

Procurement Process for Child Nutrition

FY2024-2025



1

Training Topics

- What is Procurement?
- Methods of Procurement
- Awarding the Bid
- Contracting for Food Service
- Managing the Contract/Agreements
- Records

2 | Procurement Process Training



2

What is Procurement?

- Procurement is a multi-step process for obtaining equipment, services, materials or supplies for the lowest price.
- **ALL** goods and services purchased with child nutrition funds
- must be procured using federal regulations



3 | Procurement Process Training

3

Purpose of Procurement

The primary purpose of procurement is to ensure that ***open and free competition exists*** to the maximum degree possible

4 | Procurement Process Training



4

What is to be Procured?

Any products or services purchased with Child Nutrition Funds ***MUST*** be procured using USDA guidelines

5

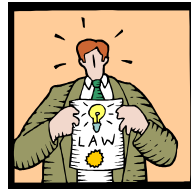
Unallowable

ALL Goods and Services purchased with Child Nutrition Funds *MUST* be *USED* by Child Nutrition or the price must be pro-rated based on Child Nutrition use

6

Preparing for Procurement

In order for the procurement process to be successful, it is strongly advised that you familiarize yourself with the federal and state regulations prior to beginning the process



7

Planning

Who are the potential contractors/vendors supplying the market?

What goods/services do we need?

What procurement schedule makes the most sense?



8

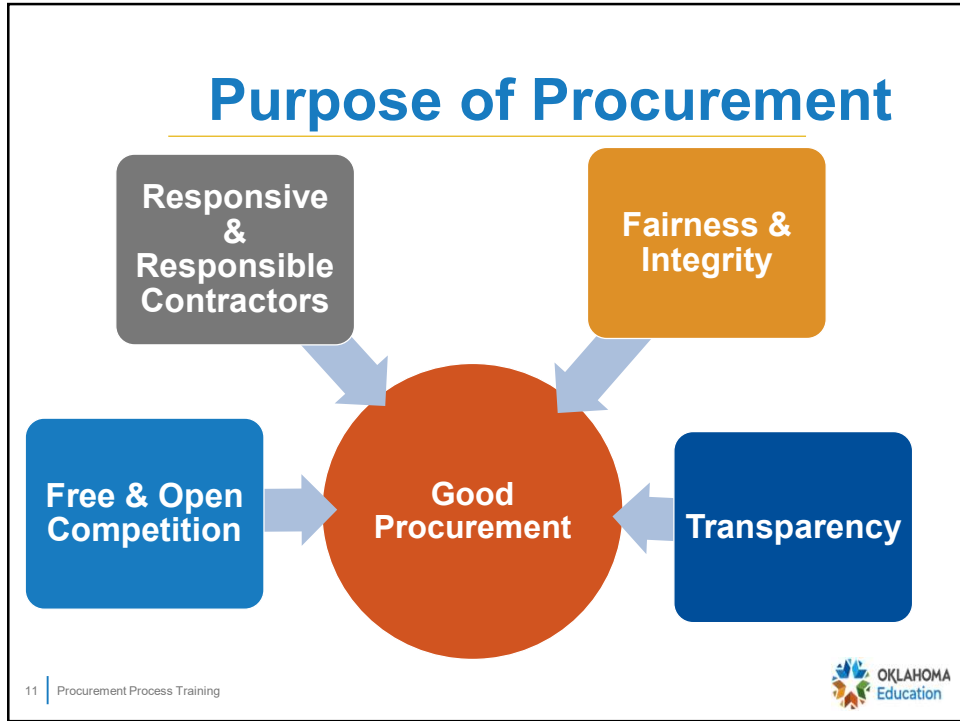
Procurement Starts With the PLANNED MENU

Forecasting describes how you determine the amount of each food item is needed; sourcing describes matching the products you want to possible suppliers

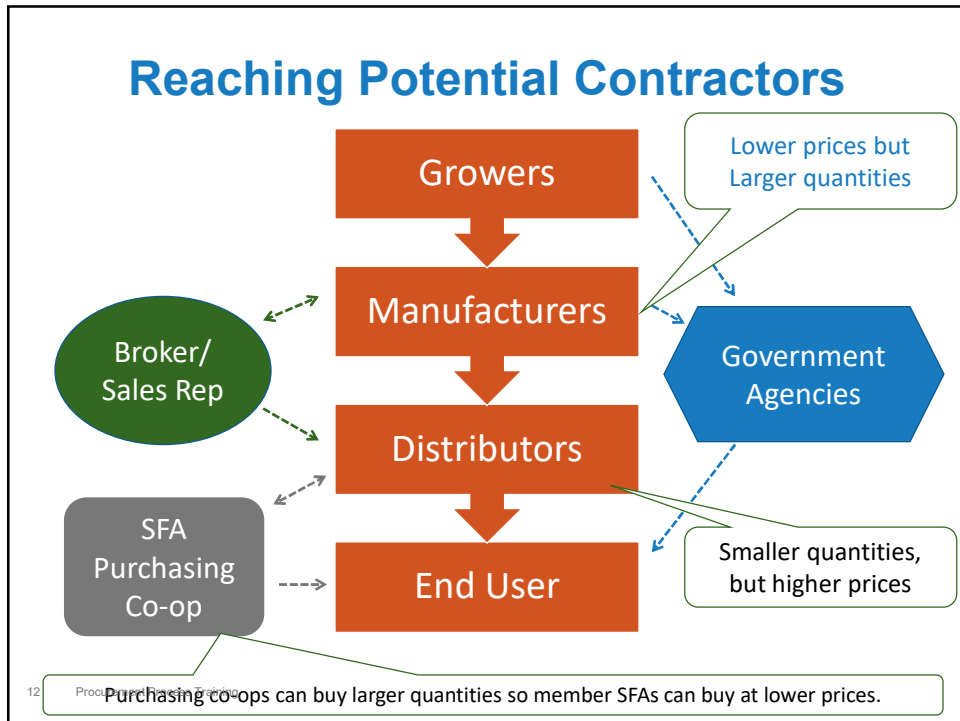
Forecasting

- Menus for the upcoming year
- Number and ages of children to be served
- USDA foods
- Inventory assessment





11



12




13

Procurement Plan/Procedures

- **It is required to have a written Procurement Plan on file**
 - *Schools*: It must be board-approved
(Only when changes have been made to the policy)
- **Must Include:**
 - Methods of Procurement
 - Chart of Procedures
 - Code of Conduct
 - Protest Procedures (***Schools Only***)

14 | Procurement Process Training



14

Procurement Plan/Procedures

- Buy American (***Schools Only***)
 - Minority firms, women's business enterprises, and labor surplus area firms statement
 - Geographical Preference
 - Beverage contracts (***schools***)
- ***OSDE has a Procurement Plan prototype that can be adopted that meets USDA requirements. It is located in Other Documents and the Resource Library***

15 | Procurement Process Training



15

Methods of Procurement

- **Informal Methods**
 - ✓ Micro-purchase
 - ✓ Small purchase procedures
 - ✓ Noncompetitive
- **Formal Methods**
 - ✓ Invitation for Bid (Sealed Bid)
 - ✓ Request for Proposal

16 | Procurement Process Training



16

Chart of Procedures

Example
CHART OF PROCEDURES

The ABC Daycare Center/Sponsor will purchase the following products or group of products and services as per the stated purchase period using the identified procurement method. Price quote time frame period is defined as the time frame for which bids or quotes are obtained and awarded.

PRODUCT	HOW OFTEN ARE PRICE QUOTES OBTAINED	PROCUREMENT METHOD USED
Milk	<i>Annually</i>	<i>Small Purchase</i>
Bread	<i>As Needed</i>	<i>Microprocuring</i>
Fruits (canned/frozen)	<i>4 times a year</i>	<i>Small Purchase</i>
Vegetables (canned/frozen)	<i>4 times a year</i>	<i>Small Purchase</i>
Fruit (Fresh)	<i>As Needed</i>	<i>Microprocuring</i>
Vegetables (Fresh)	<i>As Needed</i>	<i>Microprocuring</i>
Meats	<i>Twice a year</i>	<i>Small Purchase</i>
Processed Food Items (CN labeled)	<i>Twice a year</i>	<i>Small Purchase</i>
Plates/Utensils	<i>Annually</i>	<i>Small Purchase</i>
Chemicals - Cleaning Products	<i>As Needed</i>	<i>Microprocuring</i>
Non-Food related supplies	<i>As Needed</i>	<i>Microprocuring</i>
Small equipment	<i>As Needed</i>	<i>Microprocuring</i>



17

Micropurchasing, Small Purchase, and Noncompetitive

INFORMAL PROCUREMENT



18

Micro-Purchase

- Aggregate transaction does not exceed \$10,000
 - Institutions are allowed to have a higher threshold. However, it must have State Agency approval annually and justification on why it must be increased
- All CNP purchases are distributed among **multiple**, qualified suppliers
- No quotes required

Micro-Purchase

- Considers the price to be reasonable based on research, experience, purchase history, or other information and documents it files accordingly (*2 CFR 200.320(a)(1)(ii)*)
- *Most common method for Daycare Centers*
- **Schools mainly used this in an emergency situations*

Multiple Sources for Micro Purchasing

- Program operators may not purchase from only one source throughout the year but from a minimum of three
- The products or services may be similar or dissimilar purchased at once as a single, collective unit
- *Example:* Buying food from a vendor, paper from Staples, supplies from Amazon, purchasing a food items from a local farmer, emergency purchases from a local store, etc.

Small Purchase Procedures

Purchases ***under \$250,000*** per bid or solicitation document

- *The institution can have a threshold lower than the federal threshold, but the district must follow the amount listed in their plan*

Small Purchase Procedures

- Obtain quotes or **CHECKING PRICES** (by email, telephone, oral, catalogs, websites)
- Check prices at a minimum of 2 qualified stores
- Specifications must be sent out to at least 2 qualified sources when using a vendor
- Document price quotes and why you purchased from a certain supplier?

Small Purchase Procedures

- The requirement is specifications **MUST** be sent out a minimum of 2 or more vendors, ***however***, those vendors ***do not*** have to respond to the bid request
- Documentation of Procurement Process
- This is the preferred method if you are using a vendor

CHECKING PRICES FROM LOCAL STORES			
Name of Center/Site:	ABC Daycare		Year: 20XX
Name of Food Item Checking Price: <i>(Be Detailed)</i>	Discount Grocery	IGA	
	Price of Item:	Price of Item:	
1 ground beef, 80/20, 3# roll	\$14.79	\$15.69	
2 1% milk, gallon	\$3.19	\$3.09	
3 whole milk, gallon	\$3.19	\$3.29	
4 Kix berry, 32 oz box	\$4.99	\$4.59	
5 Whole wheat bread, Sarah Lee, 1.5lb	\$2.79	\$2.99	
6 Green Beans, green giant, 15 oz can	\$1.29	\$0.99	
7 Hot Dogs, Beef, Bar S	\$3.79	\$3.79	
8 Apple Juice, Motts, 64oz	\$2.99	\$2.94	
9 cottage cheese, 1%, Hiland	\$3.02	\$2.99	
0 Graham Cracker, store brand, 16oz box	\$1.79	\$2.09	
1 Saltine crackers, Zesty, 16oz box	\$1.59	\$1.29	
2 Corn, store brand, 15 oz can	\$0.79	\$0.50	
3 Peaches, sliced, del monte, 15oz can	\$1.29	\$1.00	
4 Fritos, 10oz bag	\$2.09	\$1.98	
5 String cheese, store brand, 24oz	\$2.99	\$2.84	
TOTALS	\$50.58	\$50.06	
25 Procurem	Date Prices collected from this store: 2/18/20XX	2/27/20XX	

OKLAHOMA
Education

25

Micropurchasing vs Small Purchase

Micropurchasing

- Buying from multiple stores similar and dissimilar items such as purchasing emergency food from local grocery store
- Not checking prices
- Buying Child Nutrition items from **multiple (at least 3)** sources/places

Small Purchase

- Check prices from a minimum of **2 sources**
- Institution does not have to go with the lowest vendor
 - However, justification needs to be documented if not the lowest

26 Procurement Process Training

OKLAHOMA
Education

26

School Food Authority _____

Year _____

VENDOR CONTACTS


This form is to be used for SFAs to document single vendor responses. If only one vendor responds, the school food authority (SFA) does not need to do price comparisons.

NAME, ADDRESS, AND TELEPHONE NUMBER OF VENDOR	NAME OF PERSON CONTACTED	DATE OF CONTACT	TYPE OF CONTACT (LETTER, PHONE, PERSONAL)	RESPONSE RECEIVED
27 Procurement Process Training				

27

Noncompetitive Proposals

- Emergency circumstances
- Item available from only one source
- Competition is inadequate
- Awarding agency (OSDE) authorizes noncompetitive proposals

28 | Procurement Process Training


28

Invitation For Bid (IFB) or Sealed Bid and Request For Proposal (RFP)

FORMAL PROCUREMENT

29 | Procurement Process Training



29

Formal Procurement


- Purchases **OVER \$250,000** per bid or solicitation document (*The entity can have a threshold lower than the federal threshold, but the district must follow the amount listed in their plan*)
- The requirement is specifications **MUST** sent out a minimum of 2 or more vendors, **however**, those vendors **do not** have to respond to the bid request
- Quotes will need to be sent back to the district and be opened on a **specific day & time** as specified by the district or institution and listed in the advertisement

30 | Procurement Process Training



30

Advertisement Example

	<p>Department of Industries Udyog Bhawan, Bemles, Shimla, Himachal Pradesh - 171001 Tel No. 0177-2813414, Fax No. 0177-2650657 E-mail: dirindus-hp@nic.in Website : http://emerginghimachal.hp.gov.in</p>	<p>An advertisement must be placed in a newspaper for a minimum of two weeks</p>
<p>No. IND/DevP/15/IPC0018-19 Dated: 12.12.2018</p> <p>Request for Proposal</p> <p>Proposals are invited from reputed/experienced firms/companies/agencies for the purpose of Selection of Knowledge Partner for HP Global Investor Meet 2019. Details can be obtained from our website http://emerginghimachal.hp.gov.in RFP Document is available on above site - 13.12.2018 Last date for submission of proposal - 3rd Jan 2019 upto 04.00 p.m. Director (Industries) reserve the right to accept or reject any proposal or all the offers without assigning any reason.</p> <p style="text-align: right;">Director Industries Himachal Pradesh.</p> <p style="text-align: center;">HIM SUCHANA, KWAM JAN SANPARI</p>		

31

Duration of the Bid

USDA suggest 45 days for IFB (Sealed Bid) and 60 days for an RFP (Request for Proposal) from the time the information is given to vendors until the time of bid opening

It cannot be less than 30 days

32

Invitation for Bid/IFB (Sealed Bid)

The bid will be awarded to the bidder at the bid opening that is responsive and responsible with the lowest price

No Exceptions

Request for Proposal (RFP)

- The required method of procurement for all Food Service Management (FSMC) contract
- There is a bid deadline: date and time to be given to the institution
 - Vendor determination is not done at this time
- **Price** alone is not the sole basis for award, but remains the **primary** consideration when awarding a contract – ***A price submitted cannot be statement “ ___% lower of the lowest bid received”***
- Price must be weighted more than any other criteria in the rubric

Evaluation Criteria the district can use to award an RFP.
(Price must be given the highest points and award must equal 100 points. If not interested, the district can leave an award line blank or create a criteria)

<u>Weight</u>	<u>Criteria</u>
<u> </u> (points)	Price
<u> </u> (points)	Service Capability Plan
<u> </u> (points)	Quality
<u> </u> (points)	Experience, References
<u> </u> (points)	Business Practices, Financial Condition/Stability
<u> </u> (points)	Accounting and Reporting System
100 points	TOTAL

35 Procurement Process Training

35

Forms & Clauses for Formal

- **Buy American information** (All Food & Milk contracts) **SCHOOLS ONLY**
- **USDA Equal Opportunity information** (contracts \$10,000 or more)
- **Termination for Cause information** (contracts \$10,000 or more)
- **Clean Water Act provision** (contracts \$150,000 or more)
- **Contract work Hours and Safety Standards Act** (contracts \$2,500 or more)

36 Procurement Process Training



36

Forms & Clauses (cont.)

- **Nonkickback Affidavit** (Purchase orders over \$25,000)
- **Davis-Bacon information** (Construction contracts \$2,000 or more)
- **Debarment & Suspension form** (all contracts)
- **Byrd Anti-Lobbying form** (contracts \$100,000 or more)
- ***A Formal Procurement Checklist with clause information is located in Other Documents and the Resource Library***

37 | Procurement Process Training



37

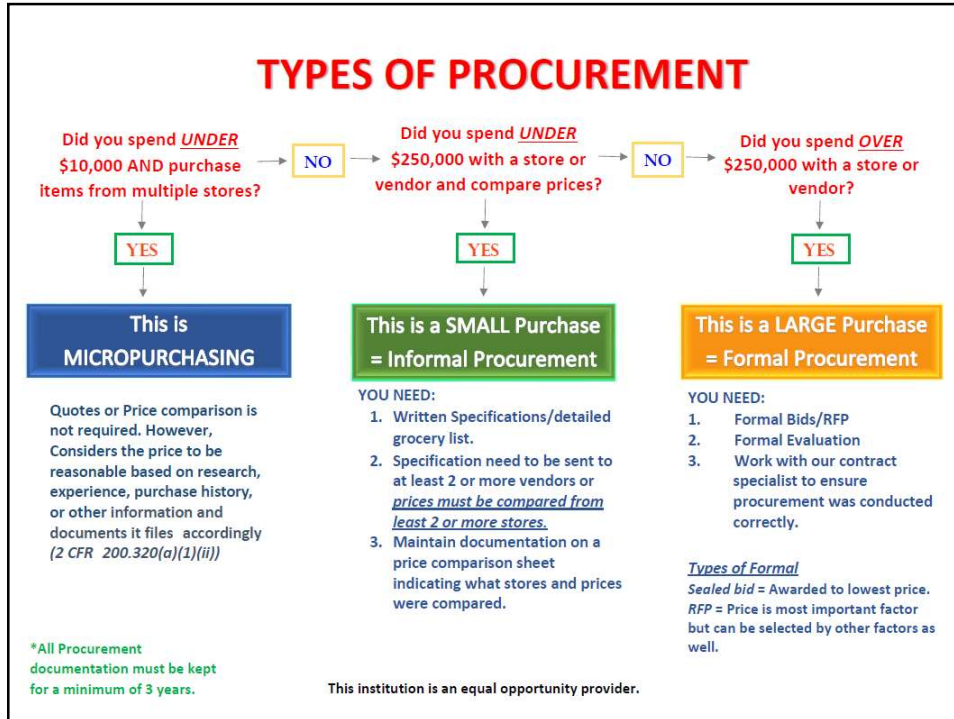
Procurement Thresholds

- The district can always have a smaller threshold than the federal threshold
- A district may choose to have a procurement plan just for child nutrition if they choose to have different thresholds
- During the Procurement Review, the threshold in the district procurement plan is what is used to determine if the correct procurement method was used
- Districts cannot arbitrarily divide purchases to fall below simplified acquisition threshold just to avoid formal procurement methods

38 | Procurement Process Training



38



39

Solicitation

BID INFORMATION

40 | Procurement Process Training

40

Unallowable Procurement Practices

- Potential contractor writing the bid proposal or product specifications
- Potential contractor evaluating bid/ proposals submitted by competitors
- Purchases without following procurement procedures

41 | Procurement Process Training



41

Solicitation Letter Documentation of Goods & Services

- Letterhead
- Date of letter
- Specifications attached
- Method of response
 - (ie. Sealed Bid, Fax, Email)
- Deadline for bid/price quotes
- Information on substitutions and shortages
- Equal Opportunity Employment statement



42 | Procurement Process Training



42

Solicitation Letter

Documentation of Goods & Services

- Buy American (***schools only***)
- Termination for Cause
 - ✓ Past history, not meeting food descriptions, lack of availability, etc.
- Special conditions:
 - ✓ Nutrition Facts labels
 - ✓ Whole Grain-Rich
 - ✓ Reduced Sugar
 - ✓ Quantity & quality of food desired
 - ✓ CN Labels

43 | Procurement Process Training



43



MODINE PUBLIC SCHOOLS
1234 MODINE AVENUE
MODINE, OKLAHOMA 00000

EXAMPLE OF A SOLICITATION ANNOUNCEMENT

July 6, 20XX

Modine Public Schools announces the opportunity for responsible bidders from the food industry to respond to the attached food specifications valid for the period of August 6, 20XX, to December 31, 20XX. All bidders wishing to respond to this bid period must do so by 2 p.m., July 11, 20XX, at the Education Service Center at the above address. No e-mail or facsimile responses will be accepted.

No other format for the bid response other than the attached specification forms will be accepted. Responses will be evaluated based on the following criteria:

- Best price
- Meeting food descriptions
- Quantity availability
- Past history, if applicable
- Quality of food
- Meeting delivery requirements

Vendors will be expected to ensure that deliveries to Modine Public Schools will be dropped at 1234 Modine Avenue on Mondays and Thursdays between the hours of 1 to 3 p.m. Delivery trucks and product drops must be HACCP-compliant. Sales staff will provide on-site, phone, or e-mail/invoice ordering methods with e-mail/online confirmations of orders. Any vendors making substitutions of product must contact the district for approval before a substitution can be made.

Nutrition Facts information or Nutrition Facts labels must be provided on all products. Bids will be evaluated on a per-bidder basis.

Modine Public Schools reserves the right to accept or reject any part, or all, of the bid you submit. If all criteria contained within this document are met, successful bidder will be considered.

Bids will be awarded on August 6, 20XX, and all bidders will be notified in writing. Modine Public Schools reserves the right to terminate a vendor who is awarded business but does not follow through with the above requirements.

BUY AMERICAN PROVISION

Section 104(d) amended Section 13(r) of the National School Lunch Act (NSLA) (42 U.S.C. 1760) to require SFAs participating in the National School Lunch Program (NSLP) and School Breakfast Program (SBP) in this contiguous United States to purchase for those programs, to the maximum extent practicable, domestic USDA Foods or products.

For purposes of this provision, the term *domestic food commodity or product* means agricultural USDA Foods produced in the United States and food products processed in the United States SUBSTANTIALLY using agricultural USDA Foods that are produced in the United States. The conference Report accompanying Public Law 115-236 makes it clear that the term SUBSTANTIALLY means that over 51 percent of the processed food comes from American-produced products.

44 | Procurement Process

44

Product Specifications

Definition:

A clear and accurate description of the goods or services that an institution is procuring or wants to purchase

- Ensures the purchase of quality food at competitive prices
- Written to make clear what you want and will accept
- Brand named products only allowed if institution accepts alternative product to be bid or price quote given
 - *Example:* Equal to our better than Tyson Chicken Nugget CN#12345

45 | Procurement Process Training



45

NEW Geographical Preference Expansion

- Allows “locally grown, raised, or caught” can be used as a procurement specification for unprocessed or minimally processed food items
 - A CNP operator can issue a solicitation that includes “locally grown agricultural products from within the State” as a product specification
 - For example, a CNP operator in a State with many ranches and few fruit and vegetable farms may decide that local beef must come from within the State, and local vegetables must come from the State or neighboring States
- Allows using a defined scoring advantage while scoring bids in response to a solicitation

46 | Procurement Process Training



46

Buy American Provision (Schools Only)

- **Foods purchased by schools must meet the Buy American requirement to serve domestic foods**
 - This includes schools buying food for At-Risk or CACFP contract meals
- Over 51% of final processed products consist of agricultural commodities grown domestically
- Allows exceptions when domestic products are unavailable or costly
 - Consider alternative substitute items that are U.S. before approving exception
 - Keep **Buy American Justification form** on file when items purchased do not meet Buy American

47 | Procurement Process Training



47

Buy American Provision (Cont.) LIMITED EXCEPTIONS

The product is listed on the Federal Acquisitions Regulations (FAR) Nonavailable articles list and/or is not produced or manufactured in the U.S. in sufficient and reasonably available quantities of a satisfactory quality

OR

Competitive bids reveal the costs of a U.S. product are significantly higher than the foreign product

- ✓ USDA Agricultural Marketing Service's (AMS) weekly market report at:

<https://marketnews.usda.gov/mnp/fv-report-config-step1?type=termPrice>.

- ✓ See Buy American Exemption list in Other Documents

48 | Procurement Process Training



48

NEW Buy American Provision


- School Food Authorities will be required to include Buy American in all applicable procurement procedures, solicitations, and contracts
- Non-domestic food purchases limit will be phased in as follows:
 - 10% beginning in SY 2025-26
 - 8% beginning in SY 2028-29
 - 5% beginning in SY 2031-32

Specifications Should:

- Be simple but precise
- Be clear and understandable
- Be capable of being met by at least two bidders
- Terms must be identifiable (*Use Current Terms*)
 - Whole Grain-Rich
 - CN Label
 - Grown or Produced in State
- OSDE has an excel Specification form that can be used

SPECIFICATION EXAMPLES Page 1 of 2						
Item Description	Product Specification	Pack Size	Bid Unit	Est Quantity	Unit Price	Comments
Apples, fresh	125-138 Count	40 pound	Box			
Applesauce, canned	Smooth	6/10	Case			
Peaches, canned	Halves in Natural Juices	6/10	Case			
Pears, canned	Diced in Light Syrup	6/10	Case			
Pineapple, canned	Chunks in Natural Juices	6/10	Case			
Pineapple, canned	Slices packed in Natural Juices	6/10	Case			
Beans, green canned	Cut in low sodium	6/10	Case			
Peas, black-eyed, dry, canned	Cooked with seasoning, brand like Allen's, low sodium	6/10	Case			
Beans, Pinto, dry	Private label	10 Pound	Bag			
Carrots, canned	Sliced in low sodium	6/10	Case			
Corn, canned	Cream Style	6/10	Case			
Potatoes, French-fries, frozen	Oven-ready, crinkle-cut, approved brands equivalent to: ABC Foods A-103, DEF Foods X502, Pots R29	6/10	Case			
Potatoes, dehydrated	Granules, low moisture	10 Pound Box	Case			
Tomatoes, canned	Peeled, diced, low sodium	6/10	Case			
Muffins, banana	Whole grain, high fiber	Individually	Case			


EXAMPLE ONLY

51 | Procurement Process Training 

51

SPECIFICATION EXAMPLES Page 2 of 2						
Item Description	Product Specification	Pack Size	Bid Unit	Est Quantity	Unit Price	Comments
Pasta: spaghetti	Made from whole grain-rich semolina and durum wheat flour, 10 lb only	10-lb box	Pound			
Ground Beef, frozen	80/20	10-lb roll	Case			
Bologna, turkey	Sliced - each slice to weigh 1 oz; no binders, extenders, fillers; CN label required.	12-lb bulk	Pound			
Cheese, mozzarella,	Shredded, part-skim milk, lower sodium	6/5 lb	Case			
Chicken nuggets, breaded, frozen	Boneless chicken breast patty nugget, whole grain-rich breading. Maximum 6 nuggets, minimum 5 nuggets, fully cooked. CN label required.	Please specify portions	Case			
Ham, water added	Fully cooked, boneless, smoked and cured. ham and water product, maximum 35%.	8/10 lb each	2/Case			

EXAMPLE ONLY

52 | Procurement Process Training 

52

Solicitation for Procurement



- Write down the **type goods/services**, **quantities** (for goods) and **frequency** (for services) & **quality** – (Specifications & Chart of Procedures)
- Write a solicitation document & specifications
- Determine the sources to be contacted
- Contact the sources

53

CONTRACTING FOR FOOD SERVICE

54 | Procurement Process Training

54

Contracting for Food Service Management Company **SCHOOLS**

- **If a district wants to contract for Food Service Management (FSMC), the required OSDE RFP must be obtained from our office**
 - The new FSMC RFP is released every January/February
 - FSMC Training is every January
- Contact Karen Davis at 405-521-3327 or Karen.Davis@sde.ok.gov

55 | Procurement Process Training



55

Contracting for Food Service **CACFP**

- **If the center contracts for Food Service, the OSDE agreement *MUST* be used:**
 - Agreement to Furnish Food with a School (*contracts under \$250,000*)
 - Agreement to Furnish Food with Entity other than a School (*contracts under \$250,000*)
 - CACFP RFP (*contracts over \$250,000*)
 - Located in the Resource Library
 - Institutions can only claim during the contract months listed in the agreement until a new one is obtained
 - **The Agreement *MUST* be submitted to and approved by OSDE **Annually** – dates of the contract are listed in the application and agreement**

56 | Procurement Process Training



56

Using OSDE Contract for Food Service

- Prototypes of these contracts and agreements are located in the Resource Library and Other Documents with the exception of the FSMC RFP
- The RFPs available are year to year contracts with up to 4 renewals
- **No changes can be made to the RFP or the Agreement to Furnish Food forms**
- If the school or institution would like to be more restrictive or would like to add to the RFP/Agreement to Furnish Food form, an addendum can be added before the bid process can begin
 - The Addendum must be approved by OSDE prior to sending out the contract

57 | Procurement Process Training



57

Contract Meal Delivery Receipt

- The Contract Meal Delivery Receipt (*CMDR*) is required for any contract meals being delivered or picked up and being served at a different location
- The CMDR ensures the institution received the required amount of food to meet meal pattern requirements
- If a center or head start contracts with a district and goes through the line in the cafeteria, a CMDR is not required
- **Schools:** Contract meals are always included on the Production Records of the site preparing the meals even if the CMDR is required. The number of contract meals will be listed in the claim

58 | Procurement Process Training



58

Contract Meal Delivery Receipt form

If this form is not filled out correctly or not being maintained, it can result in an overclaim

EXAMPLE
CONTRACT MEAL SERVICE DELIVERY RECEIPT
 (Keep in your institution's monthly folder. USE ONE RECEIPT PER MEAL SERVICE.)

DATE: 10/06/2024
 MEAL TYPE: Breakfast _____ Lunch X AM/PM/LATE PM Snack _____ Supper _____
(Circle One)

SITE PREPARING MEAL: XYZ DAY CARE CENTER
 SITE RECEIVING MEAL: TOYS N NOISE DAY CARE CENTER
 DELIVERY TIME: 11:30 AM NUMBER OF MEALS ORDERED/DELIVERED: 14

FOOD ITEMS AND QUANTITIES DELIVERED

MENU	Quantity Delivered: Number of 1-2 _____ Number of 3-6 _____ Number of 8-12 _____ Bulk Delivery <u>X</u> Preportioned _____	*Crediting/Portioning Information	Temperature of Delivery
Milk	Milk provided by: SITE: <u>VENDOR</u> (Circle One) Fat-free milk Record Quantity: <u>1 gallon</u>	1-2 = 4 oz each 3-6 = 6 oz each	42°
Vegetable/Juice	Green beans, cut, drained, heated, 2 15-oz cans	1-2 = 1/8 cup each 3-6 = 1/4 cup each	140°
Fruit/Juice	Pineapple chunks, natural juice, 2 20-oz cans	1-2 = 1/8 cup each 3-6 = 1/4 cup each	
Grains/Breads	Country biscuit, 14 1-oz	1/2 biscuit each	140°
Meat/Meat Alternate	Chicken, drumsticks w/bone and skin, 4 lbs	1 drumstick each	165°
Extras	Margarine patties, 14 pats	1 each	

* Crediting/portioning information: 1 = 1 cup spaghetti sauce + 2 ounces meat/meat alternate, 6 chicken nuggets = 2 ounces meat/meat alternate and 1 ounce grains/breads serving, 2 cheese sticks = 1 ounce meat/meat alternate

I acknowledge that the above items and quantities were delivered to this contract site. I did complete the necessary portioning/crediting information. Child Nutrition (CN) labels, Production Information Statements, and/or recipes are available for all combination food items or other applicable components.

Food Service Director _____
Signature From Preparation Kitchen

I acknowledge that the above items and quantities were delivered to this contract site.
 INSPECTION DELIVERY: Was the food delivered in a satisfactory method? Yes or No
 Were food temperatures proper? Yes or No

Comments: Use portioning/labels as needed.

Director of Day Care Center _____
Signature From Site Receiving Food

FOR INSTITUTION TO USE WHEN CONTRACTING MEALS FROM OUTSIDE VENDOR OR WITHIN OWN INSTITUTION, KEEP IN INSTITUTION'S MONTHLY FOLDER.

Contract Meals – Claiming

Meals are claimed based on meals served/consumed NOT on how many meals were delivered/ordered

Example: Licensed for 25. The vendor sends you 25 meals for breakfast, however, only 18 kids were in attendance and received a meal

- **The institution will be billed for 25 breakfast, but they can only claim 18 meals**
- **Meal Counts are always taken at the Point of Service**



Contracting for Food Service

Contracting with a Public School:

- ▶ Districts must charge at a minimum:
 - *Breakfast*—Free Reimbursement Rate
 - *Lunch/Supper*—Free Reimbursement Rate + Value of Commodities
 - *Snack*—Free Reimbursement Rate

- ▶ Contracts are valid from **July 1 – June 30th**.
A new contract needs to be obtained in July when the new rates are available

Schools contracting with Centers and Head Starts

If a school is contracting with a center or head start program, ***it is required the CACFP Meal Pattern requirements are being met delivered.*** A center or Head Start cannot be served NSLP Meal Patterns

- Serving sizes for CACFP per day may be different than NSLP
- Sugar limitations – cereal, yogurt, and no grain-based desserts

ADDITIONAL PURCHASING INFORMATION

63 | Procurement Process Training



63

Purchasing Equipment

- Equipment purchases of \$5,000 or over is required to have State agency approval with the exception of items on the Oklahoma Equipment Pre-Approval List (*P-8*) located in Other Documents and the Resource Library
 - If purchasing multiple pieces of equipment, approval is only required if the base price of the individual item exceeds \$5,000. It is not based on the total but the individual item price

64 | Procurement Process Training



64

Purchasing Equipment Approval

Equipment Pre-Approvals are sent to Jennifer Weber at Jennifer.Weber@sde.ok.gov. Include the following in the email:

- ✓ A copy of at least 2 quotes
- ✓ A description of the equipment
- ✓ The cost
- ✓ How does this equipment support or enhance food service?
- ✓ Disposal plan if equipment is being replaced; and
- ✓ Acknowledgment this equipment is only being used for Child Nutrition purposes

State Contract

- A contract between the vendor (Sysco) and the State of Oklahoma. (***The state procured***)
 - 1 year contract with up to 4 renewals
 - Start at the beginning of the year
- It is a fixed-cost (vendor cost) plus fixed fee
- There is no salesman and ordering is done online
- State Contract Contact: (Solicitation SW1056)
 - Wendy Clark at Wendy.Clark@omes.ok.gov

Procurement Memo SP-05-2017

Group Purchasing Organizations (GPO) may consider the price for products from GPOs as one source among an adequate number of qualified sources

- ***This includes State contract***
- A district will need to reach out to another vendor for price quotes or submit an IFB/RFP if your district goes over the threshold
- A food buying group can be one response and State contract another

Farm to Everything

- Serve local foods in meals on NSLP, SBP, CACFP, and SFSP
- Hold taste tests and demonstrations using local foods
- Gardening
- Farm Visits
- Culinary activities
- Food-related education



Local Foods

- Farmers
- Farmers markets
- Farm stand
- Local Gardens
- Community Supported Agriculture



AWARDING THE BID

Awarding the Bid

Receiving the price quote/ rate

- **Document, document, document!**



- All occasions you reached out or contacted vendors
- Potential contractor responding
- Quote or rate
- Date received
- Quantity (goods) or frequency (services)
- Procurement period/Renewals

71 | Procurement Process Training



71

Awarding the Bid

- Prime Vendor (All or nothing)
- Market Basket/Product Groupings Solicitation
- Line-Item Bid



72 | Procurement Process Training



72

Prime Vendor

When 80 percent or more of the food is purchased from one source

Prime Vendor

Advantages

- District only deals with one supplier
- Orders are placed, delivered, and invoiced with one supplier

Disadvantages

- Some items may cost more since they are mixed together with the calculations for all products
- May limit the number of responding vendors

Market Basket/ Product Groupings Solicitation

Bidder with the lowest price
receives award based on
TOTAL prices when all items
are combined

75 | Procurement Process Training



75

Market Basket/ Product Groupings Solicitation

Advantages

- Allows more vendors
- Volumes for the entire lot tend to be large so pricing is strong
- Limits the total number of suppliers to a manageable level
- Provides opportunity to purchase specialty items

Disadvantages

- Some suppliers may not be able to supply all the items. Some lots may not be large enough volume to warrant sufficient competition

76 | Procurement Process Training



76

Line-Item Bid

Bid is awarded by each product separately to the lowest bidder

Line-Item Bid


Advantages

- Best price for an individual item
- Best when buying local food items

Disadvantages

- Need to remember what products from what supplier
- May not be able to meet the distributors minimums for delivery
- May limit the number of responding vendors
- May cost you more in the long run

PURCHASE DOCUMENTATION/PRICE QUOTES (This form is to be used for SFAs to document all price quotes from vendors.)									
DATE	ITEM SPECS	VENDORS						VENDOR SELECTED	REASONS
		VENDOR	S PRICE	VENDOR	S PRICE	VENDOR	S PRICE		

79 | Procurement Process Training 

79


Awarding the Bid: Formal Contracts

IFB/Sealed Bid

- The vendor with the lowest price will win the bid at the bid opening

Request for Proposal/RFP

- The vendor with the highest score on the group evaluation wins the bid
 - A committee of 3-5 people will score each vendor individually. The individual scores will be added together to see who won the bid
 - Individuals cannot be told to score a certain way**
 - If stated and allowed in the RFP, negotiations may take place with vendors who submitted a bid

80 | Procurement Process Training 

80

RFP Rubric/Evaluation

RFP Individual Evaluation Form
One form per reviewer
 *Evaluation Criteria and weighted points must match the points listed in the RFP

Reviewer: Sam Gov **Date:** 2/14/20XX

Vendor A: Okie Foods **Vendor B:** CNP LLC Vendor **Vendor C:** Feeding Kids Vendor

Evaluation Criteria:	Weight Pts from RFP	Points from Reviewer:			Notes:
		Vendor A	Vendor B	Vendor C	
Price	30	30	10	20	
Service Capability Plan	20	15	20	10	
Experience, References	5	5	2	0	
Accounting and Reporting System	20	20	20	15	
Program Financial Profile, Financial Condition, Stability, Business Practices	25	20	18	22	
Involvement of Studens, Staff, & Patrons	0	0	0	0	

Individual Evaluation Form | Group Evaluation Form | **Individual EXAMPLE** | Group EXAMPLE

81

RFP Group Evaluation Form
 *Weighted points must match the points listed in the RFP
 *It must be evaluated by the committee of 3-5 people

Date: 2/29/20XX

Vendor A: Okie Foods **Vendor B:** CNP LLC Vendor **Vendor C:** Feeding Kids Vendor

Reviwer Name	Total Points from Reviewer:			Notes:
	Vendor A	Vendor B	Vendor C	
Sam Gov	90	70	67	
Theresa Kitchens	78	80	65	
Joe Superintendent	85	75	70	
Jane Doe	75	80	70	

Individual Evaluation Form | Group Evaluation Form | Individual EXAMPLE | **Group EXAMPLE**

- Evaluation forms are available in Other Documents under the Procurement section

82 Procurement Process Training

82



MANAGING THE CONTRACTING

83 | Procurement Process Training



83

Managing the Contract



Contract Management System

Required by Federal regulations

Focused on ensuring the SFA gets what it paid for

Important in settling SFA/contractor disputes

84 | Procurement Process Training



84

Contract Management

- Right product/ service
- Right quantity
- Right time
- Right location
- Right cost



You mean I'm supposed to document all that stuff about the type and amount of milk delivered? I just thought I was supposed to put it in the cooler.

Managing the Contract

- The district and/or institution **MUST** ensure ALL contracts and ALL agreements are being followed
- Monitor all goods and services received
- If the agreement or contract is not being followed, document each time occurrence
 - Examples:
 - Items delivered on the day agreed upon
 - Quality issues
 - Constant substitutions
 - Items substituted do not meet meal pattern requirements (no CN label)
- Communicate with the vendor
- Issues can result in termination

Contract/Agreement Management

Best practices:

- Clear & concise contract terms/conditions
- Communicate with contractor
- Contract management plan
- Train employees

Hi, Frank. I just wanted to talk with you about the contract just to make sure everything is clear.



Great idea!



Records

PROCUREMENT DOCUMENTATION

Documents For **CACFP** Administrative Reviews

- | | |
|---|---|
| <ul style="list-style-type: none"> • Procurement Plan • Code of Conduct • Chart of Procedures • Receipts/Invoices | <p><i>If Applicable:</i></p> <ul style="list-style-type: none"> • Product Specifications • Bid Documents • Agreement to Furnish Food <ul style="list-style-type: none"> • Any additional contracts you may have |
|---|---|

SCHOOL Procurement Reviews

Procurement Reviews use **PRIOR** year documentation. However, FSMC documents will be from **CURRENT** year

- All schools will be reviewed every 5 years
- The majority will be the same year as the district's Administrative Review
- These reviews are a desk review

These reviews are conducted by DWG Consulting – Robin Dickerson

Documents For Procurement Review Process

- Procurement Plan
- Protest Procedures
- Product Specifications
- Buy American
- Code of Conduct
- Chart of Procedures
- Bid Documentation
- Contracts – RFP/IFB
- Invoices/Receipts
- FSMC Documents
- Revenue & Expenditure from ***Prior*** Year and ***current year if using a FSMC***
- Procurement Tool

91 | Procurement Process Training



91

Required Procurement Training for Schools

- Memo: SP 21-2023 applies only to Schools
- ***Requires*** school nutrition program directors, management, and staff who work on any NSLP procurement activities to complete procurement ***training annually***
 - ***This includes anyone who procures any items for Child Nutrition***

92 | Procurement Process Training



92

More About Procurement

- Encumbrances and purchase orders
 - Money must be encumbered before goods and services are ordered
- Invoices and receipts signed and dated (***schools***)
- Price quote comparisons/bids maintained
- Nonkickback Affidavit – a notarized form for every contract or Purchase Order over \$25,000

Record Retention

- All documents relating to the procurement
- 3 years from date of final payment,
OR
- Until all audit or protest findings resolved



Resources for Procurement SCHOOLS

- CARS under “Other Documents”
Procurement section
 - <https://cnp.sde.ok.gov/oknslp/PrintDocuments.aspx>
- Child Nutrition Training Manual
 - ✓ Procurement Section
- Institute of Child Nutrition
 - ✓ <https://theicn.org/>

95 | Procurement Process Training



95

Resources for Procurement CACFP

- CACFP Application “Resource Library”
Procurement section
 - <https://cnp.sde.ok.gov/CACFP/PrintDocuments.aspx>
- Child Nutrition Training Manual
 - ✓ Procurement Section
- Institute of Child Nutrition
 - ✓ <https://theicn.org/>

96 | Procurement Process Training



96

Who Do You Call??

Program Specialist:


- ☐ School Training Manual – Pg. C-3
- ☐ CACFP, AT-RISK, AND ADULT Training Manual (Pg. 4, A-7, AD-4)
 - Includes email, cell phone, and counties in their territory
 - They conduct your review
 - Approve forms
 - Will come out for technical assistance
 - Questions regarding the Child Nutrition (CN) Manual, USDA guidance, and day-to-day food program activities
- ☐ State Office phone: **405-521-3327**
 - Claims
 - Application & Agreement (UEI)



OSDE Resources Website

- Schools – CARS: Other Documents
 - <https://cnp.sde.ok.gov/oknslp/PrintDocuments.aspx>
- CACFP and At-Risk: Resource Library
 - <https://cnp.sde.ok.gov/CACFP/PrintDocuments.aspx>






Questions?

THANK YOU!

**Give us up to 1 week to email certificates
or post in the Training Calendar**

99 | Procurement Process Training



TYPES OF PROCUREMENT

Did you spend UNDER \$10,000
AND “Spread the Wealth”
(purchase items from multiple
stores)?

NO

Did you spend UNDER
\$250,000 with a store or
vendor AND compare prices?

NO

Did you spend OVER
\$250,000 with a store or
vendor?

YES

YES

YES

This is
MICROPURCHASING

This is a **SMALL Purchase**
= Informal Procurement

This is a **LARGE Purchase**
= Formal Procurement

*Quotes or Price comparison is
not required.

YOU NEED:

1. The prices must be reasonable.
2. Purchases of Products or Services (similar or dissimilar purchased once as a single, collective unit) are to be purchased from multiple sources.

YOU NEED:

1. Written Specifications/detailed grocery list.
2. Specification need to be sent to at least 2 or more vendors OR prices must be compared from least 2 or more stores (This can be done by phone, online, catalogs, etc.)
3. Maintain documentation on a price comparison sheet indicating what stores and prices were compared.

YOU NEED:

1. Written Specifications.
2. Advertise in a Newspaper.
3. Formal Evaluation/Bid Opening.

Types of Formal

Sealed bid = Awarded to lowest price.
RFP = Price is most important factor but can be selected by other factors as well.



BUY AMERICAN EXEMPTION LIST

The items on this list do not require the Buy American Justification form.

(List compiled on May 2024)

The current domestically nonavailable listing on FAR 25.104 is as follows:

- Bamboo shoots.
- Bananas.
- Beef, corned, canned.
- Beef extract.
- Brazil nuts, unroasted.
- Capers.
- Cashew nuts.
- Chestnuts.
- Cocoa beans.
- Coconut and coconut meat, unsweetened, in shredded, desiccated, or similarly prepared form.
- Grapefruit sections, canned.
- Olive oil.
- Olives (green), pitted or unpitted, or stuffed, in bulk.
- Oranges, mandarin, canned.
- Pineapple, canned.
- Spices and herbs, in bulk.
- Sugars, raw.
- Tapioca flour and cassava.
- Tea in bulk.
- Thyme oil.
- Vanilla beans.
- Water chestnuts.
- Yeast, active dry and instant active dry.

Note: *If the district is purchasing an item that is not listed above, the Buy American Justification form is required.*

Buy American Justification Form

Regulation: 7 CFR Parts 210.21(d) and 220.16(d)

School Food Authority (SFA) Name:

Date:	Non-domestic Agricultural Product:
Storage Area: (examples: dry storage, cooler, freezer)	Country of Origin (be specific): (examples: grown in Brazil, manufactured in Korea, processed in China, packed in Mexico)
Reason for exception to Buy American Provision (check applicable box): Cost Analysis: Price of domestic was significantly higher than the non-domestic product; chose non-domestic product Cost per purchase unit for domestic food product: Cost per purchase unit for foreign food product: Seasonality: non-domestic product not available during the following month(s): otherwise product will be purchased when domestically available during the following month(s): Availability: non-domestic product not grown domestically Reason for choosing a product not grown domestically: Substitution: distributor received our SFA's pre-approval prior to sending a non-domestic product as a substitution for the domestic product ordered by our SFA (note: if pre-approval was not obtained, the product must be rejected at the time of delivery) Other reason:	
Additional Notes: <i>Note: School needs to retain and make notes of communications regarding the reasons for the exception to the Buy American provision. This includes email or procurement notes of discussion regarding alternatives to non-domestic products purchased by the school.</i>	
SFA Authorized Signature & Date	