

**AGREEMENT FOR SERVICES BETWEEN
THE IDAHO STATE DRIVING BUSINESSES LICENSURE BOARD
AND THE BUREAU OF OCCUPATIONAL LICENSES**

1.

STATUTORY AUTHORITY

Statutory authorization for this Agreement is provided by Idaho Code § 67-2602, § 67-2604, and § **54-5403**.

Initial & Date _____

2.

DEFINITIONS

- A. BOARD. The Idaho State Driving Businesses Licensure Board.
- B. IBOL. The Bureau of Occupational Licenses.
- C. Certificate and certification. An official document issued by the IBOL documenting the official record of an individual currently or previously under the Board's jurisdiction. The terms are also used to designate the formal document issued by the IBOL to individuals who have been approved for licensure by the Board.
- D. Fiscal Year. A twelve-month span of time beginning at Midnight Mountain Daylight Time on July 1, and ending twelve months later at Midnight Mountain Daylight Time on July 1. The current Fiscal Year is the span of time beginning at Midnight Mountain Daylight Time July 1, 2009 and ending at Midnight Mountain Daylight Time July 1, 2010.
- E. License. An annual document issued by the Bureau on behalf of the Board officially documenting the individual's right to practice a particular profession or operate at a specific physical location within the state of Idaho.
- F. Registration and registry. The official public record list maintained by the IBOL of all individuals currently or previously under the jurisdiction of the Board.
- G. Verification. An unofficial document or affirmation issued by the IBOL containing the public record information of an individual currently or previously under the Board's jurisdiction.

Initial & Date _____

3.

ENGAGEMENT

The Idaho State Driving Businesses Licensure Board (hereinafter the "Board") hereby engages the Bureau of Occupational Licenses (hereinafter the "IBOL") to act as authorized agent of the Board pursuant to Idaho Code § 67-2604 as set forth in this Agreement and EXHIBITS "A" through "D" hereto which, by this reference, are incorporated herein and made a part hereof as set forth in full. The IBOL is empowered by Chapter 26, Title 67, Idaho Code, to perform those functions delegated to the IBOL by the Board under the terms of this Agreement. The Board understands that it is not required by law to enter into this Agreement, however, in the absence of this Agreement, the IBOL is not required to act for the Board. This Agreement shall be valid, after execution by the IBOL and the Board, and upon the approval of the Attorney General for consistency with law as required by Idaho Code § 67-2604(8).

Initial & Date _____

4.

EXCLUSIVE POWERS

As set forth in Idaho Code § 54-5403, the Board retains the sole right and power to determine:

- A. Whether an applicant for a license is required or qualified to take the required examination(s);
- B. The content and format of the required examination(s);
- C. What constitutes a satisfactory performance on the examination(s);
- D. Whether an applicant for a license has met the requirements for licensure, including applicants for licensure by renewal, reciprocity, endorsement, and reinstatement;
- E. When and whether to exercise the Board's rule making authority;
- F. Whether particular conduct constitutes a violation of the laws and rules governing the profession and what, if any, discipline is appropriate;
- G. Whether to settle a contested case or pending lawsuit; and
- H. Any other rights or powers as may be set forth in Title 54, Chapter 54, Idaho Code, to the extent that they are not specifically delegated to the IBOL.
- I. Other: NONE.

Initial & Date _____

5.

DELEGATED AND RESERVED AUTHORITY

The IBOL has the authority to act on behalf of the Board as its authorized agent only to the extent specifically delegated to the IBOL by the Board. The Board hereby reserves all of the Board's rights, duties, obligations, and authority as set forth in Title 54, Chapter 54, Idaho Code, or elsewhere, which are not expressly delegated to the IBOL in this Agreement. Any authority of the Board granted to the IBOL hereunder may be exercised by the IBOL in the IBOL's name or in the name of the Board unless otherwise provided by law.

Initial & Date _____

6.

APPLICATIONS FOR LICENSURE

On behalf of the Board, the IBOL shall distribute all application materials and receive all completed applications for licenses and shall collect all applicable fees. (Idaho Code § 54-5405-06) The IBOL shall verify that the application is complete and shall:

- A. Ascertain whether the applicant has submitted the required education and experience requirements and has received a passing score on any required examinations reported on the application;
- B. Determine whether the applicant is or has been licensed in another state;
- C. Determine the validity of all documents certifying applicant education, experience, and identity;
- D. Research and report to the Board any discoverable disciplinary or criminal action that may have been taken against the applicant;
- E. Conduct such other research as may be necessary to determine applicant competency for licensure.

The IBOL shall report its findings and make recommendations concerning the application for licensure to the Board.

The IBOL shall not be required to conduct an independent investigation to verify the accuracy and truthfulness of any application except to the extent that, from the face of the application or other documents or evidence in the possession of the IBOL, the IBOL is, or should be, placed on notice that the applicant has been licensed, disciplined or prosecuted for a violation of criminal law in any jurisdiction. In the event that the IBOL, by virtue of information supplied by the applicant or otherwise, is placed on notice of any information relevant to the application

and licensure process, the IBOL shall take such steps and conduct such investigations and inquiries as may be reasonably necessary to ascertain the accuracy and truthfulness of those matters set forth in the application. The IBOL shall conduct such inquiries or investigations if the applicant lists other states in which the applicant has been licensed, disciplined, or prosecuted, or if the application contains facts which could reasonably lead the IBOL to conclude that further investigation is necessary to insure that all reasonably discoverable and relevant facts regarding the applicant are brought to the attention of the Board. This paragraph shall apply with equal force and effect to applications and other matters described in sections 8, 9, 10, and 13 hereof.

Initial & Date _____

7.

EXAMINATIONS FOR LICENSURE

NOT APPLICABLE

Initial & Date _____

8.

FACILITY LICENSES

The IBOL shall distribute application materials and receive any completed applications for facility licensure and collect all required fees. (Idaho Code § **54-5405**) The IBOL shall review applications for completeness and compliance with statutory and regulatory requirements and shall conduct physical inspections of the premises pursuant to Section 9 hereof as authorized in Idaho Code § **54-5403**.

If the IBOL is able to determine that the facility meets all of the requirements set forth in Idaho Code § **54-5405**, the IBOL shall issue a facility license and so advise the Board. If the IBOL is unable to determine that the facility meets the licensure requirements, the IBOL shall report its findings to the Board.

Initial & Date _____

9.

FACILITY INSPECTIONS

NOT APPLICABLE

Initial & Date _____

10.

RECIPROCAL OR ENDORSEMENT LICENSES

NOT APPLICABLE

Initial & Date _____

11.

CONTINUING EDUCATION

NOT APPLICABLE

Initial & Date _____

12.

ISSUANCE OF LICENSES

Upon notification to the IBOL by the Board that an applicant has satisfactorily met all requirements for licensure as allowed by law, the IBOL shall collect such fees as may be required and issue a license on behalf of the Board, evidencing the fact that the holder of such license is authorized to practice the profession regulated by the Board within the State of Idaho. (Idaho Code § **54-5405-06** and § 67-2613)

Initial & Date _____

13.

RENEWAL AND REINSTATEMENT OF LICENSES

The IBOL shall circulate renewal notices to all licensees and collect such fees as may be authorized by Idaho law for the renewal of licenses. The IBOL shall notify licensees that their

licenses are subject to cancellation for non-payment of fees that are required to be paid by licensees pursuant to Idaho law. The IBOL shall upon request report to the Board the names of those licensees whose licenses have been cancelled for non-payment of fees at the completion of the renewal period.

The IBOL shall accept applications and collect fees, including penalties for reinstatement, from licensees whose licenses have been cancelled for failure to renew in a timely manner. The IBOL shall report to the Board the names of any licensees whose applications for renewal or reinstatement require Board action.

The IBOL shall review the application for completeness to determine and investigate any reports of criminal conduct or changes in licensure status based upon records or other information in the IBOL's possession. If, based on its review, the IBOL determines that the applicant is not the holder of a cancelled, restricted, or revoked license; is not the subject of criminal or disciplinary action in any other jurisdiction; and meets all other criteria set forth at Idaho Code § **54-5405-06**, the IBOL shall cause a current license to be issued. In all other cases, the IBOL shall refer the matter directly to the Board.

Initial & Date _____

14.

COMPLAINTS

As described in **EXHIBIT A**, the IBOL shall receive complaints against licensees and acknowledge receipt of complaints in writing on behalf of the Board. The IBOL shall review complaints to determine if the complaint falls within the Board's regulatory authority and shall refer those that are within that authority for investigation by the IBOL. The IBOL may close those complaints that are not within Board regulatory authority, and may refer such complaints to other jurisdictions or authorities as may be appropriate. The IBOL shall notify the complaining party of the IBOL's action and the basis for the action.

The IBOL shall conduct investigations of complaints within the Board's authority and shall, as is necessary, work with a professional advisor who shall be named by the Board, to resolve questions or concerns regarding individual complaints. The IBOL shall report the results of investigations to the Board or its designee to determine if further action is appropriate. The IBOL shall take such actions as the Board may direct and report that action to the complainant.

Initial & Date _____

15.

DISCIPLINARY PROCEEDINGS

The IBOL shall report the substance of any report or complaint that is determined by the Board or its designee to require formal disciplinary action to the Office of the Attorney General ("OAG"). If requested by the OAG, the IBOL shall on behalf of the Board, provide assistance to the OAG in the preparation of a formal administrative complaint and the presentation of the State's case at any disciplinary proceeding held by the Board. (Idaho Code § **54-5408** and § 67-2609) The forgoing duties of the IBOL shall be in accord with **EXHIBIT A** and the Idaho Administrative Procedures Act.

Initial & Date _____

16.

CRIMINAL PROSECUTION

The IBOL shall report the substance of any verified report of the unlicensed practice of the profession regulated by the Board or other reports that may require consideration for criminal prosecution to the Board. If the Board so requests, the IBOL shall refer the matter to the office of the appropriate county prosecutor. If requested by the county prosecutor, the IBOL shall provide assistance to the county prosecutor in the preparation of a criminal complaint and the presentation of the State's case against any person for the unlicensed practice of the profession regulated by the Board. (Idaho Code § **54-5408**).

Initial & Date _____

17.

DISCIPLINARY REPORTING

The IBOL shall prepare and provide reports to the Board, at regularly scheduled Board meetings, reflecting the number of complaints: (1) received for the Board; (2) closed for lack of Board authority; (3) investigated and closed (with explanation of the basis for closure); (4) currently under investigation (and date originally received); (5) referred for legal review; (6) referred for criminal prosecution; (7) pending disciplinary action; (8) actions currently on appeal; and (9) other such complaint information as the Board may request.

18.

BOARD RECORDS

Consistent with the requirements of Idaho Code § 9-337, the IBOL is hereby appointed to be and is deemed the custodian of those Board records in the physical custody of the IBOL pursuant to the terms of this Agreement or otherwise. The Board is deemed to be the custodian for purposes of Idaho Code § 9-337 of all of the records in the Board's custody. With the assistance of the Board and Licensees, the IBOL shall keep records of:

- A. All applications;
- B. All licenses issued, revoked, suspended, and/or cancelled;
- C. An address of record for each licensee;
- D. All written complaints and investigations arising therefrom involving any licensee;
- E. Minutes of all Board meetings and other proceedings;
- F. Any other records or documents required by the Board to be kept pursuant to relevant statutes or rules.

As custodian of the Board's records, the IBOL shall, with the assistance of the administrative attorney when necessary, receive, review, and prepare timely responses to requests for public records in accordance with the requirements of the Idaho Public Records Law, Idaho Code § 9-337, et. Seq. ("Act"). The Board agrees that, so long as the IBOL is, pursuant to this Agreement or otherwise, the custodian of the Board's records, the IBOL is required to release public records upon request as may be required by the Act. The IBOL shall have the authority to respond to requests for public records in all routine matters.

The IBOL shall consult with the Board or its designee before responding to any non-routine request or any request for records other than records specifically subject to the Act, and when the requested records are not specifically defined as a public record under Idaho law.

19.

BOARD ACCOUNTS

As required by Idaho Code § **54-5404**, all fees and other funds received by the IBOL on behalf of the Board shall be deposited with the State Treasurer in the occupational licenses

account created pursuant to Idaho Code § 67-2605, to the credit of the occupational licenses account. Records of the IBOL shall identify and reflect all sums administered by the IBOL that are held by the treasurer to the credit of the Board. Pursuant to Idaho Code § 67-2606, no moneys in the IBOL account with the State Treasurer may be expended except by legislative appropriation.

All expenses of the IBOL, including salaries or wages of employees, incurred in administering the provisions of law relative to the Board, shall be paid by warrants drawn by the State Controller upon the account of the IBOL held by the State Treasurer upon allowance of verified claims by the State Board of Examiners in the manner provided by law and consistent with Idaho Code § 67-2603 and § 67-2606.

Payments made by the IBOL on behalf of the Board shall be made only to the extent that funds are available according to the IBOL internal records related to the Board's financial status. However, at the request of the Board, the IBOL may, in its sole discretion and under unique circumstances, pay Board expenses when the Board's internal account with the IBOL lacks the funds necessary to make such payment. If such an exceptional payment is made by the IBOL on behalf of the Board, the IBOL may take such action, or require the Board to take such action, as may be reasonably necessary to fund the Board's internal account to cover any and all such payments.

The IBOL shall maintain all books of accounts for the Board and provide an accounting at the Board's request for all funds received and expended on behalf of the Board by the IBOL. The IBOL shall, to the extent Board funds are available, process for payment to any Board member, travel reimbursement documents and any other expenditure vouchers and authorizations which meet the requirements of the State Board of Examiners, the Board statutes and rules, or as authorized by motion of the Board.

The IBOL shall prepare and distribute to the Board, on an annual basis, a budget request form to be used by the IBOL in preparation of the IBOL's budget for submission to the Division of Financial management.

Initial & Date _____

20.

EMPLOYMENT AUTHORITY

Consistent with the provisions of Idaho Code § 67-2603, the IBOL shall have the authority to hire its own employees such as may be necessary to carry out its statutory duties and

obligations and the duties and obligations under this Agreement. Such employees are and shall continue to be, the employees of the State of Idaho and the IBOL has the sole authority to hire, fire, discipline, and direct the duties of said employees in a manner consistent with state law. The IBOL also has the authority to enter into contracts for services with individuals, corporations, or with departments or branches of government as may be necessary or desirable to carry out its mission or to fulfill its obligations as set forth in Chapter 26, Title 67, Idaho Code. Any such contract shall be between the IBOL and the contractor and the Board shall have no rights in, under, or pursuant to any such contract except to the extent that the contract is intended to specifically provide services for the benefit of the Board. In such event the Board shall be notified of such contracts and the anticipated costs.

Nothing in this Agreement shall be interpreted to constitute a delegation by the Board of the Board's authority to hire, fire, discipline, and direct duties of the Board's employees nor to constitute a delegation of the Board's authority to contract with other individuals or entities for any lawful purpose as may be set forth in Idaho Code. The Board has the authority to enter into contracts for services with individuals, corporations or with departments or branches of government as may be necessary or desirable to carry out its mission or to fulfill its obligations. Such contracts shall be between the Board and its contractor, regardless of whether the contract is executed by the Board or by the IBOL on behalf of the Board at its discretion. The provisions of this paragraph are specifically subject to the limitations on the Board's spending authority and its account with the IBOL as set forth under Idaho law and pursuant to Sections 19 and 28 hereof.

Initial & Date _____

21.

BONDING

The IBOL employees shall be bonded as required by the provisions of Chapter 8, Title 59, Idaho Code. This requirement shall be satisfied by the inclusion of each such person as an employee of the State of Idaho in the blanket surety bond procured by the Department of Administration, Office of Insurance Management - Risk Management.

Initial & Date _____

22.

RULEMAKING

The IBOL shall assist the Board in promulgating those rules that the Board deems necessary and appropriate. The IBOL shall assist the Board by providing the clerical, technical, administrative and legal support necessary to comply with the Administrative Procedures Act, the requirements of the Office of the Rules Coordinator, any legislative mandates or moratoriums concerning rule making, and any other applicable requirements that impact the rule promulgation process.

Initial & Date _____

23.

LEGISLATION

The IBOL shall provide the Board with clerical, technical, administrative and legal support related to the legislative process. The IBOL shall provide support by: keeping the Board apprised of relevant time frames and deadlines; assisting in drafting legislation as requested by the Board; assuring compliance with applicable requirements of the Division of Financial Management or other governmental entities concerning the pre-approval and submission process; tracking the status of proposed legislation; and testifying concerning said legislation as requested by the Board.

Initial & Date _____

24.

MISCELLANEOUS

In carrying out all of its tasks pursuant to this Agreement, the IBOL shall generally provide secretarial, clerical, and technical support. This shall include, but is not limited to, providing secretarial services, financial services, investigative services, legal services, and other administrative services to the Board.

Initial & Date _____

25.

COST OF SERVICES

As required by Idaho Code § 67-2604(4), the approximate costs of the services provided the Board by the IBOL and the terms of compensation by the Board to the IBOL for the services rendered are set forth in **EXHIBIT "B"** hereto.

Initial & Date _____

26.

TERMINATION OR MODIFICATION OF AGREEMENT

This Agreement may be modified or amended only with the written consent of both parties.

Except as set forth in this Section 26, the Board may terminate this Agreement in resolution adopted by a majority vote of the members of the Board delivered in writing to the IBOL. The IBOL may terminate this Agreement by written notice delivered to the Board. Notice of termination must be delivered to the other party at least thirty (30) days in advance of the effective date of such termination.

The IBOL's fixed costs ("Fixed Costs") are described in the attached **EXHIBIT "C"**. The Board may not terminate this Agreement during a fiscal year in which the Board's internal account with the IBOL has a negative balance or when the balance in the Board's internal account is insufficient to pay the Board's share of the IBOL's Fixed Costs for that year. Further, once the IBOL has submitted a final budget request for the next following fiscal year, the Board may not terminate this Agreement except by payment of the Board's anticipated share of the IBOL's Fixed Costs for that next following fiscal year.

The Board does not have statutory authority to receive, nor does it receive, a direct appropriation from the Idaho Legislature. The IBOL's enabling legislation mandates that the IBOL shall provide services for the Board pursuant to Idaho Code § 67-2602. All monies available to the Board are made available to the Board through the IBOL's legislative appropriation.

In the event of termination of this Agreement by either party hereto, Section 19 of this Agreement ("Section 19 Services") shall remain in full force and effect as between the parties unless and until the Board is granted statutory authorization for, and receives, a direct legislative appropriation of funds and unless and until the legislature enacts legislation modifying or eliminating the existing statutory relationship between the Board and the IBOL. Notwithstanding the termination of this Agreement by either party, the IBOL agrees to provide the Board with the Section 19 Services and the Board agrees to pay to the IBOL a reasonable fee

for the Section 19 Services. The amount of such fee is set forth on **EXHIBIT "C"** in accordance with **EXHIBIT "D"** hereto.

In the event of termination of this Agreement by either party, the Board shall pay its share of the Fixed Costs for the fiscal year in which the notice of termination is given and for the next following fiscal year if the IBOL's final budget request for that next following fiscal year has been submitted prior to the notice of termination.

In the event either party terminates this Agreement, and in the further event that the Board's internal account with the IBOL contains a positive balance, the IBOL shall be entitled to transfer funds from the Board's internal account for the Board's share of the IBOL's Fixed Costs to the benefit of the IBOL. In the event the IBOL terminates this Agreement, and in the further event that the Board's internal account with the IBOL has a negative or a balance which is insufficient to pay the Board's obligations owed to the IBOL hereunder, the IBOL shall be entitled to pursue legal action against the Board for collection of any amount due and owing by the Board to the IBOL under the terms of this Agreement.

Initial & Date _____

27.

NOTICE PROVISIONS

Any notice required or allowed in connection with this Agreement shall be effective when delivered. All such notices shall be in writing and shall be delivered either personally to the other party, by certified mail, postage prepaid, or return receipt requested, to the addressee provided below or by facsimile transmission to the other party at the facsimile number below. Either party may change its address by giving written notice of the change to the other party.

TO: The Current, Chairman
Board of Driving Businesses
Address of Record
City, State, Zip Code of Record
Facsimile of Record
E-mail of Record

TO: Tana Cory, Bureau Chief
Bureau of Occupational Licenses
1109 Main St., Suite 220
Boise, ID 83702
Facsimile (208) 334-3945
E-mail tcory@ibol.idaho.gov

Initial & Date _____

28.

SUFFICIENT APPROPRIATIONS

It is understood and agreed that the Board and the IBOL are governmental entities of the state of Idaho and this Agreement shall in no way be construed to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State Legislature as may exist from time to time.

Initial & Date _____

29.

SEVERABILITY

Each paragraph and provision of this Agreement is severable from the entire Agreement, and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect unless and until this Agreement is terminated or modified.

Initial & Date _____

30.

TERM OF AGREEMENT

The Agreement shall be effective beginning at Midnight Mountain Daylight Time July 1, 2009 and shall automatically terminate at Midnight Mountain Daylight Time on July 1, 2010, unless otherwise approved for renewal by agreement of the parties or otherwise terminated as provided herein.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by the following duly authorized representatives of the parties this ____ day of _____, 2010.

FOR THE BOARD

**FOR THE BUREAU OF
OCCUPATIONAL LICENSES**

By: _____

By: _____

Board Chairman

Bureau Chief

FOR THE OFFICE OF THE IDAHO ATTORNEY GENERAL

By: _____

Date: _____

Deputy Attorney General

EXHIBIT A

IBOL COMPLAINT POLICY AND PROCEDURE

The IBOL has a policy of operating from written and signed complaints. Persons attempting to submit verbal or 3rd party complaints shall be advised that all complaints must be in writing and signed by the complainant before the IBOL shall consider them.

The IBOL performs an initial brief review of all new complaints to insure that adequate information has been submitted and that jurisdiction exists. If additional information is necessary, a letter of request is sent to the complainant. If the complaint is determined to be outside the jurisdiction of a board, the complainant is notified of that fact, as well as other avenues that may be pursued. The complaint may also be referred to another governmental entity for consideration.

If further action on a complaint is warranted, subsequent to review, the original complaint document shall be assigned a complaint number by the IBOL. The IBOL prepares both a master file and an investigative file, and registers the complaint number in the complaint log. The complaint is then assigned to the investigative unit for such investigation as may be necessary to discover evidence as to whether or not a violation of the applicable regulations has occurred. The master files are kept in the IBOL office. The master file for each complaint will ultimately consist of the original complaint, investigative documents, evidence, and correspondence received during the course of investigation. The complainant shall be provided written notification that an investigation will take place and notice of the results of the investigation or subsequent action when the process is complete.

The IBOL will conduct a review of all new and existing complaints on a regular basis. Each complaint will be reviewed to monitor the current status of the complaint, to receive investigative progress reports, and to determine any appropriate action that may be necessary. The complaint may be referred to a technical advisor for input at any time during the process. The technical advisers are chosen from names recommended by the Board or from other licensees as may be necessary to provide expert opinions concerning professional ethics, scopes of practice, and other evaluations of professional procedure as may be necessary. If a Board member serves as a technical advisor for a particular investigation, the IBOL will recommend that the member be recused from any subsequent board action concerning the matter.

Once the investigation is deemed complete and adequate, the IBOL will either make recommendation to the Board regarding possible action or refer the investigation to a deputy

from the Office of the Attorney General for review. The Deputy Attorney General (DAG) will serve as prosecuting attorney and will review the investigation to determine if some form of legal action would be appropriate to address the issues in the complaint. The DAG may present a “blind” review of the investigation to the Board, together with a recommendation of possible action. The Board shall provide such direction and recommendations as may be necessary to allow the IBOL or the DAG to pursue the resolution of complaints. Such final resolution may include closure without action or any other action up to and including license revocation. The Board, the IBOL, or the DAG may refer complaints to other appropriate city, county, or Federal authorities for further review or action.

The board shall be notified prior to any final action on a complaint under the Board’s jurisdiction. While Formal Complaints may be initially approved by the IBOL, all final determinations regarding Formal Complaint shall only be made subsequent to the approval of the Board. Consent agreements may be negotiated between the DAG and the respondent prior to presentation to the Board, but the final decision making authority shall always rest with the Board. The board must formally accept all consent agreements, final orders, and other disciplinary actions before they shall be considered valid.

Original complaints and other materials submitted to or obtained by the IBOL, during the course of investigation or otherwise, and the subsequent action regarding original complaints shall not be a public record and shall not be disclosed. Formal disciplinary action including consent orders, stipulated agreements, formal complaints and any resulting sanction, restriction, advisory, reprimand, and condition adopted by the Board shall be a public record and subject to public disclosure.

EXHIBIT B

INSPECTION NON-COMPLIANCE PROCEDURE

As authorized by Idaho Code, and directed by the Board, investigators of the IBOL shall conduct inspections of facility premises in order to insure that sanitary and other licensure regulations as may be required by law and rule are being followed.

Subsequent to each facility inspection, the IBOL investigator shall issue a certification of inspection, noting that the facility is either in compliance or in non-compliance with the regulations. The grading scale for facility inspections shall be as follows:

90 through 100 points = "A" classification

80 through 89 points = "B" classification.

A score of 79 points or below = "C" classification.

(A "C" classification denotes unacceptable conditions and non-compliance. Required improvements must be demonstrated within thirty (30) days for continued operation.)

In the event unacceptable conditions are found to exist in any facility, the IBOL investigator will issue a "C" classification. The IBOL investigator will provide notice to the facility of the reasons for non-compliance and of the intent to conduct such re-inspections as may be necessary. Upon the issuance of a "C" classification to a facility by the IBOL investigator, the IBOL investigator will prepare a report of said inspection and file that report with the IBOL.

The IBOL investigator shall conduct a re-inspection of the facility within thirty (30) days of the date of the initial "C" classification issuance. If facility conditions, at the time of re-inspection, are deemed by the IBOL investigator to be unacceptable and in non-compliance with the laws and rules, the IBOL investigator will prepare a notice citing the reasons for non-compliance and serve the facility with said notice. The notice shall include notification of the IBOL's intent to file a request for disciplinary action with the Board.

The IBOL investigator shall prepare a Report of Non-compliance concerning the re-inspection and file it with the IBOL. Upon receipt of the report, the IBOL shall request that the prosecuting Deputy Attorney General prepare a formal complaint for disciplinary action against the facility license and others as may be appropriate. Said formal complaint shall be presented to the Board for their consideration and action.

EXHIBIT C

COST OF SERVICES

The IBOL shall charge the Bureau of Occupational Licenses Fund (Fund #427) for all direct expenses, commonly referred to as "direct costs." Direct costs are those expenses incurred by the Board or the IBOL relating to carrying out the duties of the Board and that can be directly attributable to an individual Board.

The IBOL shall also charge Fund #427 a pro-rata share of the IBOL's indirect expenses, commonly referred to as "indirect costs." Indirect costs are those expenses regularly incurred in the operation of the IBOL that cannot be directly attributable to any individual Board and, therefore, cannot be included in the direct expenses charged to the Board. Indirect cost percentages are calculated for administrative services, investigative services, and fiscal services.

The indirect administrative percentage is based on an average of the total direct expenses for the previous four fiscal years. The indirect investigative percentage is based on an average of actual direct investigative hours charged to the board for the previous five fiscal years. The indirect fiscal percentage is based on the total number of individual records maintained plus the total number of financial transactions processed during the previous fiscal year.

The approximate percentage shares of indirect expenses to be charged to the Board are:

Administrative	2.19%
Investigative	1.41%
Fiscal	0.66%

The total fiscal year Board budget is calculated by combining the Board's estimated direct expenses and the Board's estimated indirect expenses. The Board's estimated **Total Board Budget for fiscal year 2010 is \$35,000.00.**

EXHIBIT D
IBOL FIXED COSTS

Total Personnel	25,000
Total Operating	10,000
Total Capital Outlay	
TOTAL FIXED COSTS	35,000

EXHIBIT E
IBOL TERMINATION FEE SCHEDULE

As noted in Section 26 Termination or Modification of Agreement, in the event of termination of this Agreement by either party, the Board shall pay its share of the Fixed Costs for the fiscal year in which the notice of termination is given and for the next following fiscal year if the IBOL's final budget request for that next following fiscal year has been submitted prior to the notice of termination. All funds deposited in the IBOL fund become the funds of the IBOL and shall not be transferred to the Board as a result of the Termination or Modification of the Agreement unless otherwise required by Idaho Code.

Upon receipt of the notice of termination the total amount of the Board's internal fund balance necessary to pay for all budgeted fixed costs shall be subtracted from the Board's internal fund balance. If upon receipt of the notice of termination, the IBOL has submitted its final budget request for the next following fiscal year, all budgeted fixed costs for said fiscal year shall also be subtracted from the Board's internal fund balance.

If the Board's internal fund balance contains insufficient funds to pay its share of the IBOL fixed costs, the notice of termination shall be deemed non-binding until such time as the Board's fund balance is sufficient to pay its share of all fixed costs budgeted for the Board.