

# CHILD NUTRITION PROGRAM PROCUREMENT PLAN

This procurement plan will be implemented on \_\_\_\_\_ and from that date forward until amended. All procurements must adhere to free and open competition. The School Food Authority (SFA) will avoid unreasonable conditions that restrict competition. All reasonable efforts will be made to solicit bids, proposals and/or quotes from as many qualified vendors as possible; all qualified vendors are invited to respond to solicitations.

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Purchasing Agent\* Printed Name

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Purchasing Agent Authorized Signature

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Date

\*Purchasing Agent:

Person Responsible for authorized purchases using funds from the non-profit foodservice account.

## Procurement Plan for

The \_\_\_\_\_ will purchase goods, products, and/or services for use in the Child Nutrition Programs (CNP) in compliance with 2 CFR Part 200, 7 CFR Parts 210-250 (child nutrition regulations by program) and State Law, using the procedures outlined as follows.

The primary purpose of this procurement plan is to assure that open and free competition exists to the maximum extent possible. The procurement process practiced by the CNP must not restrict or eliminate competition. For example, description of goods, products, and/or services to be procured should not contain features that unduly restrict competition. Competition helps assure that services, supplies, or other property will be obtained that best meets the needs of the district.

A new procurement plan does not need to be developed every year. However, an annual review of the approved plan is suggested to assure its relevance to current procedures.

It will be the responsibility of the \_\_\_\_\_ to document the amounts to be purchased so the correct method of procurement will be followed.

### **1. Procurement Plan and General Requirements**

#### **A. Code of Conduct**

The following Code of Conduct will be followed by all employees who are engaged in the procurement process for \_\_\_\_\_ in accordance with 2 CFR 200.318(c)(1).

- Prohibits employees from soliciting gifts, travel packages, and other incentives from prospective contractors.
- Prohibits an employee from participating in the selection, award and administration of any contract to which an entity or certain persons connected to them have financial interest including:
  - The employee, officer or agent;
  - A member of the immediate family;
  - His or her partner, or
  - An organization who employs or is about to employ any of the parties listed above.
- Provides for CNP operators to set standards when financial interest is not substantial or the gift is an unsolicited item of nominal value and may be acceptable (for example: coffee mug or calendar).
- Provides for disciplinary actions to be applied in the event the standards are violated including:
  - Reprimand by Board of Education;
  - Dismissal by Board of Education, or
  - Any legal action necessary.

B. All costs expended from the nonprofit foodservice account must meet the general criteria in order to be allowable in accordance with 2 CFR 200.403.

C. \_\_\_\_\_ will perform a cost or price analysis in connection with every procurement action in excess of the small purchase threshold including contract modifications in accordance with 2 CFR 200.323(a).

- After completion of the cost or price analysis, \_\_\_\_\_ will establish which

purchase threshold services, supplies, or other property falls into. \_\_\_\_\_ ensures proper procurement methods are followed based on the cost or price analysis.

- D. \_\_\_\_\_ will take steps to assure the Buy American standard is followed by purchasing to the maximum extent practicable, domestic commodities or products in accordance with 7 CFR 210.21(d) and 220.16(d).
  
- E. \_\_\_\_\_ will take steps to assure the small, minority and women’s businesses enterprises, and labor surplus firms are used when possible in accordance with 2 CFR 200.321.
  
- F. The \_\_\_\_\_ shall agree to retain all books, records and other documents relative to the award of the contract agreement for three (5) years after final payment. Specifically they shall maintain, at a minimum, the following documents:
  - Written rationale for the method of procurement;
  - A copy of the RFP or IFB;
  - The selection of contract type;
  - The bidding and negotiation history and working papers;
  - The basis for contractor selection;
  - Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
  - The basis for award cost or price;
  - The terms and conditions of the contract;
  - Any changes to the contract and negotiation history;
  - Billing and payment records;
  - A history of any contractor claims, and
  - A history of any contractor breaches.

**2. Procurement Thresholds**

Purchasing will be conducted at the most restrictive procurement threshold.

	Federal Procurement Threshold	Arkansas Procurement Threshold	District Purchase Threshold
Micro	Less than \$10,000		
Small	Less than \$250,000		
Formal	Greater than \$250,000		

Arkansas Code Ann. 6-21-304, as amended by Act 1124 of 2017 requires the Commissioner of Education to adjust the small purchase threshold for bidding amounts under Ark. Code Ann 6-21-304(a)(1)(A) by the percentage change in the Consumer Price Index for all urban consumers or its successors. This adjustment shall be done by July 1 each year.

- A. Micro purchase procedures in accordance with 2 CFR 200.320(a).  
 This method applies to the purchase of supplies or services when the aggregate dollar amount does not exceed \$10,000. To the extent practicable, purchases must be distributed to qualified supplies equitably. These purchases may be awarded without soliciting competitive quotes if the entity considers the price to be reasonable.

B. Small purchase procedures in accordance with 2 CFR 200.320(b).

This method applies to the purchase of supplies, services, or other property when the aggregate dollar amount is between \$10,000 and the Arkansas small purchase threshold. Price or rate quotations must be obtained from an adequate number (2+) of qualified sources. The following small purchase procedures will apply:

- Written Specifications will be prepared and provided to the vendor.
- Each vendor will be contacted and given an opportunity to provide a price quote on the same specifications. A minimum of two vendors shall be contacted.
- The \_\_\_\_\_ will be responsible for contacting potential vendors when price quotes are needed.
- The price quotes will receive appropriate confidentiality before award.
- Quotes will be awarded by the \_\_\_\_\_. Quotes awarded will be to the lowest and best quote based upon quality, service availability, price, and/or \_\_\_\_\_:
- The \_\_\_\_\_ 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 \_\_\_\_\_ will be responsible for documentation that the actual product specified is received.
- Any time an accepted item is not available, the \_\_\_\_\_ will select the acceptable alternate. Full documentation will be made available as to the selection of the acceptable item.
- Bids will be awarded on the following criteria:
  - Price \_\_\_\_\_ (Ex.: quality, delivery, service, etc.)
  - \_\_\_\_\_
  - \_\_\_\_\_

C. Formal purchase procedures in accordance with 2 CFR 200.320(c-d).

This method applies to the purchase of supplies, services, or other property when the aggregate dollar amount is over the Arkansas small purchase threshold. Price or rate quotations must be obtained from an adequate number (2+) of qualified sources. The following Competitive Sealed Bid or an Invitation for Bid (IFB) or Competitive Proposal in the form of a Request for Proposal (RFP) procedures will apply:

- An announcement of an IFB or an RFP will be placed \_\_\_\_\_ to publicize the intent of the School Food Authority to purchase needed items. The advertisement for bids/proposals or legal notice will be run for \_\_\_\_\_. The announcement will contain:
  - General description of items to be purchased;
  - Deadline for submission of questions and the date written responses will be provided including addenda to bid specifications, terms and conditions as needed;
  - Date of pre-bid meeting, if provided, and if attendance is a requirement for bid award;
  - Deadline for submission of sealed bids or proposals, and
  - Address of location where complete specifications and bid forms may be obtained.
- In an IFB or RFP, each vendor will be given an opportunity to bid on the same specifications.
- The developer of written specifications or descriptions for procurements will be prohibited from submitting bids or proposals for such products or services.

- The IFB or RFP will clearly define the purchase conditions. The following list includes requirements, not exclusive, to be addressed in the procurement document:
  - Contract period;
  - SFA is responsible for all contracts awarded (statement);
  - Date, time, and location of bid opening;
  - How vendor is to be informed of bid acceptance or rejection;
  - Delivery schedule;
  - Set forth requirements (terms and conditions) which bidder must fulfill in order for bid to be evaluated;
  - Benefits to which the SFA will be entitled if the contractor cannot or will not perform as required;
  - Statement assuring positive efforts will be made to involve small, minority and women's businesses enterprises, and labor surplus firms;
  - Statement regarding the return of purchase incentives, discounts, rebates, and credits to the SFA's non-profit foodservice account, and
  - Contract provisions as required in accordance with Appendix II for 2 CFR Part 200:
    1. Termination for cause and convenience- contracts in excess of \$10,000;
    2. Equal Opportunity Employment- 'federally assisted construction contracts';
    3. Davis-Bacon Act- construction contracts in excess of \$2,000;
    4. Contract Work Hours and Safety Standards- contracts in excess of \$100,000 that involve the employment of mechanics or laborers;
    5. Right to inventions made under a contract or agreement- if the contract meets the definition of a 'funding agreement' under 37 CFR 401.2 (a);
    6. Clean Air Act- contracts in excess of \$150,000;
    7. Debarment and Suspension- all federally awarded contracts, and
    8. Byrd Anti-Lobbying Amendment- contracts in excess of \$100,000
- Contract provisions as required in 7 CFR Part 210.21(f) for all cost reimbursable contracts.
- Contract provisions as required in 7 CFR Part 210.16(a)(1-10) for Food Service Management Company contracts.
- Procuring instrument to be used are purchase orders from firm fixed prices after formal bidding.
- Price adjustment clause (escalation/de-escalation) based on appropriate standard or cost index (Consumer price index, or other as stated in terms and conditions for pricing and price adjustments).
- Method of evaluation and type of contract to be awarded.
- Method of award announcement and effective date (if intent to award is required by State or local procurement requirements).
- Specific bid protest procedures including contact information of person and address and the date by which a written protest must be received.
- Provision requiring access by duly authorized representatives of the SFA, State Agency, United State Department of Agriculture, or Comptroller General to any books, documents, papers and records of the contractor which are directly pertinent to all negotiated contracts.
- Method of shipment or delivery upon contract award.
- 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.
- Description of process for enabling vendors to receive or pick up orders upon contract award.

- Provision requiring the contractor to recognize mandatory standards/policies related to energy efficiency contained in the State Energy Plan issued in compliance with the Energy Policy and Conservation Act (PL 94-165).
- Signed statement of non-collusion.
- Signed Debarment/Suspension Certificate or statement included in contract or copy of Excluded Parties List System.
- Provision requiring "Buy American" as outlined in 7 CFR Part 210.21(d); specific instructions for prior approval of all of non-domestic product(s).
- Specifications and estimated quantities of products and services prepared by SFA and provided to potential contractors desiring to submit bids/proposals for the products or services requested.
- If any potential vendor is in doubt as to the true meaning of specifications or purchase conditions, interpretation will be provided in writing to all potential bidders by the \_\_\_\_\_ and date specified.
- The \_\_\_\_\_ will be responsible for securing all bids or proposals.
- The \_\_\_\_\_ will be responsible to ensure all SFA procurements are conducted in compliance with applicable Federal, State, and local procurement regulations.
- Bids will be awarded on the following criteria:
  - Price \_\_\_\_\_ (Ex.: quality, delivery, service, etc.)
  - \_\_\_\_\_
  - \_\_\_\_\_

D. In awarding a competitive negotiation (RFP), a set of award criterion 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.

- The contracts will be awarded to the responsible bidder/proposer whose bid or proposal is responsive to the invitation and is most advantageous to the SFA. Any and all bids or proposals may be rejected in accordance with law.
- The \_\_\_\_\_ is required to sign on the bid tabulation of competitive sealed bids or the evaluation criterion score sheet of competitive proposals signifying a review and approval of the selections.
- The \_\_\_\_\_ reviewing the procurement system that will ensure compliance with applicable laws.
- The \_\_\_\_\_ is responsible for documentation the actual product specified is received.
- Any time an accepted item is not available, the \_\_\_\_\_ will select the acceptable alternate. The contractor must inform \_\_\_\_\_ within \_\_\_\_\_ a product is not available. In the event a non-domestic agricultural product is to be provided to the SFA, the contractor must obtain, in advance, the written approval of the product. The \_\_\_\_\_ must comply with the Buy American Provision.
- 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 the \_\_\_\_\_.
- The \_\_\_\_\_ is responsible for maintaining all procurement documentation.

E. Noncompetitive purchase procedures in accordance with 2 CFR 200.320(f)

This method applies to the purchase of supplies, services, or other property from only one source when one or more of the following circumstances apply:

- Written Specifications will be prepared and provided to the vendor/contractor.
- The \_\_\_\_\_ will be responsible for the documentation of records to fully explain the decision to use the non-competitive negotiation. The records will be available for audit and review.
- The \_\_\_\_\_ will be responsible for documentation that the actual product or service specified was received.
- The \_\_\_\_\_ will be responsible for reviewing the procedures to be certain all requirements for using single source or non-competitive negotiation are met.
- Non-competitive negotiations shall be used for one-time purchases of a new food item in order to determine food acceptance by students and for samples for testing purposes. A record of non-competitive negotiation purchase shall be maintained by the \_\_\_\_\_. The record of non-competitive purchases shall include, at a minimum, the following:
  - Item name,
  - Dollar amount,
  - Vendor/contractor, and
  - Reason for non-competitive procurement.

F. Emergency purchases procedures.

- If it is necessary to make an emergency purchase to continue service, the purchase shall be made and a log of all such purchases shall be maintained by the \_\_\_\_\_. The following emergency procedures shall be followed. All emergency procurements shall be approved by the \_\_\_\_\_. At a minimum, the following emergency procurement procedures shall be documented:
  - Item name,
  - Dollar amount,
  - Vendor/contractor, and
  - Reason for emergency.

### 3. Contract Management

- A. The \_\_\_\_\_ shall designate an individual by name and title who will oversee each contract using funds from the non-profit food service account to ensure all terms, conditions and deliverables are adhered to in a manner that is consistent with the contract.
- B. Each contract will be monitored on a frequency that is established at the beginning of the contract period; any failure of the contractor to abide with the terms and conditions of the contract will be reported to the \_\_\_\_\_ immediately and immediate, documented corrective action will be required and/or contract termination proceedings will begin.
- C. The \_\_\_\_\_ will be responsible, in accordance with good administrative practice and sound business judgment, of the settlement of all contractual and administrative issues arising out of procurements using funds from the non-profit foodservice account.

#### 4. Purchasing Equipment

Equipment purchase procedures in accordance with 2 CFR 200.439(a)(2):

- Written specifications will be prepared and provided to vendors.
- Each vendor will be contacted and given an opportunity to provide a price quote on the same specifications. A minimum of two vendors shall be contacted.
- The price quotes will receive appropriate confidentiality before award.
- The SFA will seek prior approval from the State Agency unless the equipment is placed on the Equipment Preapproval List.
- Quotes will be awarded by \_\_\_\_\_. Quotes awarded will be to the lowest and best quote based upon quality, service availability, price, and/or \_\_\_\_\_.
- The \_\_\_\_\_ 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 \_\_\_\_\_ will be responsible for documentation that the actual product specified is received.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the nonfederal entity for financial statement purposes or \$5,000.