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POLICY DIRECTIVE NO. 16-02 **EFFECTIVE MAY 25, 2016**

Pursuant to Idaho Division of Purchasing Rule 42.10 (IDAPA 38.05.01.42.10(iv)), a determination has been made that competitive solicitation procedures required by IDAPA and Idaho Code are impractical, disadvantageous and unreasonable when applied to the services of inspectors to perform Organic Inspections & Specialized Material Reviews in compliance with USDA and Idaho State Department of Agriculture (ISDA) regulations related to the National Organic Program (NOP).

This exemption applies specifically to the following:

Annual Price Agreements for the services of qualified inspectors to perform Organic Inspections & Specialized Material Reviews for ISDA.

In order to use this exemption, the agency must develop and implement written purchasing policies and guidelines in accordance with the following:

- ISDA will develop a process to review the qualifications and relevant experience of inspector(s) interested in performing the services to ensure that contracted inspectors have demonstrated the ability to meet ISDA's standards for USDA NOP inspections.
- ISDA will actively seek out the services of qualified inspectors; and will review the qualifications and experience of both current and prospective inspectors on an annual basis.
- ISDA will document the process followed to enter into its annual price agreements.
- Price agreements will be executed based on a template provided by the Division of Purchasing; or as otherwise developed by ISDA's legal counsel.

Authorized purchasers are instructed to use prudent business judgment in exercising the exemption granted under this policy directive; and to coordinate with legal counsel to ensure that contract documents are in accordance with state law and sound business practices, in the best interest of the state.

Other agencies or departments may apply to the Administrator for extension of this determination to their particular agency/department provided the nature of the required services is similar (i.e. services of a qualified inspector required by state or Federal law); and the circumstances warrant an exemption (e.g. a limited pool of specialized providers, small annual dollar expenditure, etc.).

This exemption shall be effective until this policy directive is rescinded or replaced.

Sarah Hilderbrand, Administrator