



BRAD LITTLE
Governor
D. KEITH REYNOLDS
Director
VALERIE BOLLINGER
Administrator

State of Idaho

Department of Administration
Division of Purchasing

650 W. State St., Rm 100
P. O. Box 83720
Boise, ID 83720-0075
Telephone (208) 327-7465
Fax: 208-327-7320
<http://purchasing.idaho.gov>

POLICY DIRECTIVE NO. 20-03 **EFFECTIVE NOVEMBER 4, 2020**

Pursuant to Idaho Division of Purchasing Rule 42.10 (IDAPA 38.05.01.42.10.a.vii), a determination has been made that competitive solicitation procedures are impractical, disadvantageous, and/or unreasonable when applied to the property listed below, as acquired by the Idaho State Liquor Division (ISLD) and the Idaho State Historical Society (ISHS) (collectively, "Agencies"). Other agencies may apply to the Administrator for extension of this determination, provided the justification is the same:

Property acquired for direct resale, which is unique or otherwise impractical to compete, as detailed below.

Specifically exempted property:

- 1. Liquor, wine, and other beverage alcohol and non-alcohol products acquired by ISLD for direct resale.** The items ISLD purchases for resale are all branded items and most (99.9%) are only available for purchase directly from the manufacturer or its exclusive representative (e.g. Jack Daniel's Tennessee Whiskey is only available from one source, the Brown-Foreman Company.) ISLD acquires a wide variety of brands to meet various preferences, price-points, etc. of the members of the public who will ultimately purchase the products. The same is true of the non-alcohol supplies—ISLD acquires specific types and brands of additional supplies (e.g. Coke, Red Bull, Luxardo cherries) based on the brands, price points, etc. desired by the customers. It would be impractical, disadvantageous, and unreasonable to follow normal competitive requirements in the acquisition of this property.
- 2. Souvenirs or other similarly unique items acquired by ISHS for direct resale at gift shops or other similar locations.** ISHS maintains giftshops at several of its museums and historic sites. ISHS stocks these giftshops with items that are tailored to the enterprise and their educational programs working with Idaho-centric artisans. Many of these items are one-of-a-kind, small batch, or educational focused items, and ISHS maintains just-in-time inventory in order to meet changing trends in the museum industry, interests of their customers, and to meet a general expectation of constantly changing selection of new and different gift items. It would be impractical,

disadvantageous, and unreasonable to follow normal competitive requirements to acquire these unique items.

The conditions applicable to this exemption are as follows:

1. This exemption does not apply to the procurement of regularly acquired promotional items (e.g. promotional items with the Agencies' name/logo printed on them);
2. Agencies are instructed to use prudent business judgement in exercising the exemption granted under this policy directive, including strict adherence to the state's conflict of interest policies;
3. The Agencies must maintain a fully documented file for each contract executed under this Policy Directive, including a reference to or copy of this Policy Directive, and must make such files available for review by the Administrator upon request;
4. To the greatest extent possible, Agencies utilizing this Policy Directive must execute agreements consistent Idaho laws, rules, and policies, and with contracting best practices.

This exemption shall be effective until this Policy Directive is revised or rescinded.

Valerie Bollinger
Administrator