

# MEMORANDUM

TO: Inter-Lakes School Faculty K-12

FROM: Mary A. Moriarty  
Superintendent of Schools

SUBJECT: Policy Impact Input

DATE: May 11, 2022

Attached are policies which were approved for a first reading by the Inter-Lakes School Board as tentative policies, subject to public review and reaction. After reviewing the policies, please complete the Policy Impact Form and return it to the Superintendent's Office no later than Monday, May 23, 2022.

Your comments and reactions will be reviewed by the Inter-Lakes School Board at its meeting on Tuesday, May 24, 2022. If no major objections are voiced, the policies will be approved as final at that meeting.

MAM/mgm

Attachments:

- Policy #3323 – Bidding Policy and Procedures (DJD) Policy
- #3324 – Purchasing Policy and Procedures(DJB) Policy
- #3610 – Administration of Federal Grants (DAF) Policy
- #3610.1 – Allowability (DAF-1)
- Policy #3610.3 – Procurement (DAF-3)
- Policy #3610.10 – Grant Budget Reconciliation (DAF-10)

# Inter-Lakes School District

## Policy Impact Form

### Policy #3323 – Bidding Policy and Procedures (DJD)

May 11, 2022

Respondent (please check):

- |  |  |
|--|--|
| <input type="checkbox"/> Administrator | <input type="checkbox"/> Citizen               |
| <input type="checkbox"/> Parent        | <input type="checkbox"/> Other School Employee |
| <input type="checkbox"/> Teacher       | <input type="checkbox"/> Other                 |

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This policy impact survey is in compliance with Board Policy #8130.1 Your assistance through completion and returning of this form to the Office of the Superintendent of Schools will assist in evaluating the effect of this tentative policy, both short and long term.

➤ Please read the tentative policy attached to this form.

➤ Please answer the following questions:

1. Will this policy assist the District and have a positive short-term effect?  Yes  No  
If you checked "No", please comment in this space:

2. Will this policy assist the District and have a positive long-term effect?  Yes  No  
If you checked "No", please comment in this space:

3. Do you feel that there is a need for this policy?  Yes  No

4. Do you have any suggestions regarding changes in the tentative policy? If so, please comment.

**Purchasing and Bidding Policy and Procedures**

The Inter-Lakes School District is dedicated to procuring goods and services in a timely manner and at fair and reasonable prices both through the formal bid process and through other normal procurement practices. At the direction of the school board, the following bidding procedure may be required for purchases or multi-year contracts.

In general, all purchases made in the open market shall be completed after careful comparisons of pricing by various vendors. Purchases of supplies, materials, and equipment in the amount of \$20,000 or more, and contractual services in the amount of \$75,000 or more, shall be based, when feasible, on at least three competitive bids or prices.

When bidding procedures are used, bids shall be advertised appropriately. Clear and definite specifications shall be prepared and made available to all vendors interested in submitting a bid proposal.

All bids must be submitted in sealed envelopes, addressed to the Superintendent or his/her designee, and plainly marked with the name of the bid. Bidders may be required to be present for an informational meeting and/or the opening of the bids. Specifics may vary depending on the nature of the items or contracts. Bid specifications will be the guide for all proposals.

At the discretion of the Superintendent, professional services such as accounting, consulting and legal services may be procured on an invited interview basis and need not be subject to these bidding requirements. Purchases of textbooks are excluded from the bid process. In the event of an emergency, the Superintendent or his/her designee may proceed in a manner that would be in the best interest of the district.

The Board reserves the right to waive the bidding process when it believes it is in the best interest of the school district. The Board reserves the right to reject any or all bids and to accept that bid which appears to be in the best interest of the District. The Board reserves the right to waive any formalities in, or reject any or all bids or any part of any bid. Any bid may be withdrawn prior to the scheduled time for the opening of bids. Any bid received after the time and date specified shall not be considered. The Board need not accept the lowest qualified bidder.

The bidder to whom the award is made shall be required to enter into a written contract with the district.

Legal Reference:

*RSA 194-C:4 II(a), Superintendent Services*

*NH Code of Administrative Rules, Section Ed. 303.01(b), Substantive Duties of School Boards*

- Reviewed: 07/89
- Reviewed 09/25/89
- Amended: 12/89
- Approved: 01/08/90
- Reviewed: 01/11/99
- Revised: 08/14/12
- Reviewed: 10/13/15
- Approved: 01/12/16
- Board Review: 08/10/21
- PRC Review: 04/12/22
- 1<sup>st</sup> Rdg: 05/10/22

## **Bidding Procedures**

### Written Bids:

1. The following procedures shall be followed, when feasible, for the Inter-Lakes School District for written bids for goods and services as described in Policy #3323 (DJD).
  - a. Bids may be, but not be limited to, advertised in a local newspaper.
  - b. The bid specifications will be sent to local and other bidders and will be determined by the Superintendent of schools or his/her designees.
  - c. All bids shall carry, where appropriate, a clause to save the Inter-Lakes School District from all liens or damages to persons or property arising from or caused by the contractor's work. The bid document shall further stipulate the bidder shall comply with all federal or state laws and regulations and that the bidder, when appropriate, shall demonstrate that it carries a general liability policy with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate applicable to the work performed. The bids shall further state that the bidder will provide adequate worker's compensation insurance when needed.
  - d. All bids in excess of sums of \$35,000 shall carry, when appropriate, a clause requiring a performance and payment bond to be furnished by the bidder. Cost of said bond shall be quoted, billed, and paid for separately.
  - e. The bid documents shall stipulate a mandatory pre-bid meeting; a date and time certain when bids must be received and opened and shall specify that all bids be returned in a sealed envelope specifying the item(s) to be bid on the envelope.
  - f. The bid documents shall state that the Inter-Lakes School District reserves the right to accept or reject any or all bids.
2. The fiscal administrator or his/her designee will have responsibility for drafting and distributing bid documents when needed.
3. Contracts for goods and/or services may be extended without further bidding at the discretion of the Superintendent or his/her designee.
4. Federal and State funded projects will adhere to all Federal Funding Policies.

### Legal References:

*RSA 194-C:4 II (a), Superintendent Services*

*RSA 447:16 Bond Required*

*NH Code of Administrative Rules, Section Ed. 303.01 (b), Duties of School Boards*

# Inter-Lakes School District

## Policy Impact Form

### Policy #3324 – Purchasing Policy and Procedures

May 11, 2022

Respondent (please check):

- |  |  |
|--|--|
| <input type="checkbox"/> Administrator | <input type="checkbox"/> Citizen               |
| <input type="checkbox"/> Parent        | <input type="checkbox"/> Other School Employee |
| <input type="checkbox"/> Teacher       | <input type="checkbox"/> Other                 |
- 

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➤ Please read the tentative policy attached to this form.

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If you checked “No”, please comment in this space:

2. Will this policy assist the District and have a positive long-term effect?  Yes  No  
If you checked “No”, please comment in this space:

3. Do you feel that there is a need for this policy?  Yes  No

4. Do you have any suggestions regarding changes in the tentative policy? If so, please comment.

**BUSINESS AND NON-INSTRUCTIONAL OPERATIONS**

**3324  
(DJB)**

*Category: Optional*

**Purchasing Procedure Policy and Procedures**

Purpose:

1. To provide the Superintendent of Schools, the administrators, and staff delegated by the Superintendent, the appropriate guidelines to ensure proper accounting of the budget approved by the voting district.
2. To establish and maintain generally accepted accounting procedures to ensure separation of duties and internal controls.
3. To provide decision makers with projections of true unexpended and unencumbered appropriations.

All purchases shall be made with an authorized purchase order. In situations where it is necessary to make repeated small purchases from one vendor (for example: a local hardware store), a blanket purchase order may be issued to encumber funds for these purchases. Internet-based purchases shall be made using a purchase order. The Inter-Lakes School District expects any vendor wishing to do business with it to accept the District's purchase orders. The Superintendent reserves the right to waive this requirement if it would be in the best interest of the District.

Any employee who purchases an item or service without first submitting a requisition and receiving authorization, enters into that transaction as an individual and not as a representative of the School District. The School District reserves the right not to pay for any such item or service and as such it will become the responsibility of the individual.

Using the Purchase Order Procedure will generate Purchase Orders. Budget transfers may be requested if the expenditure will over expend the line item as requested on a requisition. All Budget Transfers will be rounded up the nearest dollar.

Associated Documents:

Purchase Order Procedure (Attached)

Associated Forms:

Request for Purchase Authority  
Request for Transfer of Funds

Legal Reference:

*RSA 194-C:4 II(a), Superintendent Services*  
*NH Code of Administrative Rules, Section 303.01(b), Duties of a School Board*

Written: 06/19/03  
Approved: 10/14/03  
PRC: 09/08/15  
PRC: 06/15/21  
Board Review: 08/10/21  
PRC Review: 04/12/22  
1<sup>st</sup> Rdg: 05/10/22

## Policy DJB Attachment

### **Purchase Order Procedure**

1. Requestor completes a Request for Purchase Authority form, which is then to be reviewed and signed by the appropriate administrator.
2. Administrator's designee enters Requisition in MUNIS. If funds are not available, the Administrator may deny the request or communicate a Request for Transfer of Funds from another appropriation line. This request should be directed to the Assistant Superintendent for approval.
3. The Administrator will review all Requisitions and, if approved, they will be forwarded to the SAU for review.
4. The SAU will review all Requisitions for correct account coding and approval. If the Requisition is not approved or is modified, the SAU will call the office of the Administrator. A Requisition that has been approved by the SAU will then be reviewed by the Assistant Superintendent.
5. Once approved by the Assistant Superintendent, the SAU will convert the Requisition to a Purchase Order and the system will notify the designee of conversion.
6. After approval, the administrator or school designee will print the Purchase Order. The system prints three (3) copies: Vendor, Accounting, and Purchasing.
7. The goods or services may now be ordered. No goods or services may be ordered prior to purchase order approval. Please note that School Board Policy DJB states that individuals who make purchases without approval will become the financial responsibility of that individual.
8. When goods or services are received, the designee will send the Accounting copy of the Purchase Order to the Central Office indicating that the order has been received. The Accounting copy must be signed, dated, and have either the packing slip or invoice attached. Any changes in price, quantity, or goods no longer available should be recorded on this copy. It is a requirement of our auditors that the Accounting copy be used as this copy has the full account number printed on it.
9. Once received by the SAU, the purchase order will be processed for payment with the next scheduled payables run if all required supporting documentation has been received. Requests for payment must be submitted twelve (12) days prior to a Board meeting in order to be included on the Board manifest.
10. Encumbrances: At the beginning of the fiscal year, Administrators should review their budgets with their Administrative Assistants and enter purchase orders for all anticipated purchases. For example, the Merrowvista trip is a yearly occurrence and purchase orders should be entered at the beginning of the year for all costs associated with this trip. These costs may be estimated and adjusted, as needed.
11. Encumbering funds at the beginning of the year provides better budget position information to the Administration and the School Board.
12. Blanket Purchase Orders may be used for repeated, small purchases from one vendor (e.g., a local hardware store). Administrators should review each purchase receipt and sign approval for each submittal for payment. Blanket purchase orders should be reviewed periodically and adjusted as needs and/or costs change. For example, if fall sports transportation exceeds original budget, then adjustments must be made either by reducing winter and spring transportation or by making a budget transfer. In no circumstances should an assumption be made that there will be money available to cover the anticipated over expenditures.

# Inter-Lakes School District

## Policy Impact Form

### Policy #3610 – Administration of Federal Grants (DAF)

May 11, 2022

Respondent (please check):

- |  |  |
|--|--|
| <input type="checkbox"/> Administrator | <input type="checkbox"/> Citizen               |
| <input type="checkbox"/> Parent        | <input type="checkbox"/> Other School Employee |
| <input type="checkbox"/> Teacher       | <input type="checkbox"/> Other                 |

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If you checked "No", please comment in this space:

3. Do you feel that there is a need for this policy?  Yes  No

4. Do you have any suggestions regarding changes in the tentative policy? If so, please comment.



## **BUSINESS AND NON-INSTRUCTIONAL OPERATIONS**

### **Administration of Federal Grants**

**#3610**

*(DAF)*

*Category: Priority/Required by Law*

This Policy includes “sub-policies” relating to specific provisions of the Uniform Administrative Requirements for Federal Awards issued by the U.S. Office of Budget and Management. Those requirements, which are commonly known as Uniform Grant Guidance (“UGG”), are found in Title 2 of the Code of Federal Regulations (“CFR”) part 200. The sub-policies include:

- DAF-1 ALLOWABILITY**
- DAF-2 CASH MANAGEMENT AND FUND CONTROL**
- DAF-3 PROCUREMENT**
- DAF-4 PROCUREMENT – ADDITIONAL PROVISIONS PERTINENT TO FOOD SERVICE PROGRAM**
- DAF-5 CONFLICT OF INTEREST AND MANDATORY DISCLOSURES**
- DAF-6 INVENTORY MANAGEMENT - EQUIPMENT AND SUPPLIES PURCHASED WITH FEDERAL FUNDS**
- DAF-7 TRAVEL REIMBURSEMENT – FEDERAL FUNDS**
- DAF-8 ACCOUNTABILITY AND CERTIFICATIONS**
- DAF-9 TIME AND EFFORT REPORTING / OVERSIGHT**
- DAF-10 GRANT BUDGET RECONCILIATION**
- DAF-11 SUB-RECIPIENT MONITORING AND MANAGEMENT**

**NOTICE: Notwithstanding any other policy of the District, all funds awarded directly or indirectly through any Federal grant or subsidy programs shall be administered in accordance with this Policy, and any administrative procedures adopted implementing this Policy.**

The Board accepts federal funds, which are available, provided that there is a specific need for them and that the required matching funds are available. The Board intends to administer federal grant awards efficiently, effectively and in compliance with all requirements imposed by law, the awarding agency and the New Hampshire Department of Education (NHDOE) or other applicable pass-through entity.

This policy establishes the minimum standards regarding internal controls and grant management to be used by the District in the administration of any funds received by the District through Federal grant programs as required by applicable NH and Federal laws or regulations, including, without limitation, the UGG.

The Board directs the Superintendent to develop, monitor, and enforce effective administrative procedures and other internal controls over federal awards as necessary in order to provide reasonable assurances that the District is managing the awards in compliance with all requirements for federal grants and awards. Systems and controls must meet all requirements of federal and/or law and regulation and shall be based on best practices.

The Superintendent is directed to assure that all individuals responsible for the administration of a federal grant or award shall be provided sufficient training to carry out their duties in accordance with all applicable requirements for the federal grant or award and this policy.

To the extent not covered by this Policy, the administrative procedures and internal controls must provide for:

1. identification of all federal funds received and expended and their program source;
2. accurate, current, and complete disclosure of financial data in accordance with federal requirements;
3. records sufficient to track the receipt and use of funds;
4. effective control and accountability over assets to assure they are used only for authorized purposes and
5. comparison of expenditures against budget

Legal References:

42 USC 1751 – 66 National School Lunch Act

2 CFR Part 180

2 CFR Part 200

200.0 - 200.99; 200.305; 200.313(d); 200.317-.326; 200.403-.406; 200.413(a)-(c); 200.430;  
200.431; 200.458; 200.474(b)

200 Appendix II

7 CFR Part 210

210.16; 210.19; 210.21; 215.14a; 220.16

PRC Review: 05/25/21  
Adopted: 06/01/2021  
PRC Review: 04/12/22  
1<sup>st</sup> Rdg: 05/10/22

# Inter-Lakes School District

## Policy Impact Form

### Policy #3610.1 – Allowability (DAF-1)

May 11, 2022

Respondent (please check):

- |  |  |
|--|--|
| <input type="checkbox"/> Administrator | <input type="checkbox"/> Citizen               |
| <input type="checkbox"/> Parent        | <input type="checkbox"/> Other School Employee |
| <input type="checkbox"/> Teacher       | <input type="checkbox"/> Other                 |
- 

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4. Do you have any suggestions regarding changes in the tentative policy? If so, please comment.

## BUSINESS AND NON-INSTRUCTIONAL OPERATIONS

### Allowability

#3610.1

(DAF-1)

*Category: Priority/Required by Law*

The Superintendent is responsible for the efficient and effective administration of grant funds through the application of sound management practices. Such funds shall be administered in a manner consistent with all applicable Federal, State and local laws, the associated agreements/assurances, program objectives and the specific terms and conditions of the grant award.

#### **A. Cost Principles:**

Except whether otherwise authorized by statute, costs shall meet the following general criteria in order to be allowable under Federal awards:

1. Be “necessary” and “reasonable” for proper and efficient performance and administration of the Federal award and be allocable thereto under these principles.
  - a. To determine whether a cost is “reasonable”, consideration shall be given to:
    - i. whether a cost is a type generally recognized as ordinary and necessary for the operation of the District or the proper and efficient performance of the Federal award;
    - ii. the restraints or requirements imposed by such factors as sound business practices, arm’s length bargaining, Federal, State, local, tribal and other laws and regulations;
    - iii. market prices for comparable goods or services for the geographic area;
    - iv. whether the individuals concerned acted with prudence in the circumstances considering their responsibilities; and
    - v. whether the cost represents any significant deviation from the established practices or Board policy which may increase the expense. While Federal regulations do not provide specific descriptions of what satisfied the “necessary” element beyond its inclusion in the reasonableness analysis above, whether a cost is 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 District can demonstrate that the cost addresses an existing need and can prove it.
  - b. When determining whether a cost is “necessary”, consideration may be given to whether:
    - i. the cost is needed for the proper and efficient performance of the grant program;
    - ii. the cost is identified in the approved budget or application;
    - iii. there is an educational benefit associated with the cost;
    - iv. the cost aligns with identified needs based on results and findings from a needs assessment; and/or
    - v. the cost addresses program goals and objectives and is based on program data.

- c. 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.
2. Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the Federal award.
3. Be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the District.
4. Be afforded 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.
5. Be determined in accordance with generally accepted accounting principles.
6. Be representative of actual cost, net of all applicable credits or offsets.

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.

7. Be not included as a match or cost-share, unless the specific Federal program authorizes Federal costs to be treated as such.
8. Be adequately documented:
  - a. in the case of personal services, the Superintendent shall implement a system for District personnel to account for time and efforts expended on grant funded programs to assure that only permissible personnel expenses are allocated;
  - b. in the case of other costs, all receipts and other invoice materials shall be retained, along with any documentation identifying the need and purpose for such expenditure if not otherwise clear.

**B. Selected Items of Cost:**

The District shall follow the rules for selected items of cost at 2 C.F.R. Part 200, Subpart E when charging these specific expenditures to a Federal grant. When applicable, District staff shall check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, District and program-specific rules, including the terms and conditions of the award, may deem a cost as unallowable and District personnel shall follow those rules as well.

**C. Cost Compliance:**

The Superintendent shall require that grant program funds are expended and are accounted for consistent with the requirements of the specific program and as identified in the grant application. Compliance monitoring includes accounting for direct or indirect costs and reporting them as permitted or required by each grant.

**D. Determining Whether A Cost is Direct or Indirect**

1. “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.

These costs may include: salaries and fringe benefits of employees working directly on a grant-funded project; purchased services contracted for performance under the grant; travel of

employees working directly on a grant-funded project; materials, supplies, and equipment purchased for use on a specific grant; and infrastructure costs directly attributable to the program (such as long-distance telephone calls specific to the program, etc.).

2. “Indirect costs” are those that have been incurred for a common or joint purpose benefitting more than one (1) 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.

These costs may include: general data processing, human resources, utility costs, maintenance, accounting, etc.

Federal education programs with supplement not supplant provisions must use a restricted indirect cost rate. In a restricted rate, indirect costs are limited to general management costs. General management costs do not include divisional administration that is limited to one (1) component of the District, the governing body of the District, compensation of the Superintendent, compensation of the chief executive officer of any component of the District, and operation of the immediate offices of these officers.

The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if **all** 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.
- d. The costs are not also recovered as indirect costs.

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

Effort should be given to identify costs as direct costs whenever practical, but allocation of indirect costs may be used where not prohibited and where indirect cost allocation is approved ahead of time by NHDOE or the pass-through entity (Federal funds subject to 2 C.F.R Part 200 pertaining to determining indirect cost allocation).

#### **E. Timely Obligation of Funds:**

Obligations are orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

The following are examples of when funds are determined to be “obligated” under applicable regulation of the U.S. Department of Education:

When the obligation is for:

1. Acquisition of property – on the date which the District makes a binding written commitment to acquire the property.
2. Personal services by an employee of the District – when the services are performed.
3. Personal services by a contractor who is not an employee of the District – on the date which the District makes a binding written commitment to obtain the services.
4. Public utility services – when the District received the services.

5. Travel – when the travel is taken.
6. Rental of property – when the District uses the property.
7. A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 C.F.R. Part 200, Subpart E – Cost Principles – on the first day of the project period.

**F. Period of Performance:**

All obligations must occur on or between the beginning and ending dates of the grant project. This period of time is known as the period of performance. The period of performance is dictated by statute and will be indicated in the Grant Award Notification (“GAN”). As a general rule, State-administered Federal funds are available for obligation within the year that Congress appropriates the funds for. However, given the unique nature of educational institutions, for many Federal education grants, the period of performance is twenty-seven (27) months. This maximum period includes a fifteen (15) month period of initial availability, plus a twelve (12) month period of carry over. For direct grants, the period of performance is generally identified in the GAN.

~~In the case of a State-administered grant, obligations under a grant may not be made until the grant funding period begins or all necessary materials are submitted to the granting agency, whichever is later. In the case of a direct grant, obligations may begin when the grant is substantially approved, unless an agreement exists with NHDOE or the pass-through entity to reimburse for pre-approval expenses.~~

Pre-award costs are those incurred prior to the effective date of the Federal award or subaward directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the *initial* Federal awarding agency or of the NHDOE or other pass-through entity.

For both State-administered and direct grants, regardless of the period of availability, the District shall liquidate all obligations incurred under the award not later than forty-five (45) days after the end of the funding period unless an extension is authorized. Any funds not obligated within the period of performance or liquidated within the appropriate timeframe are said to lapse and shall be returned to the awarding agency. Consistently, the District shall closely monitor grant spending throughout the grant cycle.

PRC Review: 05/25/21  
Adopted: 06/01/21  
PRC: 04/12/22  
1<sup>st</sup> Rdg: 05/10/22

# Inter-Lakes School District

## Policy Impact Form

### Policy #3610.3 – Procurement (DAF-3)

May 11, 2022

Respondent (please check):

- |  |  |
|--|--|
| <input type="checkbox"/> Administrator | <input type="checkbox"/> Citizen               |
| <input type="checkbox"/> Parent        | <input type="checkbox"/> Other School Employee |
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If you checked "No", please comment in this space:

2. Will this policy assist the District and have a positive long-term effect?  Yes  No  
If you checked "No", please comment in this space:

3. Do you feel that there is a need for this policy?  Yes  No

4. Do you have any suggestions regarding changes in the tentative policy? If so, please comment.



## **BUSINESS AND NON-INSTRUCTIONAL OPERATIONS**

### **Procurement**

**#3610.3**

*(DAF-3)*

*Category: Priority/Required by Law*

All purchases for property and services made using federal funds must be conducted in accordance with all applicable Federal, State and local laws and regulations, the Uniform Guidance, and the District's written policies and procedures.

Procurement of all supplies, materials equipment, and services paid for from Federal funds or District matching funds shall be made in accordance with all applicable Federal, State, and local statutes and/or regulations, the terms and conditions of the Federal grant, District policies, and procedures.

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (2 CFR 200.317-.326) for the administration and management of Federal grants and Federally-funded programs. The District shall maintain a contract administration system that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall also conform to the provisions of the District's documented general purchase Policy #3324.

The District avoids situations that unnecessarily restrict competition and avoids acquisition of unnecessary or duplicative items. Individuals or organizations that develop or draft specifications, requirements, statements of work, and/or invitations for bids, requests for proposals, or invitations to negotiate, are excluded from competing for such purchases. Additionally, consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis shall be made to lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. These considerations are given as part of the process to determine the allowability of each purchase made with Federal funds.

Contracts are awarded only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration is given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. No contract is awarded to a contractor who is suspended or debarred from eligibility for participation in federal assistance programs or activities.

Purchasing records are sufficiently maintained to detail the history of all procurements and must include at least the rationale for the method of procurement, selection of contract type, and contractor selection or rejection; the basis for the contract price; and verification that the contractor is not suspended or debarred.

To foster greater economy and efficiency, the District may enter into State and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

#### **A. Competition:**

All procurement transactions shall be conducted in a manner that encourages full and open competition and that is in accordance with good administrative practice and sound business judgement. In order to promote objective contractor performance and eliminate unfair competitive advantage, the District shall exclude any contractor that has developed or drafted specifications, requirements, statements of work, or invitations for bids or requests for proposals from competition for such procurements.

Some of the situations considered to be restrictive of competition include, but are not limited to, the following:

1. unreasonable requirements on firms in order for them to qualify to do business;
2. unnecessary experience and excessive bonding requirements;

3. noncompetitive contracts to consultants that are on retainer contracts;
4. organizational conflicts of interest;
5. specification of only a “brand name” product instead of allowing for an “or equal” product to be offered and describing the performance or other relevant requirements of the procurement; and/or
6. any arbitrary action in the procurement process.

Further, the District does not use statutorily or administratively imposed State, local, or tribal geographical preferences in the evaluation of bids or proposals, unless (1) an applicable Federal statute expressly mandates or encourages a geographic preference; (2) the District is contracting for architectural and engineering services, in which case 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.

To the extent that the District uses a pre-qualified list of persons, firms or products to acquire goods and services, the pre-qualified list must include enough qualified sources as to ensure maximum open and free competition. The District allows vendors to apply for consideration to be placed on the list as requested.

**B. Solicitation Language:**

The District shall require 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 shall 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 shall be met by offers shall be clearly stated; and identify all requirements which the offerors shall fulfill and all other factors to be used in evaluating bids or proposals.

The Board will not approve any expenditure for an unauthorized purchase or contract.

**C. Procurement Methods:** The District shall utilize the following methods of procurement:

1. Micro-purchases

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$10,000. To the extent practicable, the District shall distribute micro-purchase equitably among qualified suppliers. Micro-purchases may be made without soliciting competitive quotations if the Superintendent considers the price to be reasonable. The District maintains evidence of this reasonableness in the records of all purchases made by this method.

2. Small Purchases (Simplified Acquisition)

Small purchase procedures provide for relatively simple and informal procurement methods for securing services, supplies, and other property which is acquired above the aggregate dollar micro-purchase threshold and not exceeding ~~and other property that does not exceed~~ the competitive bid threshold of \$250,000. Small purchase procedures require that price or rate quotations shall be obtained from an adequate number of qualified sources.

3. Sealed Bids

Sealed, competitive bids shall be obtained when the purchase of, and contract for, single items of supplies, materials, or equipment which amounts to \$250,000 and when the Board determines to

build, repair, enlarge, improve, or demolish a school building/facility the cost of which will exceed \$250,000.

- a. In order for sealed bidding to be feasible, the following conditions shall be present:
  - i. a complete, adequate, and realistic specification or purchase description is available;
  - ii. two (2) or more responsible bidders are willing and able to compete effectively for the business; and
  - iii. 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.
- b. When sealed bids are used, the following requirements apply:
  - i. Bids shall be solicited in accordance with the provisions of State law and Policy #3323. Bids shall be solicited from an adequate number of qualified suppliers, providing sufficient response time prior to the date set for the opening of bids. The invitation to bid shall be publicly advertised.
  - ii. The invitation for bids will include product/contract specifications and pertinent attachments and shall define the items and/or services required in order for the bidder to properly respond.
  - iii. All bids will be opened at the time and place prescribed in the invitation for bids; bids will be opened publicly.
  - iv. A firm fixed price contract award will 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 shall be considered in determining which bid is lowest. Payment discounts may only be used to determine the low bid when prior experience indicates that such discounts are usually taken.
  - v. The Board reserves the right to reject any and all bids for sound documented reason.
  - vi. Bid protests shall be handled pursuant to the process set forth in Policy #3610.3 I.

#### 4. Competitive Proposals

Procurement by competitive proposal, normally conducted with more than one sources submitting an offer, is generally used when conditions are not appropriate for the use of sealed bids or in the case of a recognized exception to the sealed bid method.

If this method is used, the following requirements apply:

- a. Requests for proposals shall be publicized and identify all evaluation factors and their relative importance. Any response to the publicized requests for proposals shall be considered to the maximum extent practical.
- b. Proposals shall be solicited from an adequate number of sources.
- c. The District shall use its written method for conducting technical evaluations of the proposals received and for selecting recipients.
- d. Contracts shall be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The District 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.

#### 5. Noncompetitive Proposals

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

- a. the item is available only for a single source;
- b. the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- c. the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District; and/or
- d. after solicitation of a number of sources, competition is determined to be inadequate.

**D. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms:**

The District must take necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must 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 of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

**E. Contract/Price Analysis:**

The District shall perform a cost or price analysis in connection with every procurement action in excess of \$250,000 (i.e., the Simplified Acquisition/Small Purchase limit), including contract modifications. (See 2 CFR 200.323(a)). 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 District shall come to an independent estimate prior to receiving bids or proposals.

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

**F. Time and Materials Contracts:**

The District shall use a time and materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to the District is the sum of the actual costs of materials, and direct labor hours charged at fixed 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. Therefore, the District sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the District shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls, and otherwise performs in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

#### **G. Suspension and Disbarment:**

The District will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. All purchasing decisions shall be made in the best interests of the District and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the District shall consider such factors as (1) contractor integrity; (2) compliance with public policy; (3) record of past performance/ and (4) financial and technical resources.

The Superintendent shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. The District is subject to and shall abide by the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR Part 180.

Suspension is an action taken by the District that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (See 2 CFR Part 180 Subpart G).

Debarment is an action taken by the Superintendent to exclude a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1). A person so excluded is debarred. (See 2 CFR Part 180 Subpart H).

The District shall not subcontract with or award sub-grants to any person or company who is debarred or suspended. For contracts over \$25,000 the District shall confirm that the vendor is not debarred or suspended by either checking the Federal government's System for Award Management ("SAM"), which maintains a list of such debarred or suspended vendors at [www.sam.gov](http://www.sam.gov) (which replaced the former Excluded Parties List System or EPLS); or collecting a certification from the vendor. (See 2 CFR Part 180 Sub part C).

Documentation that debarment/suspension was queried must be retained for each covered transaction as part of the documentation required under DAF-3, paragraph J. This documentation should include the date(s) queried and copy(ies) of the SAM result report/screen shot, or a copy of the or certification from the vendor. It should be attached to the payment backup and retained for future audit review.

#### **H. Additional Requirements for Procurement Contracts Using Federal Funds:**

1. **Clause for Remedies Arising from Breach:** For any contract using Federal funds under which the contract amount exceeds the upper limit for Simplified Acquisition/Small Purchases (see DAF-3.C.2), the contract must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and must provide for sanctions and penalties. (See 2 CFR 200, Appendix II(A)).
2. **Termination Clause:** For any contract using Federal funds under which the contract amount exceeds \$10,000, it must address the District's authority to terminate the contract for cause and for convenience, including the manner by which termination will be effected and the basis for settlement. (See 2 CFR 200, Appendix II(B)).
3. **Anti-Pollution Clause:** For any contract using Federal funds under which the contract amount exceeds \$150,000, the contract must include clauses addressing the Clean Air Act and the Federal Water Pollution Control Act. (See 2 CFR 200, Appendix II(G)).

4. **Anti-Lobbying Clause:** For any contract using Federal funds under which the contract exceeds \$100,000, the contract must include an anti-lobbying clause, and require bidders to submit Anti-Lobbying Certification as required under 2 CFR 200, Appendix II (J).
5. **Negotiation of Profit:** For each contract using Federal funds and for which there is no price competition, and for each Federal fund contract in which a cost analysis is performed, the District shall negotiate profit as a separate element of the price. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of the contractor's past performance, and industry profit rates in the surrounding geographical area for similar work. (See 2 CFR 200.323(b)).
6. **"Domestic Preference" Requirement:** The District must provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, to the greatest extent practicable. This requirement applies whether the District is purchasing the products directly or when the products are purchased by third parties on the District's behalf (e.g. subcontractor, food service management companies, etc.). It also generally applies to all purchases, even those below the micro-purchase threshold, unless otherwise stipulated by the Federal awarding agency. See also additional "Buy American" provisions in {Policy #3610.4}DAF-4.C regarding food service procurement.
- 5-7. **Huawei Ban:** The District may not use Federal funds to procure, obtain, or enter into or renew a contract to procure or obtain equipment, services, or systems which substantially use telecommunications equipment or services produced by Huawei Technologies Company or ZTE Corporation, or any of their subsidiaries.

#### **I. Bid Protest:**

The District maintains the following protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency.

A bidder who wishes to file a bid protest shall file such notice and follow procedures prescribed by the Request For Proposals (RFPs) or the individual bid specifications package, for resolution. Bid protests shall be filed in writing with the Superintendent within seventy-two (72) hours of the opening of the bids in protest.

Within five (5) days of receipt of a protest, the Superintendent shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board and shall be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest, or failure to file a formal written protest within the time prescribed, shall constitute a waiver of proceedings.

#### **J. Maintenance of Procurement Records:**

The District shall maintain records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and records regarding disbarment/suspension queries or actions. Such records shall be retained consistent with District Policy #3546 and District Administrative Procedures.

PRC Review: 05/25/21  
 Adopted: 06/01/21  
 PRC Review: 04/12/22  
 1<sup>st</sup> Rdg: 05/10/22

# Inter-Lakes School District

## Policy Impact Form

### Policy #3610.10 – Grant Budget Reconciliation (DAF-10)

May 11, 2022

Respondent (please check):

- |  |  |
|--|--|
| <input type="checkbox"/> Administrator | <input type="checkbox"/> Citizen               |
| <input type="checkbox"/> Parent        | <input type="checkbox"/> Other School Employee |
| <input type="checkbox"/> Teacher       | <input type="checkbox"/> Other                 |
- 

This policy impact survey is in compliance with Board Policy #8130.1 Your assistance through completion and returning of this form to the Office of the Superintendent of Schools will assist in evaluating the effect of this tentative policy, both short and long term.

➤ Please read the tentative policy attached to this form.

➤ Please answer the following questions:

1. Will this policy assist the District and have a positive short-term effect?  Yes  No  
If you checked "No", please comment in this space:

2. Will this policy assist the District and have a positive long-term effect?  Yes  No  
If you checked "No", please comment in this space:

3. Do you feel that there is a need for this policy?  Yes  No

4. Do you have any suggestions regarding changes in the tentative policy? If so, please comment.

## BUSINESS AND NON-INSTRUCTIONAL OPERATIONS

### Grant Budget Reconciliation

**#3610.10**

**(DAF-10)**

*Category: Priority/Required by Law*

#### **A. Budget Reconciliation:**

Budget estimates are not used as support for charges to Federal awards. However, the District may use budget estimates for interim accounting purposes. The system used by the District to establish budget estimates produces reasonable approximations of the activity actually performed. Any significant changes in the corresponding work activity are identified by the District and entered into the District's records in a timely manner.

The District's internal controls include a process to review after-the-fact interim charges made to a Federal award based on budget estimates and ensure that all necessary adjustments are made so that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

#### **B. Grant Closeout Requirements:**

At the end of the period of performance or when the Federal awarding agency determines the District has completed all applicable administrative actions and all required work under the grant, the agency will close out the Federal award. If the award passed-through the State, the District will have 90 days from the end of the period of performance to submit to the State all financial, performance, and other reports as required by the terms and conditions of the award.

Failure to submit all required reports within the required timeframe will necessarily result in the Federal awarding agency reporting the District's material failure to comply with the terms of the grant to the Office of Management and Budget (OMB), and may pursue other enforcement actions.

The District must maintain all financial records and other documents pertinent to the grant for a period of three years from the date of submission of the final expenditure report, barring other circumstances detailed in 2 CFR 200.344.

PRC Review: 05/25/21

Adopted: 06/01/21

PRC Review: 04/12/22

1<sup>st</sup> Rdg: 05/10/22