# <Sponsor Number and Name>

Procurement Plan

Child Nutrition Programs

This procurement plan will be implemented on <date> and will be in effect from <date> through <date>. All procurements must adhere to free and open competition and conform to applicable local and state laws and Federal law and the standards in 2 CFR 200.318-326 and 7 CFR 210.16 and 210.21. Sponsors must retain all documentation for each procurement per regulations.

Signature of Chair, Board of Education Date

Signature of Superintendent Date

Signature of Authorized Representative Date

# Procurement Authority for <insert Sponsor Number and Name>

| **Name** | **Title** | **Responsibilities *(prepare bids, place orders, approve orders, submit bids, pay bills, etc.)*** | **Contact Information** |
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# SECTION A: PROCUREMENT THRESHOLDS

Establish the purchasing thresholds for your sponsor below (check only one):

<Sponsor Number and Name> will use the State Small (Informal) purchase threshold of $250,000 food/$20,000 non-food; **OR**

<Sponsor Number and Name> will use a more restrictive Small (Informal) purchase threshold of ­­­­­­­­­­­­­­­­­­­­$      food and

$­­­­­­­      non-food which conforms to local Small purchase regulations.

# SECTION B: PROCUREMENT PLAN

1. The primary purpose of this procurement plan is to assure open and free competition, transparency in transactions, comparability, and documentation of all procurement activities. The procurement process practiced by the Sponsor must not restrict or eliminate competition.
2. If the amount of purchases is more than the Small (Informal) purchase threshold indicated in Section A above, formal procurement procedures will be used as required by 2 CFR 200.320. Informal procurement procedures will be required for purchases under the most restrictive small purchase threshold as established in Section A. Sponsors may use micro-purchasing procedures, as appropriate, for procurements valued at <$10,000 if equitably distributed.
3. The following procedures will be used for all purchases:

| **Category** | **Procurement**  **Method** | **Award Type** | **Contract Award Type** | **Contract Duration or Frequency** | **Group Purchasing Cooperative? “If Yes, indicate which purchasing cooperative is used”** | **Market Basket? \*\*** |
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\*Micro-purchasing = Equitably Distributed, Small = Quotes, Formal = Invitation for Bid or Request for Proposal

\*\*Indicate what % of items will be used for financial analysis and all costs must be included prior to awarding contract. If adding items, what % will be allowed.

1. Sponsor must perform a cost or price analysis when purchases are estimated to exceed the Sponsor’s most restrictive small purchase threshold in connection with every procurement action in excess of the simplified acquisition threshold including contract modifications. Regardless of procurement method, the following factors will be determined regarding the allowability of costs: be necessary and reasonable for proper and efficient administration of the program(s); be allocable to federal awards applicable to the administration of the program(s); be authorized and not prohibited under federal, state and local laws.

# SECTION C: MICRO-PURCHASES (Single procurements of <$10,000)

Micro-purchases may be made when the total procurement (purchase) is less than $10,000. To qualify as a micro-purchase, the following criteria will be used:

1. The total procurement is below the micro-purchasing threshold of $10,000.
2. The price of the procurement is reasonable.
3. Effort must be made to make micro-purchases equitably among all available suppliers.

In the comments box, describe your micro-purchasing plan, including distributors, stores, or other sources for food and non-food items you use for micro-purchases. List any instances where competition might not be available for specific items (Example: distance to more than one store might make it impossible to equitably distribute purchases among suppliers.)

| Comments: |
| --- |

# SECTION D: SMALL (INFORMAL) PURCHASES

If the amount of purchases for items is less than the Sponsor’s small (informal) purchase threshold as defined in Section A, the following small (informal) purchase procedures will be used.

1. Written specifications will be prepared and provided to the vendor.
2. The <title of person/position> will be responsible for contacting potential vendors when the price quotes are needed.
3. Each vendor will be contacted and given an opportunity to provide a price quote on the same specifications. A minimum of two bids will be solicited, with additional solicitations being a best practice.
4. The price quotes will receive appropriate confidentiality before awarded.
5. Quotes will be awarded by the <title of person/position>.
6. The <title of person/position> will be responsible for documentation of records to show selection of vendor, reasons for selection, names of all vendors contacted, price quotes from each vendor, and written specifications. The <title of person/position> will determine how these records will be kept (e-files, folder, notebook, etc.)
7. The <title of person/position> will be responsible for documentation that the actual product specified is received.
8. Any time an accepted item is not available, the <title of person/position> will select the acceptable alternate. Full documentation will be made available as to the selection of the acceptable item
9. The <title of person/position> will assure that “Buy American” provisions apply to all Small (Informal) purchases as documented in Section E. 5 x (i-iv) of this document.
10. Bids will be awarded on the following criteria:
    1. PRICE is the primary factor;

*Indicate other evaluation factors below:*



1. The <title of person/position> is required to sign all quote tabulations, signifying a review and approval of the selections.

# SECTION E: FORMAL PROCUREMENTS

When a formal procurement method is required, the following procedures will apply:

1. An announcement of an Invitation for Bid (IFB) or a Request for Proposal (RFP) will be placed in the <indicate all media where advertisements will be placed> to publicize the intent of the Sponsor to purchase needed items. The advertisement for bids/proposals or legal notice will be run for <insert number> days. All responses must be received by the date as published to be considered responsive. Any response received after this date will not be considered.
2. An advertisement is required for all purchases over the Sponsor’s Small (Informal) purchase threshold as established in Section A (all Formal Purchases). The advertisement or legal notice will contain at a minimum:
   1. Brief description of items to be purchased;
   2. Instructions for obtaining a copy of the IFB/RFP;
   3. If RFP, the RFP number and date.
3. If an IFB or RFP, each vendor will be given an opportunity to bid on the same specifications. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated.
4. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals will be excluded from competing for such procurements.
5. The IFB or RFP will clearly define the purchase conditions. The following list includes requirements, not exclusive, to be addressed in the procurement document:
   1. Contract period;
   2. Sponsor is responsible for managing all contracts awarded;
   3. Date, time, and location of bid opening, if applicable (Required for IFB, Optional for RFP);
   4. How vendor is to be informed of bid acceptance or rejection;
   5. Delivery schedule;
   6. Set forth requirements (terms and conditions) which bidder must fulfill in order for bid to be evaluated;
   7. Termination for cause and for convenience clause will be included with the manner by which it will be effected and the basis for settlement (2 CFR 200)
   8. Statement assuring positive efforts will be made to involve minority, women’s, and small businesses, as well as labor surplus firms (2 CFR 200.321-Contracting with small and minority businesses, women’s business enterprises, and labor surplus area firms);
   9. Statement regarding the return of purchase incentives, discounts, rebates, and credits to the Sponsor’s non-profit foodservice fund (7 CFR 210.20), if applicable or it a Cost Reimbursable Contract w/ Fixed Fee;
   10. Contract provisions as required in 7 CFR 210.21(f) and for Food Service Management Company contracts 7 CFR 210.16(a)(1-10).
   11. Price adjustment clause based on appropriate standard or cost index (Consumer Price Index, or other as stated in terms and conditions for pricing and price adjustments);
   12. Method of evaluation and type of contract to be awarded;
   13. Specific bid protest procedures including contact information of person, address, and date by which a written protest must be received;
   14. Provision requiring access by duly authorized representatives of the Sponsor, State Agency, USDA, or Comptroller General to any books, documents, papers, and records of the contractor which are directly pertinent to all negotiated contracts;
   15. Method of shipment or delivery upon contract award;
   16. Provision requiring contractor to maintain all required records for five years after final payment and all other pending matters (audits) are closed for all negotiated contracts;
   17. Description of process for enabling vendors to receive or pick up orders upon contract award;
   18. Signed Debarment/Suspension Certificate or statement included in contract or copy of Excluded Parties List System (EPLS) [(Executive Orders 12549 and 12689)(2 CFR 200.213 and Appendix II to 2 CFR 200(l)] – *all contracts*
   19. Reference to Equal Employment Opportunity for contracts in excess of $10,000 [Appendix II to 2 CFR 200 and 7 CFR 3019.48] – *not applicable to all contracts;*
   20. Reference to Contract Work Hours/Safety Standards Act (40 U.S.C. 3701-3708) (for contracts in excess of $2,500) – *not applicable to all contracts;*
   21. Reference to Davis Bacon Act [Appendix II to 2 CFR 200/7 CFR 3019.48] - *for construction contracts in excess of $2,000*
   22. Reference to Rights to Inventions Made Under a Contract or Agreement (if applicable) [Appendix II to 2 CFR 200/7 CFR 3019.48] - *not applicable to all contracts;*
   23. Reference to Byrd Anti-Lobbying Amendment [(31 U.S.C. 1352, (Appendix II to 2 CFR 200(j)] – *for contracts worth $100,000 or more;*
   24. Provision requiring “Buy American” as outlined in 7 CFR 210.21(d) and SP 30-2017, including specific instructions for prior approval of all non-domestics to be delivered (see prototype example in Appendix A);
       1. Include the requirement for the need for documentation that requests consideration on the use of domestic alternative foods before approving an exception;
       2. Include the requirement for advance written approval by the Sponsor if a non-domestic product is to be delivered. The <title of person/position> is responsible for providing this advance approval.
       3. Include the requirement to document use of a non-domestic food exception when competition reveals the cost of domestic food is significantly high than the non-domestic food;
       4. Include the requirement to document the use of a non-domestic alternative food due to the domestic food not produced or manufactured in sufficient and reasonable available quantifies of a satisfactory quality.
   25. Specifications and estimated quantities of products is prepared by Sponsor and provided to potential contractors desiring to submit bids/proposals for the products and services requested.
6. In the event any potential vendor is in doubt as to the meaning of specifications or purchase conditions, interpretation will be provided in writing to all potential bidders by <title of person/position> and date specified.
7. The <title of person/position> will be responsible for securing all bids or proposals.
8. The <title of person/position> will be responsible to ensure all Sponsor procurements are conducted in compliance with applicable Federal, State, and local procurement regulations.
9. The following criteria will be used in awarding contracts as a result of bids/proposals [2 CFR 200.320(c)(2)(III):
   1. PRICE is the primary factor;

*Indicate other evaluation factors below:*



1. In awarding a RFP, a set of award criteria in the form of a weighted evaluation sheet will be provided to each bidder in the initial bid document materials. Price alone is not the sole basis for award, but remains the primary consideration when awarding a contract. Following evaluation and negotiations, a firm fixed price or cost reimbursable contract is awarded. **No “Cost Reimbursable plus a percentage” contract will be awarded (7 CFR 210.6c).** 
   1. The contracts will be awarded to the responsible/responsive bidder/proposer, whose bid or proposal is responsive to the invitation and is the most advantageous to the Sponsor, price and other factors being considered. Any and all bids may be rejected in accordance with law.
   2. If an accepted item is not available, the <title of person/position> will select the acceptable alternative. The contractor must inform the <title of person/position> if the product is not available by <insert time frame>.
   3. Full documentation as to the reason an accepted item was unavailable, and to the procedure used in determining acceptable alternates, will be available for audit and review. The person responsible for this documentation is <title of person/position>.
   4. The <title of person/position> is responsible for maintaining all procurement documentation.

# APPENDIX A: Buy American Documentation – SNP ONLY

Limited Exceptions: Exceptions to the Buy American provision should be used as a last resort (7 CFR 210.21(d) and SP 30-2017); however, an alternative or exception may be approved by the Sponsor.  Exceptions include:

1. The product is not produced or manufactures in the U.S in sufficient and reasonable available quantities of a satisfactory quality; or
2. Competitive bids reveal the costs of a U.S. product are significantly higher than the non-domestic product.

Limited exceptions to the Buy American Provision allow for the purchase of products not meeting the “domestic” standard. Before utilizing an exception, alternatives must be considered by the Sponsor:

1. Are there other domestic sources for this product?
2. Is there a domestic product that could be easily substituted, if the non-domestic product is less expensive?
3. Am I soliciting bids for this product at the best time of year? If I contracted earlier or later in the season, would prices and/or availability change?

To be considered for the alternative or exception, the request must be submitted in writing to the Sponsor’s designated official, in advance of delivery.  The distributor is requesting an exception from the Sponsor and must include the:

1. Alternative substitute (s) that are domestic and meet the required specifications:
   1. Price of the domestic food alternative substitute (s); and
   2. Availability of the domestic alternative substitute (s) in relation to the quantity ordered.
2. Reason for exception:  limited/lack of availability or price (include price):
   1. Price of the domestic food product; and
   2. Price of the non-domestic product that meets the required specification of the domestic product.

**The Sponsor is the final authority for approving an exception and the Sponsor must keep justification documentation on file.** Examples of justifications and a BUY AMERICAN DOCUMENTATION OF LIMITED PRODUCT EXEMPTIONS PROTOTYPE form follow:

| **Date** | **Food Category** | **Item/ Item Description** | **Country of Origin** | **Justification**  (justification for non-domestic product ) |
| --- | --- | --- | --- | --- |
| *08/15/17 to 05/24/18* | *Fruit* | *Bananas*  *Pineapple* | *Costa Rica* | *Domestic banana and pineapple are not available as evidenced by review of AMS list for past year and contacting three suppliers. Students request bananas and pineapple so will still serve but only one time per week.* |
| *08/15/17* | *Vegetable* | *Frozen Broccoli* | *Mexico* | *Domestic frozen broccoli is available but is three times the cost of non-domestic broccoli as evidenced by contacting three suppliers. It’s observed that broccoli is well accepted and consumed by students as compared to other dark-green vegetables and will be reduced to once per month.* |
| *02/27/18* | *Fruit* | *Oranges* | *Brazil* | *California freeze has impacted ability to get domestically grown oranges. Contacted three vendors no domestic oranges available. Will serve fresh oranges during the second week of March as menued. Use other domestically grown fruit until domestic oranges become available again.* |

# BUY AMERICAN DOCUMENTATION OF LIMITED PRODUCT EXEMPTIONS PROTOTYPE – SNP ONLY

| **Date** | **Food Category** | **Item/ Item Description** | **Country of Origin** | **Justification**  (justification for non-domestic product ) |
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