

NOVA CLASSICAL ACADEMY
MANUAL OF POLICIES APPROVED BY THE BOARD OF DIRECTORS

Policy NP 705
PROCUREMENT POLICY

I. PURPOSE

The purpose of this policy is to comply with Minnesota Statute 124E.26 regarding the expenditure of any state funds. All purchases using state funds must be consistent with this policy.

II. GENERAL STATEMENT OF POLICY

Nova Classical will follow competitive bidding processes for any procurement estimated to exceed \$25,000 that will be made with state funds. No procurements may be broken into smaller components to avoid this threshold. Additionally, any purchase above \$25,000 must receive approval from the Board. Regardless of amount, the Board will continue to approve all contracts as described in policy NP 701.

III. COMPETITIVE BIDDING PROCESS

- A. When a procurement is estimated to exceed \$25,000 and will be made with state funds, the Executive Director or their designee will request proposals from at least **three two** sources. The Executive Director or their designee may determine (1) from which sources to request proposals, (2) whether to request proposals from more than **three two** sources, and (3) whether to include parameters in addition to the ones included in this policy.
- B. No procurement may be broken into smaller components to avoid exceeding the \$25,000 threshold.
- C. The Executive Director or their designee will obtain and supply the necessary information and documentation for a proposal, including obtaining necessary information from Nova Classical's employees.
- D. The request for proposals will include a deadline by which proposals must be submitted. The deadline will be selected by the Executive Director or their designee and will provide sufficient time following receipt of the proposals to review the proposals, negotiate with sources, select the winning proposal, and present the proposal to the Board for approval.
- E. The proposals do not need to be sealed. Late proposals may be considered as determined by the Executive Director or their designee in accordance with their timeline.
- F. The Executive Director or their designee reserve the right to request additional information regarding any proposal and/or to negotiate changes to a proposal.

- G. The Executive Director or their designee will evaluate all proposals, including any revisions thereto. Nova Classical reserves the right to accept the proposal which, in the judgment of the Executive Director or their designee, is determined to be in the best interest of Nova Classical and taking into account multiple factors, including, but not limited to, Nova Classical's mission, rates, cost-effectiveness over a period of time, market values, disruption to current practices, aggregate benefits, and any other factors Nova Classical determines to be relevant to its decision including implications of losing consistency in a provider. Nova Classical reserves the right to reject any or all proposals.
- H. The Executive Director or their designee will make a recommendation regarding the selection to the Board. The Board, in its sole discretion, will choose to accept or deny the proposed procurement. Such action may be taken at a regular meeting of the Board whether as a part of the Consent Agenda or any other portion of the meeting.
- I. Contracts and proposals over \$25,000 for expenses not already included in the approved budget will be presented to the Board with relevant comparative information.

IV. CONFLICTS OF INTEREST

- A. No member of the Board, employee, officer, or agent of Nova Classical shall participate in selecting, awarding, or administering a contract, service, or product if a conflict of interest exists.
- B. A conflict of interest exists when a party has a financial or other interest in the entity with which Nova Classical is contracting or from which Nova Classical is seeking to purchase a service or product. Such a party includes:
 - 1. the board member, employee, officer, or agent;
 - 2. the immediate family of the board member, employee, officer, or agent;
 - 3. the partner of the board member, employee, officer, or agent; or
 - 4. an organization that employs, or is about to employ any individual in clauses (1) to (3).
- C. A violation of this conflict of interest prohibition renders the contract or purchase void.
- D. A charter school board member, employee, or officer is a local official for purposes of section [471.895](#) with regard to receipt of gifts as defined under section [10A.071, subdivision 1](#), paragraph (b). A Nova Classical board member, employee, or officer must not receive compensation from any entity engaged in the competitive bidding process as described in this policy.

- E. **Immediate family member** is defined as any relationship by blood, marriage, adoption, or partnership of spouses, parents, grandparents, siblings, children, first cousins, aunts, uncles, grandchildren, nieces, and nephews.

V. RECORDS TO BE MAINTAINED

- A. **Public Data.** All records of charter school expenditures are considered public data under Minnesota Statute Chapter 13 (the Minnesota Government Data Practices Act or the MGDPA). Nova Classical will create, maintain, and preserve such records in accordance with the MGDPA.
- B. Unless otherwise specified in the MGDPA, Nova Classical will maintain records for three years.
- C. Records must also be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken if any litigation, claim, or audit is started before the expiration of the required retention period.
- D. Records to be retained include, but are not limited to, financial records, supporting documentation, and statistical records.

E. PENALTIES

Should Nova Classical make a purchase without following this policy, the Minnesota Department of Education may reduce the school's state aid in an amount equal to the purchase.

Cross References: NP 201 (Board Member Conflict of Interest)

NP 405 (Anti-Nepotism)

NP 701 (Establishment and Adoption of School Budget and Expenditure Authority)

NP 707 (Health Insurance)

Nova Classical Bylaws

Legal References: Minn. Stat. § 124E.26

Minn. Stat. § 124E.14

Minn. Stat. § 124E.07

ADOPTED BY THE BOARD: 07/29/2024

REVISED BY THE BOARD:

EFFECTIVE DATE: 07/29/2024 (valid only until 07/29/2025)