to conform with this policy and applicable law.
- (d) . With respect to the purchase of land or real estate, see Sec. 3.3 of the Board's Policy relating to Capital Assets.
- (e) The Delegate may establish a \$50,000 threshold for prepaid expenditures. For purposes of this policy, "prepaid expenditures" include advance payments for goods and services where payment is made prior to receipt of the related benefit.

Sec. 5.2. Use of State Aid for Social Activities.

"Unless directly related to the benefit of students, costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable. In addition to demonstrating that this type of expense resulted in a direct benefit to the students, [IDEA officers and employees] must identify the students that benefited from the applicable disbursement of public funds."⁹ The Board must also make findings that the expenditure of public funds is "necessary for the conduct of the public schools" and "in the best interest of students" pursuant to applicable provisions of Education Code Chapter 12 and Section 45.105(c).

Sec. 5.3. Segregation of Duties; Checks and Balances.

The Delegate must ensure an appropriate segregation of duties, to the extent feasible, between the following functions:

- (a) Preparation and submission of purchase requisitions and issuance of purchase orders;
- (b) Solicitation of quotes or preparation and administration of requests for bids, proposals, or qualifications;
- (c) Receipt and inspection of goods and/or services, and preparation of receiving reports or other documentation evidencing receipt;

⁹ FASRG § 1.8.2.9.1.

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

- (d) Receipt of vendor invoices and reconciliation of invoices to purchase orders, contracts, and receiving documentation;
- (e) Preparation and submission of payment requests and processing of disbursements;
- (f) Recording and accounting for procurement transactions, including reconciliation of purchase orders, payments, and financial records; and
- (g) Approval of all of the above functions by individuals with appropriate delegated authority, independent of the preparer of the transaction.

Where segregation of duties is not feasible due to staffing limitations or operational constraints, the Delegate shall implement appropriate compensating controls, including but not limited to additional supervisory review, independent verification, periodic audits, or system-based approval controls.

Sec. 5.4. Purchasing Officer.

The Delegates may delegate the purchasing function to an employee designated as the purchasing officer.

Sec. 5.5. Signature Authority.

Only the Delegates or designee shall be authorized to execute contracts or other written legal agreements that obligate IDEA to disburse funds for the receipt of goods and/or services. Automatic renewals are prohibited. The Delegates or designee shall, to the degree feasible, use standardized contracts, terms and conditions favorable to IDEA or have the contract reviewed by legal counsel prior to execution. Prior to executing any contract for the procurement of goods and services, the Board shall approve the contract.¹⁰

Sec. 5.6. Purchase Order System.

The Delegates or designee must establish and maintain a purchase order system. The purchase order must serve as the formal method for procuring goods and/or services from a vendor and must have the effect of obligating IDEA to remit payment to the vendor upon receipt of the goods and/or services purchased and of the related invoice.

Sec. 5.6.1. Required Approvals.

The Director of Procurement shall be authorized to approve purchase orders.

Sec. 5.6.2. Issuance Prohibited.

IDEA employees may not issue a purchase order to a vendor unless it has been approved by the Director of Procurement.

¹⁰ El Paso Education Initiative, Inc. v. Amex Properties, LLC, 385 S.W.3d 701, 706, 708 (Tex. App.—El Paso 2012, pet. denied); Tex. Bus. Org. Code §§ 3.101, 22.201; Tex. Educ. Code §§ 12.115(a)(2), 12.121; 19 TAC §§ 100.1113(a)(1)(B), 100.1063(a)(2).

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

Sec. 5.6.3. Failure to Properly Issue.

If an IDEA employee issues a purchase order to a vendor without the required approvals established in Subsection 5.7.1, the employee may be financially responsible for the purchase, and may also be subject to adverse employment action, up to and including termination.

Sec. 5.7. Receipt of Goods and Services.

The Delegates or designee shall establish and maintain a system for documenting the receipt of goods and services from a vendor, including the condition and number of items received, and any dispute with the condition and number of items or performance of services.

Sec. 5.8. Budget Owner Responsibilities.

Each budget owner shall be responsible for expenditures from the budget approved for his or her campus/department. Each budget owner must work with the designated budget partner to purchase goods and/or services pursuant to this policy.

Sec. 5.9. Employee Purchases Prohibited.

IDEA employees are prohibited from conducting any transaction that results in the purchase of goods and services, that obligates IDEA funds, or results in the expenditure of IDEA funds except as provided in this policy. If an IDEA employee fails to follow this policy to purchase goods and services, the employee may be financially responsible for any expenses incurred regardless of the benefit to IDEA and its students, and may also be subject to adverse employment action, up to and including termination.

Sec. 5.10. Authorized Vendors.

The Delegates or designee shall require the procurement of goods and/or services from authorized vendors. Authorized vendors must be properly entered into IDEA's ERP system. Any requests to change vendor bank information must be approved by the Delegates.

Sec. 5.11. Separate, Sequential, or Component Purchases Prohibited.

The Delegates and IDEA employees are prohibited from making or authorizing separate, sequential, or component purchases to avoid the requirements of this policy.

Sec. 5.12. Required Records.

IDEA employees shall document and substantiate each purchase of goods and services through the preparation of internal accounting records and the submittal of original, itemized vendor invoices or receipts.

Sec. 5.13. Awards, Gifts, and Business Expenses.

In addition to the purchasing and contracting requirements set forth in this policy and in applicable state and federal law and regulation, including the Internal Revenue Code and Internal Revenue Regulations, IDEA officers and employees shall purchase any awards and gifts and incur business expenses, including the cost of business meals, pursuant to the various policies adopted by the Board including the Corporate Card Policy, Accountable Plan Policy, and Employee Awards and Gifts Policy, as applicable.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 5.14. Failure to Adhere to Policy.

If an IDEA officer or employee fails to follow this policy to purchase goods and services, the officer or employee shall be personally financially responsible for any expenses incurred, particularly for any unsubstantiated charges or for the purchase of non-business-related goods and/or services, regardless of the benefit to IDEA and its students.

Sec. 6. AUTHORIZED PROCUREMENT METHODS.

Except as provided in Section 7 of this policy for Professional Services and Section 8 of this policy for Public Works, the delegates or designee must procure goods and services as set forth in this Section 6.

Sec. 6.1. Purchases with Local Funds.

The Delegates or their designee may procure goods and services using local funds through the procurement method(s) outlined in the IDEA Purchasing Policy Administrative Regulation, while exercising sound judgment to ensure IDEA receives best value and that local funds are not unnecessarily expended. IDEA employees shall apply the prudent person rule when making such purchases and maintain adequate documentation as outlined in the Purchasing Policy Administrative Regulation to support compliance with this section, including price comparisons, quotes, or other available pricing documentation (e.g., advertised pricing).

Sec. 6.2. Purchases with State Funds.

Sec. 6.2.1. Other Goods and Services

The Delegates or their designee may procure goods and non-professional services using the procurement method that provides best value to IDEA and demonstrates proper stewardship of public funds, subject to applicable law.

IDEA's authorized procurement methods include:

Formal Competitive Procurement - If the cost or value of a contract or single purchase exceeds \$350,000, the purchase shall be made through competitive sealed bids or requests for proposals.

Non-Competitive Procurements.

1. Direct Purchase – Purchase directly from a qualified vendor when appropriate based on the nature, value, or circumstances of the procurement.
2. Informal Competitive Quotations – Solicitation and consideration of quotations from one or more qualified vendors.
3. Cooperative or Interlocal Procurement – Purchase through an authorized purchasing cooperative, interlocal agreement, governmental contract, or similar cooperative purchasing arrangement.
4. Negotiated Procurement – Direct negotiation with one or more qualified vendors when permitted by applicable law and determined to provide best value to IDEA.
5. Sole-Source – Procurement from a single source when supported by appropriate justification.

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

6. Emergency or Exigent Procurement – Procurement necessary to address an emergency, exigent circumstance, or circumstance in which delay would materially impair IDEA’s operations.

In selecting the appropriate procurement method and determining best value, the Delegates or their designee may consider price and other relevant factors, including quality, qualifications, experience, past performance, service, delivery, compatibility, operational requirements, timing, risk, total cost of ownership, and any other factor reasonably relevant to IDEA’s needs.

The Delegates may adopt, maintain, and revise Administrative Regulations and procedures that supplement and strengthen the requirements of this Policy, including additional procurement thresholds, competitive quotation requirements, solicitation procedures, approval and signature authority, documentation requirements, price-reasonableness standards, conflict-of-interest requirements, vendor selection procedures, record-retention requirements, and procedures governing cooperative, negotiated, sole-source, emergency, and other procurements.

Such Administrative Regulations and procedures shall incorporate, as applicable, requirements imposed by the Texas Education Code, including Section 12.1053; Texas Government Code; Texas Local Government Code; Texas Administrative Code; the Financial Accountability System Resource Guide (FASRG); state grant requirements; and any other applicable state law or regulation.

Sec. 6.2.3. Public Works Contracts.

For public works contracts (i.e., a contract for improvements to real property, including the construction, repair or renovation of a building, requiring expenditures over \$100,000) IDEA adopted the purchasing requirements set forth in the Texas Education Code, Chapter 44, Subchapter B. Pursuant to Texas Education Code §44.031(a)(5), IDEA must contract for construction services valued at \$100,000 or more in the aggregate for each twelve-month period by a method provided by Chapter 2269, Texas Government Code, that provides the best value for IDEA. In accordance with Texas Government Code §2269.056(a), the Board (or its designee described below) must determine which method provides the best value for IDEA. As set forth in Texas Government Code §2269.053, the Board may, by written authorized Resolution or by policy, delegate its authority to a designated representative, committee or other person provided that notice of the delegation, the limits of the delegation, and the name or title of each person designated by rule or in the request for bids, proposals, or qualifications or in an addendum to the request. Notice of this delegation shall be by written Resolution or by policy and also published and made as required above and pursuant to law

Sec. 6.2.4. Professional Services Contracts.

The Education Code also requires open-enrollment charter schools to comply with the Professional Services Procurement Act (Texas Government Code, Chapter 2254). This Act applies when an open enrollment charter school seeks a contract for certain professional services. Under Chapter 2254, a contract for professional services cannot be awarded on the basis of competitive bids. A provider of professional services, as defined in Chapter 2254, must be selected on the basis of demonstrated competence, demonstrated qualifications, and a fair and reasonable price. See Section 9 below for related policy on professional services contracts.

Sec. 6.2.5. State Grants.

The Delegates or designee shall procure goods and other services utilizing state grant funds pursuant to applicable state law, rule, and grant requirement. Purchases above the Simplified Acquisition Threshold established in Section 4.17 shall follow the Procurement requirements outlined in the IDEA Purchasing Policy Administrative Regulation to the degree consistent with applicable grant requirements.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 6.3. Purchases with Federal Funds

The following applies to purchases using any federal funds, including Child Nutrition Program funds and E-Rate, where program-specific regulations and requirements may otherwise apply. See Appendix 1 for thresholds applicable to TDA/USDA and to other federal funds. Importantly, IDEA shall conduct all procurement transactions for the acquisition of property or services in a manner providing full and open competition consistent with the applicable federal procurement standards.¹¹

Sec. 6.3.1. Micro-Purchase Procedure – 2 CFR § 200.320(a)(1)(i)-(ii).

The Delegates or designee may procure supplies and other services that have a cost or value of less than the Micro-Purchase Threshold established at Sec. 4.5 of this policy through the most expedient manner available yielding best value and demonstrating proper stewardship of federal funds. However, to the extent practicable, IDEA must distribute micro-purchases equitably among vendors. Additionally, if a purchase is made without soliciting two competitive quotes, IDEA employees must document that the price was reasonable based on research, experience, purchase history or other information. IDEA employees may make micro-purchases through corporate charge and credit accounts pursuant to the administrative procedures adopted by the Delegates under Sec. 10 of this policy.

Sec. 6.3.2. Simple Acquisition Purchase Procedure – 2 CFR § 200.320(a)(2)(i).

The Delegates or designee shall procure supplies, personal property and other services that have a cost or value of no less than the Micro-Purchase Threshold established at Sec. 4.5 of this policy

and no more than the Simplified Acquisition Threshold established at Sec. 4.16 of this policy through the solicitation of three (3) or more quotes from qualified sources.

IDEA shall ensure that all solicitations under this Sec. 6.3.2 conform to federal procurement standards, including a clear and accurate description of the technical requirements for the material, product, or service to be procured and all requirements which prospective vendors must fulfill and all other factors to be used in evaluating the quotes received.¹²

Sec. 6.3.3. Sealed Bids – 2 CFR § 200.320(b)(1).

The Delegates or designee shall procure goods and other services that have a cost or value exceeding the Simplified Acquisition Threshold established at Sec. 4.16 of this policy through the public solicitation of sealed bids if the following conditions apply:

- (a) A complete, adequate, and realistic specification or purchase description is available;
- (b) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (c) 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:

- (a) Bids must be solicited from an adequate number of authorized vendors, providing them sufficient response time prior to the date set for opening the bids;

¹¹ 2 CFR § 200.319(a).

¹² 2 CFR § 200.319(d).

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

- (b) 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;
- (c) All bids will be opened at the time and place prescribed in the invitation for bids;
- (d) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder; and
- (e) Any or all bids may be rejected if there is a sound documented reason.

Upon approval by the Board, the Delegates or designee shall award a firm fixed price contract to the lowest responsible bidder with the bid that conforms with all the material terms and conditions of the invitation for bids.

Sec. 6.3.4. Proposals – 2 CFR § 200.320(b)(2).

If conditions are not appropriate for the use of sealed bids, the Delegates or designee shall procure goods and services that have a cost or value exceeding the Simplified Acquisition Threshold established at Sec. 4.16 of this policy through competitive proposals if the following requirements are met:

- (a) Requests for proposals must be publicized and identify all evaluation factors and their relative importance;
- (b) Any response to publicized requests for proposals must be considered to the maximum extent practical;
- (c) Proposals must be solicited from an adequate number of qualified sources;
- (d) IDEA must have a written method for conducting technical evaluations of the proposals received and for selecting recipients. See Appendix 2.
- (e) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- (f) IDEA 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. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

IDEA shall award either a fixed-price or cost-reimbursement type contract.

Sec. 6.3.5. Noncompetitive Proposals – 2 CFR § 200.320(c).

The Delegates or designee(s) may procure goods through the solicitation of a proposal from a single source only when one or more of the following circumstances apply:

- (a) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold;
- (b) The item is available only from a single source (documented evidence required);
- (c) The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;

IDEA FEDERAL SCHOOLS BOARD POLICY PURCHASING POLICY

- (d) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from IDEA; or
- (e) After solicitation of a number of sources, competition is determined inadequate.

Sec. 6.3.6. Bid Specifications.

The campus or department making a request shall prepare bid specifications for each requested competitive bid. IDEA shall not accept any bid that does not conform to the bid specifications or that is received after the deadline for submitting a bid.

Sec. 6.3.7. Other Procurement Requirements.

The Delegate or designee must ensure that School officers and employees procure property and services in accordance with the following Federal procurement standards:

- (a) Analysis of contract cost and price.
- (b) Avoidance of unnecessary or duplicative items.
- (c) Contract provisions.
- (d) Domestic preferences for procurements.
- (e) Exclusion of conflicted contractors.
- (f) Maintenance of records sufficient to detail the history of a procurement.
- (g) Required solicitation content.
- (h) Use of prequalified lists of vendors or products.
- (i) Written standards of conduct covering conflicts of interest and governing the actions of

its employees engaged in the selection, award and administration of contracts.

- (j) Written standards of conduct covering organizational conflicts of interest.
- (k) Other applicable legal requirements.

Sec. 6.3.8. Purchases through Cooperative.

- (a) **General.** School officers and employees may use local, state, or federal funds to procure goods or services through a cooperative that provides written assurance of compliance with purchasing law.
- (b) **Due Diligence.** School officers and employees must ensure that the use of Federal funds for the procurement of goods or services through a cooperative complies with the applicable Federal procurement standards. School officers and employees must maintain supporting documentation to this effect.
- (c) **Exception.** If a participating vendor in the purchasing cooperative program quotes a lower price for the same goods or services, School officers and employees may procure the goods and services using the vendor's direct quote.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 6.3.9. Evaluation Committee.

- (a) Select three or more individuals to serve on the committee. IDEA's code of conduct, prohibits real or apparent conflicts of interest for employees engaged in the selection, award, and administration of contracts. Conflicts of interest are defined to include "insiders" under federal regulations and guidelines, other conflicts under federal law, and as defined in Local Government Code Chapters 171 and 176. IDEA Procurement has the authority to limit the maximum number of members on an evaluation committee to prevent the dilution of scoring.
- (b) Each member shall be contacted before the process to ensure they understand their role and the importance of keeping information confidential until awarded.
- (c) The Purchasing department may provide guidance on member selection.

Sec. 6.3.10. Evaluation, Notice and Documentation.

A. Evaluation/Scoring.

- i. Proposals/bids shall be opened on a designated date with all members present.
- ii. Determine scoring criteria for the score card, considering the following:
 - 1. The total cost of the goods and/or services;
 - 2. The reputation of the vendor and of the vendor's goods and services;
 - 3. The quality of the vendor's goods and/or services;
 - 4. The extent to which the goods and/or services meet IDEA's need(s);
 - 5. The vendor's past relationship with IDEA;
 - 6. The total long-term cost to IDEA to acquire the vendor's goods and/or services; and
 - 7. Any other factor specifically listed in the request for bids.
- iii. Score cards shall be given to each member.
- iv. Each member evaluates each proposal/bid.
- v. Score cards are tabulated to determine the vendor to award.
- vi. Award is made.

B. Notice.

- i. A letter is sent to the awarded vendor.
- ii. A regret letter is sent to all other vendors

C. Documentation.

The following documents must be maintained:

- i. Original proposal request,
- ii. Copy of notice/advertisement,
- iii. Score sheets,
- iv. Proposals/bids received/submitted,

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

- v. Award letter, and
- vi. Regret letter(s).

Sec. 6.3.11. Rejection of Bids.

The Board, Delegates, or designee may reject any and all bids.

Sec. 6.3.12. Separate Bids for Entities.

Individual proposal requests must be made for IDEA (Texas), depending on the campus making purchase.

Sec. 6.3.13. Other Federal Procurement Standards.

In addition to this policy, the Delegates or designee shall procure goods and services utilizing federal funds pursuant to other applicable federal procurement standards. Importantly, IDEA shall maintain records sufficient to detail the history of any procurement of goods and services with federal funds, including, but not necessarily limited to: the rationale for the method of procurement, the selection of contract type, the contractor selection or rejection, and the basis for the contract price.¹³

Texas Department of Agriculture (TDA) requires that IDEA maintain additional documents for its Child Nutrition Program, including a signed Procurement Standards of Conduct Certification Statement (See Appendix 6). Additionally, IDEA must comply with additional procurement requirements as documented in Appendix 7 to this policy.

Sec. 7. PROCUREMENT OF PROFESSIONAL SERVICES

Sec. 7.1. Selection of Provider.

The Delegates or designee must not select a provider of professional services or a group or association of providers or award a contract for professional services on the basis of competitive bids submitted for the contract or for the professional services. Instead, the Board and/or Delegates shall select the provider for the professional service to be procured based on the following criteria. The provider's demonstrated competence and qualifications to perform the services.

- (a) The fairness and reasonableness of the provider's price.

Sec. 7.2 Special Procedure for Architectural, Engineering, and Land Surveying Services.

Sec 7.2.1. Procuring Architectural, Engineering, or Land Surveying Services

In procuring architectural, engineering, or land surveying services, the Board and/or Delegates or Designee shall comply with all applicable statutory requirements and shall:

- (a) First select the most highly qualified provider of the required services based on demonstrated competence and qualifications; and
- (b) Attempt to negotiate a contract with that provider at a fair and reasonable price.

¹³ 2 CFR § 200.318(i).

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec 7.2.2. Contract Outcome

If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the Board and/or Delegates or designee must:

- (a) Formally conclude and document the termination of negotiations with that provider.
- (b) Select the next most highly qualified provider; and
- (c) Attempt to negotiate a contract at a fair and reasonable price,
- (d) Continue the sequential process described in (a) through (c) to select and negotiate with providers until a contract is executed or the procurement is otherwise concluded in accordance with law.

Sec. 7.3. Limitation on Fees.

A provider may not charge a fee for professional services that exceeds any maximum provided by law. For professional services subject to statutory negotiation requirements, fees shall be negotiated in accordance with applicable law and shall not exceed any maximum amount authorized by law.

Sec. 7.4. Monitoring of Provider Performance.

The Delegates or designee shall monitor the services and work of all professional services providers. In developing a system for monitoring the provider performance, the Delegates or designee shall consider the inclusion of deliverables and other measurable outcomes that demonstrate the delivery of the professional services procured from the provider and that enable the Delegates or designee to evaluate the quality of the professional services rendered and satisfactory performance of the provider.

Performance monitoring requirements shall be consistent with the scope of services, deliverables, and performance standards established in the professional services contract and applicable law.

Sec. 8. PROCUREMENT OF PUBLIC WORKS.

Sec. 8.1. Rules and Procedures.

Pursuant to Tex. Ed. Code §44.031(d) and Government Code §2269.051, the Board hereby adopts the policy statements of this policy as its rules for the acquisition of goods or services related to public works, including construction services. Additionally, as established in Government Code

§2269.051, the Board further delegates to the Delegates or designee the responsibility of adopting procedures for the acquisition of goods or services related to public works, including construction services consistent with this policy and applicable law

Sec. 8.2. Delegation of Authority.

Sec. 8.2.1. Authority to Procure Construction Services.

The Board may delegate its authority under Chapter 2269 regarding an action authorized or required by Chapter 2269 to a designated representative, committee, or other person. If the Board delegates its authority to a designated representative, committee, or other person, IDEA must provide notice of the delegation, the

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

limits of the delegation, and the name or title of each person designated by rule or in the request for bids, proposals, or qualifications or in an addendum to the request.

Sec. 8.2.2. Authority to Contract.

Unless otherwise authorized by the Board, only a Board member, the Delegate, or the Delegate's designee must be authorized to sign contracts obligating the School to disburse public funds for public works.

Sec. 8.3. Authorized Methods of Procurement.

Sec. 8.3.1. Determination of Best Value Procurement Method.

With the exception of the competitive bidding method, the Board authorizes the Delegates or designee to determine which method set forth in this subsection provides the best value for IDEA before it advertises for requests for bids, proposals or qualifications.

Sec. 8.3.2. Evaluation Criteria and Selection Process.

IDEA must base its selection among offerors on the applicable criteria established for the specific procurement method used.

IDEA must publish in the request for bids, proposals, or qualifications:

- The evaluation criteria that will be used; and
- The applicable weighted value assigned to each criterion.

Sec. 8.3.3. Documentation and Public Disclosure.

Within seven (7) days after the date a contract for construction services is awarded, **IDEA must**:

- Document the basis of its selection;
- Compile the evaluations, including any scoring; and
- Make the evaluations public and available to all offerors.

Sec. 8.3.4. Authorized Methods of Procurement.

The Delegates or designee may award a contract for construction services using the method of the following methods that provides the best value for IDEA:

- (a) Interlocal agreement or purchasing cooperative
- (b) Competitive bidding,
- (c) Competitive sealed proposal,
- (d) Construction manager-agent,
- (e) Construction manager-at-risk,
- (f) Design-build, or
- (g) Job order contracts.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 8.3.5. Default Procurement Method.

Unless the Board determines otherwise in accordance with this

section, IDEA must procure construction services using the competitive bidding method of procurement.

Sec. 8.3.6. Recommendation of Alternative Procurement Method.

The Delegate may recommend to the Board a method of procurement, other than the competitive bidding method, from those listed under Subsection 8.3.4 In this event, the Delegate must provide the Board with a written proposal, including the justification for utilizing a different method of procurement.

Sec. 8.3.7. Board Determination and Record.

In the event that the Board determines that another procurement method is in the IDEA's best interest, the Board's determination will be documented in the minutes of the pertinent Board meeting.

Sec. 8.3.8. Legal and Professional Advice.

IDEA may seek legal and professional advice and counsel regarding the legal and other requirements applicable to the procurement method selected.

Sec. 8.4. Notice.

IDEA must publish a notice of the time by when and the place where the bids or proposals, or the responses to a request for qualifications, will be received and opened. IDEA must publish the notice in the county in which its central administrative office is located, once a week for at least two consecutive weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications.

If there is not a newspaper in that county, IDEA must publish its advertisement in a newspaper in the county nearest the county seat of the county in which its central administrative office is located. In a two-step procurement process, the IDEA is not required to separately publish the time and place where the second-step bids, proposals, or responses will be received.

Sec. 8.5. Response to Requests for Bids, Proposals, or Qualifications.

Sec. 8.5.1 Sealed Bids, Proposals, or Qualifications Required.

A person who submits a bid, proposal, or qualification is required to seal it before delivery. The Delegates or designee must reject any bid, proposal, or qualification that is not sealed and return it to the offeror with a statement:

- (a) Representing that the bid, proposal, or qualification was not opened, viewed, or otherwise examined;
- (b) Asserting that the content and form of the bid, proposal, or qualification was not duplicated or disseminated with any person or entity; and
- (c) Instructing the offeror to resubmit an appropriately sealed bid, proposal, or qualification as required by state law.

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

Sec. 8.5.2 Receipt and Opening of Bids.

IDEA must receive, publicly open, and read aloud the names of the offerors and their bids. Only the Board, during a lawfully convened Board meeting, or the Board's designee, at or in IDEA's central administrative office.

A bid that has been opened may not be changed for the purpose of correcting an error in the bid price. A bidder has the common-law right to withdraw a bid due to a material mistake in the bid.

IDEA is entitled to reject any and all bids.

Sec. 8.5.3. Withdrawal by Bidder.

The bidder may withdraw a bid at any time prior to the scheduled time for the bid opening.

Sec. 8.5.4. Bid Opening.

The campus or department making request shall invite the public and all bidders to attend the bid opening. A log of bidders shall be maintained.

Sec. 8.6. Awarding of Contract Under Competitive Bidding Method.

In accordance with state law, "competitive bidding" is a procurement method by which IDEA may contract with a contractor for the construction, alteration, rehabilitation, or repair of a facility by awarding the contract to the lowest responsible bidder.

IDEA may contract for the construction, alteration, rehabilitation, or repair of a facility only after it advertises for bids for the contract in a manner prescribed by law, receives competitive bids, and awards the contract to the lowest responsible bidder.

**** **A responsible bidder is a person who has the capability in all respects to perform in full the contract requirements and the integrity and reliability assuring good faith performance.**

A responsible bidder may be required to meet any or all of the following requirements.

- (a) Be an experienced contractor who has served as a prime contractor on similar construction projects for Texas public schools, has satisfactorily completed the scope of work described in the construction documents, and is knowledgeable about the requirements for the construction of and the building elements for Texas public schools including, without limitation, applicable building code requirements.
- (b) Provide a warranty and support for any equipment installed as part of the construction services and in accordance with the scope of work described in the construction documents.
- (c) Be able to obtain payment and performance bonds of the types and in the amounts described in Texas Government Code §2253.
- (d) When submitting the bid, provide a Letter of Statement from a bonding company that the bidder is able to obtain both a payment bond and a performance bond described as stipulated in Texas Government Code §2253.
- (e) Prior to executing the contract, obtain and provide the payment and performance bonds of the types and in the amounts established at Texas Government Code §2253.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

- (f) Have adequate financial resources or ability to obtain such resources as required during the performance of any resulting contract.
- (g) Be able to comply with the required performance schedule, taking into consideration all existing business commitments.
- (h) Have necessary management and technical capability to perform any resulting contract for construction services.
- (i) Be qualified as an established firm regularly engaged in the type of business to provide the items and work required by the request for bids.
- (j) Be registered to do business in the State of Texas.
- (k) Be in good standing with the State of Texas.
- (l) Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

**** **IDEA must include the requirements to be used to establish an offeror as a responsible bidder in the request for bids, proposals, or qualifications.**

Sec. 8.7. Criteria to Consider.

In determining the award of a contract pursuant to this section, IDEA may consider:

- (a) The price;
- (b) The offeror's experience and reputation;
- (c) The quality and reputation of the offeror's goods or services;
- (d) The extent to which the offeror's goods or services meet IDEA's needs;
- (e) The vendor's past relationship with IDEA;
- (f) The impact on the ability of IDEA to comply with rules relating to historically underutilized businesses;
- (g) The total long-term cost to IDEA to acquire the offeror's goods or services;
- (h) Whether the vendor or the vendor's ultimate parent company or majority owner:
 - (1) Has its principal place of business in this state; or
 - (2) Employs at least 500 persons in this state;
- (i) The offeror's safety record;
- (j) The offeror's proposed personnel;
- (k) Whether the offeror's financial capability is appropriate to the size and scope of the project; and
- (l) Any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

In determining the award of a contract under this chapter, IDEA must:

- (a) Consider and apply any existing laws, rules, or applicable municipal charters, including laws applicable to local governments, that may be applicable under law or ordinance.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 8.8. Safety Record of Bidder Considered.

1. In determining who is a responsible bidder, IDEA may take into account the safety record of the bidder, of the firm, corporation, partnership, or institution represented by the bidder, or of anyone acting for or such a firm, corporation, partnership, or institution.
2. In determining who is a responsible bidder, IDEA may take into account the following definition and criteria for accurately determining the safety record of a bidder.
 - (a) "Citations" include notices of violation, notices of enforcement, suspension/revocations of state or federal licenses or registrations, fines assessed pending criminal complaints, indictments, or convictions, administrative orders, draft orders, final orders, and judicial final judgments. A Notice of Violation and Notice of Enforcement received from the Texas Commission on Environmental Quality ("TCEQ") shall include those classified as major violations and moderate violations under the TCEQ'S regulations for documentation of Compliance History pursuant to Texas Administrative Code, Title 30,

§60.2(d)(1) and (d)(2).

- (b) "Environmental Protection Agency" includes, but is not limited to the TCEQ, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, the U.S. Army Corps of Engineers, the Texas Department of Health, the Texas Parks and Wildlife Department, the Structural Pest Control Service, agencies of local governments responsible for enforcing environmental protection laws or regulations, and similar regulatory agencies of other states of the United States.
- (c) Based upon the bidder's response to certain questions, IDEA will consider the following criteria and, at its discretion, determine whether to disqualify the bidder.
 - (1) The revelation of more than two (2) cases in which final orders have been entered by the Occupational Safety and Health Review Commission ("OSHRC") against the bidder for serious violations of Occupational Safety & Health Administration ("OSHA") regulations within the past five (5) years.
 - (2) The revelation of more than one (1) case in which the bidder has received a citation or for which final orders have been entered from an environmental protection agency for violations within the past five (5) years.
 - (3) The revelation that the bidder has been convicted of a criminal offense within the past ten (10) years or has been subject to a judgment for a negligent act or omission, which resulted in serious bodily harm or death.

Before considering the safety record of the bidder, IDEA must give notice to prospective bidders in the bid specifications that the safety record of a bidder may be considered in determining the responsibility of the bidder.

In making determinations concerning the safety records of the bidders, the Board, Delegates, and IDEA employees are prohibited from making the determinations in an arbitrary and capricious manner.

The Delegates or designee must prepare and submit to the Board a summary report of the information and the responses provided by the bidder for its consideration and to facilitate its determination of whether to disqualify the bidder based upon its safety record.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 8.9. Notification of Contractor's Criminal History.

If the person or an owner or operator of the business entity has been convicted of a felony, IDEA should ensure that the bidder's response includes an advance notice disclosing this fact. The notice must include a general description of the conduct resulting in the conviction of a felony.

**** **IDEA may terminate a contract with a person or business entity if IDEA determines that the person or business entity failed to give notice as required by this subsection or misrepresented the conduct resulting in the conviction. IDEA must compensate the person or business entity for services performed before the termination of the contract.**

**** **This subsection does not apply to a publicly held corporation.**

Sec. 8.10. Contract with Person Indebted to IDEA.

The Delegates or designee may refuse to award a contract to or enter into a transaction with an apparent low bidder or successful proposer that is indebted to IDEA.

For purposes of implementing this subsection, "person" includes an individual, sole proprietorship, corporation, nonprofit corporation, partnership, joint venture, limited liability company, and any other entity that proposes or otherwise seeks to enter into a contract or other transaction with IDEA requiring approval by the Board.

The Delegate or designee must notify the Board of any debt due by an apparent low bidder or successful proposer. In the notice to the Board, the Delegate or designee must disclose:

- (a) The amount outstanding;
- (b) The date(s) of when the bidder or proposer became indebted to the School;
- (c) The cause(s) resulting in the bidder's or proposer's indebtedness;
- (d) Any adverse consequence to the School resulting from the bidder's or proposer's indebtedness;
- (e) The date of the last written correspondence to the bidder or proposer requesting the bidder's or proposer's satisfactory settlement of the indebtedness; and
- (f) The frequency of requests for settlement of the indebtedness.

Sec. 8.11. Right to Work.

When procuring goods or services, awarding a contract or overseeing procurement or construction for a public work to which this Policy applies, IDEA:

- (a) May not consider whether a person is a member of or has another relationship with any organization; and
- (b) Must ensure that its bid specifications and any subsequent contract or other agreement do not deny or diminish the right of a person to work because of the person's membership or other relationship status with respect to any organization.

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

Sec. 8.12. Selection of Architect or Engineer.

Unless IDEA employs an architect or engineer on a full-time basis (as an employee) to oversee construction projects, IDEA must select the architect or engineer on the basis of demonstrated competence and qualifications as provided by Texas Government Code §2254.004.

Sec. 8.13. Other Professional Services.

IDEA must provide or contract for the construction materials engineering, testing, and inspection services and the verification testing services necessary for acceptance of a facility. IDEA must select the services for which it contracts under this subsection in accordance with Texas Government Code §2254.004.

Sec. 8.14. Suspension of Policy

If an IDEA facility, or a portion of an IDEA facility is destroyed, severely damaged, or experiences a major unforeseen operational or structural failure, and the Delegates or designee determines that the delay posed by the contract methods required by this Policy would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the IDEA facility, or portion of the facility may be made by a method other than the methods required by this policy.

Sec. 8.15. Change Orders.

If a change in plans, specifications, scope, or quantities is necessary after the performance of a contract is begun, or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, the Delegate or designee has general authority to approve change orders making the changes. Change orders may also be issued to modify an active Purchase Order when adjustments to price, quantity, or scope are required after issuance.

Change orders shall not be used to circumvent competitive procurement requirements, substantially alter the original scope of work beyond what was reasonably contemplated at the time of award, or compensate for inadequate planning or failure to properly scope the original procurement.

Change Orders – Contracts

The total contract price may not be increased because of the changes unless additional money for increased costs is approved for that purpose from available money or is provided by the authorization of the issuance of time warrants. A contract with an original contract price of \$1 million or more may not be increased under this subsection by more than 25 percent. If a change order for a contract with an original contract price of less than \$1 million increases the contract amount to \$1 million or more, the total of the subsequent change orders may not increase the revised contract amount by more than 25 percent of the original contract price.

All contract change orders must be properly documented and justified, approved in accordance with delegated authority, and comply with all applicable federal, state, and local procurement requirements, including 2 CFR §200 (EDGAR) where federal funds are involved.

Change Orders – Non-Contract Purchase Orders

Change orders may be issued to modify an active Purchase Order when adjustments to price, quantity, scope of work, or specifications are necessary after issuance. Total cumulative price increases on a Purchase Order shall not exceed 20 percent of the original Purchase Order amount, and a Purchase Order may not be modified

IDEA PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

more than (3) three times. Upon reaching three change orders, a new requisition must be submitted and the purchase must comply with all applicable procurement requirements, including applicable competitive thresholds.

All Purchase Order change order requests must be submitted to the Procurement Department through the designated system, include sufficient supporting documentation justifying the requested modification and demonstrating that the change is within the general scope of the original purchase.

Review, Approval, and Monitoring

The Procurement Department shall review all change order requests for completeness, adequate justification, funding availability, and compliance with this policy, FASRG requirements, and applicable federal regulations. Upon approval, Procurement will issue a formal change order to amend the contract or Purchase Order.

Repeated or excessive change order activity may result in additional review to determine whether the original procurement was appropriately planned, competed, and scoped. Procurement reserves the right to reject change order requests that materially alter the original procurement or require a new procurement action when changes exceed allowable thresholds or indicate a new scope of work.

Sec. 8.16. Monitoring and Oversight.

The Delegates or designee must monitor and oversee all construction projects and services. The Delegates or designee must document their monitoring and oversight activities.

The Delegates or designee must report to the Board the progress and status of any and all public works procured under this Policy.

The Delegates or designee must not make any final payments for public works procured under this Policy until the work has been completed. Upon completion and acceptance of the work performed, the Delegates or designee may issue final payment(s).

Sec. 9. TRAINING AND UPDATES.

The Delegates or designee shall properly train or ensure training is provided to IDEA officers and employees on the requirements of this policy and any administrative procedures adopted to implement this policy. Additionally, the Delegates or designee shall keep IDEA officers and employees informed of any changes to this policy and related requirements.

Sec. 10. ADMINISTRATIVE PROCEDURES.

The Delegates shall formally adopt administrative procedures as reasonably necessary to properly administer this policy.¹⁴ The Delegates shall to adhere to applicable law and rule. In doing so, the Delegates shall not adopt, and are prohibited from adopting, an administrative procedure that conflicts with applicable law or this

¹⁴ Consistent with 19 TAC § 100.1113(a)(1)(D), the Board has final authority to adopt policies governing charter school operations, including authorizing the Delegates or designee to adopt an administrative procedure to implement this policy. Moreover, as set forth in IDEA's Articles of Incorporation and Bylaws and in accordance with Tex. Bus. Org. Code §§ 3.101 and 22.201, the Board is IDEA's governing authority and, as such, manages and directs IDEA's business and affairs through Board actions, resolutions, and policy.

IDEAL PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

policy. Accordingly, the Delegates shall confer with the Board or legal counsel before deviating from the requirements set forth in this policy. In the event that a deviation from this policy becomes necessary, the Delegates shall either recommend an amendment to this policy or the Board's approval of a specific deviation, including the purpose, scope and duration of the requested deviation.

SEC. 11. DATE ADOPTED AND EFFECTIVE.

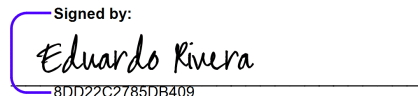
As set forth in the pertinent minutes to the meeting of the Board, the Board amended this policy on August 18, 2026 and it became effective on August 18, 2026.

SEC. 12. RETENTION.

This policy shall be retained until superseded, expired or discontinued and for five (5) years thereafter in accordance with state law.¹⁵

SEC. 13. CERTIFICATION

The Undersigned, being the Secretary of the Corporation, hereby certifies that the foregoing represents a true copy of the Board Policy relating to Purchasing and Contracting, as originally adopted by the Board on December 7, 2018, and as subsequently amended by the Board on March 6, 2019, June 13, 2019, September 6, 2019, May 1, 2020, June 12, 2020, July 16, 2021, and August 18, 2026, which Policy, as amended, is in full force and effect and has not been revoked or amended.

Signed by:

8DD22C2785DB409...
Ed Rivera, Secretary

8/19/2026

Date Certified

¹⁵ Tex. Educ. Code § 12.1052; 19 TAC § 100.1203; see Record Numbers GR1000-38 and GR1025-25 in Local Schedule GR: Records Common to All Local Governments, Revised 5th Edition (effective April 17, 2016), adopted by the Texas State Library and Archives Commission at 13 TAC § 7.125(a)(1).

Sec. 14. APPENDIX 1: EDGAR THRESHOLDS MATRIX

Types of Purchases	New Thresholds as of October 1, 2025	Federal-Fund Procurement Requirements
Micro-Purchases	\$0–\$15,000	Obtain two quotes from at least two qualified sources.
Small Purchases— Non-TDA Funds	\$15,000.01– \$350,000	Obtain price or rate quotations from at least three qualified sources.
Small Purchases— TDA Funds	\$10,000.01– \$100,000	Obtain price or rate quotations from at least three qualified sources.
Purchases—Non- TDA Funds	\$350,000 and above	Use competitive proposals or sealed bids, as applicable. Document selection criteria and complete a cost analysis.
Purchases—TDA Funds	\$100,001 and above	Use sealed bids or competitive proposals.
Professional Services	Any amount	Use a Request for Qualifications (RFQ)-based selection under Texas Government Code Chapter 2254. Professional services may not be competitively bid.

Threshold Note. Purchases may not be artificially divided or fragmented to avoid applicable threshold requirements. The total cost of items or services must be considered in the aggregate when determining the applicable procurement method.

Federal Funds Note. For any purchase using federal grant funds (Title I, IDEA Part B, E-Rate, CNP/TDA, etc.), the cost of items and services is cumulative across the entire grant period and cannot exceed the applicable threshold tier. Cooperative purchases using federal funds are permitted only if the cooperative’s underlying solicitation was conducted in compliance with 2 CFR § 200.320.

Construction Note. Public works and construction purchases have separate procurement requirements. Competitive procurement is required at \$100,000 and above under Texas Government Code Chapter 2269. See Section 8 and Appendix 1 of the full policy for permitted methods and federal documentation requirements.

Sec. 15. APPENDIX 2: BID TECHNICAL FORM / SCORE CARD

Field	Entry
Proposal or Project ID	

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Field	Entry
Department	
Goods/Services to Purchase	

Evaluation Criterion	Points
Total cost of goods and/or services	40
Vendor's location	5
Reputation of vendor	10
Quality of goods and/or services	15
Extent to which the goods and/or services meet IDEA's needs	20
Past relationship with IDEA	5
Long-term cost of services	5
Other factors	0
Total	100

This allocation is an example and may be adjusted as necessary. The total must equal 100 points.

Sec. 16. APPENDIX 5: PURCHASING CODE OF CONDUCT (EFFECTIVE DATE: JANUARY 2017)

CODE OF CONDUCT

Standards of Conduct

School personnel shall be responsible for adhering to the following standards of conduct when using School funds for the purchase of goods and services.

- (a) It is a breach of ethics to attempt to realize personal gain through public employment with the School by any conduct inconsistent with the proper discharge of an employee's duties.
- (b) It is a breach of ethics to attempt to influence any School employee to breach the standards of ethical conduct set forth in this code.
- (c) It is a breach of ethics for any School employee to participate directly or indirectly in a procurement when the employee knows that:
 - (1) The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement;

IDEAL PUBLIC SCHOOLS BOARD POLICY PURCHASING POLICY

- (2) A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
- (3) Any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
- (d) It is a breach of ethics to offer, give or agree to give any School employee or former School employee, or for any School employee or former School employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before the School. Acceptance of gratuities may be construed as a criminal offense.
- (e) It is a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any School contract, or any person associated therewith, as an inducement for the award of a subcontract or order.
- (f) The prohibition against gratuities and kickbacks prescribed at (d) and (e) above should be conspicuously set forth in every contract and solicitation therefore.
- (g) It is a breach of ethics for any School employee or former School employee to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

Sec. 16.1. Organizational Conflicts

An organizational conflict of interest may result when the School conducts a business transaction with an affiliate or subsidiary organization and, as a result this relationship, the School is unable or appears to be unable to be impartial in conducting a procurement action involving its affiliate or subsidiary. Generally, because of its relationship with an affiliate or subsidiary, the School may encounter one or more of the following types of organizational conflict of interest.

- (a) Unequal access to information
- (b) Biased ground rules
- (c) Impaired objectivity

Thus, when using federal funds to procure goods and services from an affiliate or subsidiary organization, the Board and School officers and employees are to avoid and take other actions to mitigate the potential for significant organizational conflicts of interest that may result in an unfair competitive advantage to an affiliate or subsidiary. If School personnel identify an organizational conflict of interest, the employee must prepare a memorandum to the Superintendent identifying the proposed procurement, the conflicted entity, and circumstances giving rise to the conflict. Upon review, the Superintendent must submit the memorandum and a proposed remedy to the Board for consideration and approval.

IDEA PUBLIC SCHOOLS BOARD POLICY

PURCHASING POLICY

Sec. 16.2. Gifts

No employee shall accept or solicit any gifts, favor, services, or other benefit that could reasonably be construed to influence the employee's discharge of assigned duties and responsibilities or could be perceived as having been offered because of an existing or potential business relationship. Employees shall disclose any gifts, favors, services, or benefits received with an aggregate value of \$50 or more from any one individual over the course of one school year to the Delegates. This includes items of food, lodging, transportation, tickets, or business entertainment accepted as a guest. When the employee is in doubt of the value of the gift, he or she should report it to the Delegates. If an employee has any questions regarding acceptable conduct or the interpretation of this policy, or if he or she is in doubt about the best course of action in a particular situation, the employee must seek clarification from his or her supervisor or the Delegates. Failure by an employee to disclose gifts pursuant to this policy could result in adverse personnel action against the employee.

Sec. 17. APPENDIX 6: PROCUREMENT STANDARDS OF CONDUCT CERTIFICATION STATEMENT

PROCUREMENT STANDARDS OF CONDUCT CERTIFICATION STATEMENT

I, (Authorized Representative) for IDEA Public Schools, Inc. hereby certify the following:

- (a) Officers, employees, and agents shall conduct all procurement transactions in a manner providing full and open competition consistent with the standards of **§200.319**, inclusive of written procedures for procurement transactions that:
 - (1) Ensure clear and accurate description of technical requirements for the material, product, or service to be procured;
 - (2) Identify all requirements which must be fulfilled by offerors and all factors to be used in the evaluation of bids and proposals;
 - (3) 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; and
 - (4) Ensure that potential bidders are not precluded from qualifying during the solicitation period.
 - (b) Officers, employees, and agents shall conduct all procurement transaction, using one of the methods of procurement noted in **§200.320** (*micro-purchases, small purchase, sealed bids, competitive proposals, non-competitive proposals**)
- *See §200.320(f) for listing of criteria that must be established in order to utilize non-competitive proposals.
- (c) Officers, employees, and agents shall take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible, in accordance with **§200.321**.
 - (d) Officers, employees, and agents shall comply with the procurement of recovered materials, as specified in **§200.322**.

**IDEA PUBLIC SCHOOLS BOARD POLICY
PURCHASING POLICY**

- (e) Officers, employees, and agents shall perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold, including contract modifications, in accordance with **§200.323**.
- (f) Officers, employees, and agents shall ensure that the bonding requirements are followed, in accordance with **§200.325**
- (g) Officers, employees, and agents shall ensure that all contracts contain the applicable provisions described in Appendix II to Part 200, in accordance with **§200.326**
- (h) Officers, employees, and agents shall comply with the retention requirements for records, in accordance with **§200.333**
- (i) Officers, employees, and agents shall provide access to records, in accordance with **§200.336**
- (j) Officers, employees, and agents shall adhere to the Cost Principles contained in Subpart E **§200.403-§200.475**

Authorized Representative Date

Sec. 18. APPENDIX 7: CNP ADDITIONAL PROCUREMENT GUIDANCE FROM TDA

IDEA CNP Procurement Procedures Manual SY21-22