



CHILD NUTRITION PROGRAM PROCUREMENT PLAN

This procurement plan contained on the following pages will be implemented on _____ and from that date forward until amended. All procurements must adhere to full and open competition. Sponsors must retain all documentation for each procurement per regulations.

*Printed name of authorized representative

Date Completed

*As referenced in CNP Web:

Executive Contact for National School Lunch Program

Authorized Representative for Child and Adult Care Food Program

Authorized Representative for Summer Foods Service Programs

An employee of the School Food Authority or Residential Child Care Institution must complete the Procurement Plan

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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 ensure that full and open competition exists to the maximum extent possible. The procurement process practiced by the CNP Sponsor 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 ensure that goods, products, and/or services will be obtained that best meets your needs.

A. Informal Procurement Methods

1. **Micro Purchases** - This method applies to the purchase of supplies or services when the aggregate dollar amount does not exceed \$15,000. These purchases may be awarded without soliciting competitive quotes if the entity considers the price reasonable, keeping in mind that multiple purchases throughout the year should be equitably split among all qualifying vendors.

- The _____ will be responsible for contacting potential vendor/contractor.
- The _____ will be responsible for documentation of records of the purchase, name of vendor/contractor, price, and the written specifications.
- The _____ will be responsible for documentation that the actual product was received.
- The _____ is required to sign documentation, confirming a review and the approval of the purchase of the goods, products, and/or services.

_____ may establish a micro-purchase threshold that is higher than the Federal threshold established in the Federal Acquisition Regulations (FAR) up to \$50,000.

- School Food Authority (SFA) micro purchase threshold will not exceed \$15,000.
- SFA will self-certify a threshold up to \$50,000 **on an annual basis and maintain documentation of self-certification** using one of the methods checked below (**check only one method below**):
 - SFA meets the qualification as a low-risk auditee, in accordance with the criteria in 2 CFR 200.520 (*Because SFA is a non-public school, ISBOA does not complete an audit of SFA*)
 - SFA meets the qualification of an annual internal institutional risk assessment to identify, mitigate, and manage financial risk.
 - SFA meets the classification of a public institution, a higher threshold consistent with State law. (*Indiana threshold is \$50,000*)

Guidance for public schools to increase their Micro Purchase threshold to \$50,000 is provided by the State Board of Accounts (SBOA) School Bulletin, SBOA School Bulletin, June 2022 – page 6.

- This self-certification is for ALL Federal programs and should be developed at the district-level, not by individual federal programs.

Self-certification must be completed and documented annually at the district level.

2. Small Purchases (Simplified Acquisitions) - This method applies to the purchases of goods, products, and/or services when the aggregate amount is above the micro purchase threshold, less than \$150,000 or the lower local threshold as defined below.

- A CNP Sponsor may set a lower simplified acquisition threshold than the federal simplified acquisition threshold. The most restrictive (lowest) threshold must be used. In Indiana the threshold is \$150,000.
- Does _____ have a lower simplified acquisition threshold?

Mark the appropriate answer.

Yes List the dollar amount \$ _____

No Local threshold \$150,000 (state threshold)

- In developing your written specifications, the same information needs to be provided to all vendors/contractors, you may use prices found online, in catalogs, sale flyers, newspapers, prices obtained from grocery stores, farmer’s markets, etc.
- Each vendor/contractor will be contacted and given an opportunity to provide a price quote on the same specifications.
- Quotes from more than one (1) qualified vendor/contractor will be required. Obtaining at least three price quotes from qualified sources for a purchase is the preferred method.
- The _____ will be responsible for contacting potential vendors/contractors when price quotes are needed.
- The price quotes are to remain confidential information until the actual purchase has been made.
- The _____ will be responsible for documentation of records to show selection of vendor/contractor, reasons for selection, names of all vendors/contractors contacted, price quotes from each vendor/contractor, 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 alternative. _____ will document the reason for accepting an alternate and keep the documentation on file.

- Bids will be awarded on the following criteria in addition to price, which must be the highest weighted criterion: (Examples: quality, delivery, service, geographic preference, etc.)
- The _____ is required to sign documentation, confirming a review and the approval of the purchase of the goods, products, and/or services.
- The _____ is the Sponsors authorized purchaser.

B. Formal Procurement Method

This method applies to purchases of supplies or services when the aggregate amount is more than \$150,000, or the lower local threshold as defined above. The formal procurement method requires the use of an Invitation for Bid (IFB) or a Request for Proposal (RFP).

- The _____ is the Sponsors authorized purchaser.
- An advertisement is required for all purchases over the district simplified acquisition threshold of \$150,000, or the lower local threshold as defined above. The announcement (advertisement or legal notice) will contain a general description of items to be purchased, the deadline for submission of sealed IFB's and RFP's and the address where complete specifications and other procurement documents may be obtained.
- An announcement of an **Invitation for Bid (IFB) or a Request for Proposal (RFP)** will be publicly advertised in accordance with IC 5-3-1-2 (e). Notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received. The advertisement will be made in the sponsor's local publication.
- In an IFB or RFP, each vendor/contractor 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 shall be addressed in the procurement document:
 1. Contract period
 2. CNP Sponsor is responsible for all contracts awarded (statement)
 3. Date, time, and location of bid opening
 4. How vendor/contractor will be informed of bid acceptance or rejection
 5. Delivery schedule
 6. Requirements which the bidder must fulfill for the bid to be evaluated
 7. Benefits to which the CNP Sponsor will be entitled if the contractor cannot or will not perform as required

8. Statement regarding the return of purchase incentives to the CNP Sponsor non-profit Child Nutrition account
 9. Termination provisions and the basis for any settlement for all procurement over \$10,000
 10. Contract and/or purchase orders may be issued for firm, fixed prices after formal bidding process
 11. Escalation/De-escalation clause based on appropriate standard or cost index
 12. Specific bid protest procedures
 13. Provision requiring access by duly authorized representatives of the CNP Sponsor, 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
 14. Method of shipment or delivery upon Contract award
 15. Provision requiring contractor to maintain all required records for **three (3)** years after final payment and all other pending matters are closed for all negotiated contracts
 16. Provision describing the process for vendors/contractors will use to receive or pick up orders upon Contract award
 17. Provision requiring the contractor to recognize mandatory standards and polices related to energy efficiency which are contained in the State Energy Plan issued in compliance with the Energy Policy and Conservation Act (PL 94-165)
 18. All contracts over \$150,000 will require compliance with the Clean Air Act issued under Section 306, Executive Order 11738
 19. Signed Certificate of Lobbying for all contracts over \$100,000
 20. Signed statement of non-collusion
 21. Signed Debarment/Suspension Certificate or statement included in contract or copy of Excluded Parties List System (EPLS)
 22. Provision requiring "Buy American" (7 CFR Part 210.21(d)) as outlined in Policy Memorandum SP 38-2017; specific instructions for prior approval of any and all of non-domestic product.
- Contracting with small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms. (2 CFR Part 200.321)
 1. When possible, the CNP Sponsor should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms (See U.S. Department of Labor's list) are considered as set forth below.
 2. Such consideration means:

- a) These business types are included on solicitation lists;
 - b) These business types are solicited whenever they are deemed eligible as potential sources;
 - c) Dividing procurement transactions into separate procurements to permit maximum participation by these business types;
 - d) Establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types;
 - e) Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
 - f) Requiring a contractor under a Federal award to apply this section to subcontracts.
- Specifications will be prepared and provided to potential vendors/contractors desiring to submit a response to the IFB or RFP for the products or services requested. Vendors/contractors will be selected using the Sponsor's procedures such as:
 - Does the vendor's product meet the required specifications?
 - Does the vendor's delivery schedule meet the Sponsor's needs?
 - Other criteria that each Sponsor determines are of value to them.
 - If any potential vendor/contractor is in doubt as to the true meaning of specifications or purchase conditions, an interpretation will be provided by _____.
 - The _____ will be responsible for securing all IFB or RFP.
 - The _____ will be responsible for ensuring all CNP Sponsor procurements are conducted in compliance with applicable Federal regulations, State General Statutes or policies of the Sponsor.
 - The following criteria will be used in awarding contracts as a result of bids in addition to price, which must be the highest weighted criterion; (Examples: quality, delivery, service, geographic preference, etc.)
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- In awarding a competitive negotiation (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 the 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 best meets the needs of the CNP Sponsor, price, and other

factors considered. Any 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 criteria score sheet of competitive proposals signifying a review and approval of the selections.
- The _____ will review the procurement system to ensure compliance with applicable laws.
- The _____ will be responsible for documentation that the actual product specified is received.
- Any time an accepted item is not available, the _____ will select an acceptable alternate. The contractor must inform _____ a product is not available. In the event a non-domestic agricultural product is to be provided to the CNP SPONSOR, the contractor must obtain, in advance, the written approval of the product. The _____ must comply with the Buy American Provision (7 CFR Part 210.21(d)).
- 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 _____ will be responsible for maintaining all documentation of the procurement process.
- The contractor shall agree to retain all books, records and other documents relative to the contract agreement for five (5) years after final payment, or until audited by CNP Sponsor, whichever is sooner. The CNP Sponsor, its authorized agents, State Agency, and/or USDA auditors shall have full access to and the right to examine any of said materials during said period.
- The CNP Sponsor shall agree to retain all books, records and other documents relative to the award of the contract agreement for five (5) years after final payment. Specifically, they shall maintain, at a minimum, the following documents:
 1. Written rationale for the method of procurement;
 2. A copy of the RFP or IFB;
 3. The selection of contract type;
 4. The bidding and negotiation history and working papers;
 5. The basis for contractor selection;
 6. Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
 7. The basis for award cost or price;
 8. The terms and conditions of the contract;
 9. Any changes to the contract and negotiation history;
 10. Billing and payment records;
 11. A history of any contractor claims;
 12. A history of any contractor breaches; and

13. Documentation of affirmative steps taken to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible

C. Noncompetitive Procurement Method

The noncompetitive procurement method may only be used if one of the following circumstances applies:

1. The aggregate amount of the procurement transaction does not exceed the sponsor's micro-purchase threshold;
2. The procurement transaction can only be fulfilled by a single source;
3. The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation;
4. The sponsor requests in writing by submitting the Sole Source Request Form to use the noncompetitive procurement method, and IDOE provides written approval; or
5. After soliciting several sources, competition is determined inadequate.

All noncompetitive procurements must be approved by IDOE SCN.

- 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 noncompetitive procurement. 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 noncompetitive procurement are met.
- Noncompetitive 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 CN P Sponsor's Official. The record of noncompetitive procurement shall include, at a minimum, the following:
 1. Item name
 2. Dollar amount
 3. Vendor/contractor, and
 4. Reason for noncompetitive Procurement
- If it is necessary to make an emergency procurement 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:

1. Item name
2. Dollar amount
3. Vendor/contractor, and
4. Reason for emergency and noncompetitive procurement

D. Written Standards of Conduct

The CNP Sponsor must maintain a written code of standards of conduct (2 CFR 200.318 (c)(1)(2)) that includes procedures that governs the performance of its officers, employees, or agents who are engaged in the award and administration of contracts supported by CNP Funds. The following conduct will be expected of all persons who are engaged in the awarding and administration of contracts supported by CNP Funds.

- No employee, officer or agent of the _____ shall participate in the selection or in the award or administration of a contract supported by program funds if a conflict of interest, real or apparent, would be involved.
- Conflicts of interest arise when one of the following has a financial or other interest in the firm selected for the award:
 - a. The employee, officer or agent;
 - b. Any member of the immediate family;
 - c. His or her partner;
 - d. An organization which employs or is about to employ one of the above;
 - e. A less-than-arms-length transaction. This is one party's ability to control or influence the other party to the transaction. A less-than-arms-length transaction occurs:
 - i. When a transaction is conducted between related parties, meaning that the integrity of the transaction could be compromised;
 - ii. When one party to the transaction is able to control or influence the actions of the other party.

Examples could include:

 1. Hiring the CEO's brother as a janitor.
 2. Purchasing goods or services from a business owned by an officer, employee, or relative of the Sponsor's entity.
 3. Agreement for computer maintenance between a business and person who are related to the Sponsor's employees or board members.
- The _____ employees, officers or agents must not solicit or potentially accept gifts, travel packages, and other incentives from prospective vendors/contractors

- The CNP School or Sponsor must set standards when financial interest is not substantial, or the gift is an unsolicited item of nominal value and may be acceptable.
- Penalties for violation of the code of conduct of set forth within this plan will be the following actions:

E. Buy American Provision

The Buy American provision (7 CFR 210.21 (d)) is a requirement for sponsors to purchase, to the maximum extent practicable, domestic commodities or product.

- The _____ will be responsible for ensuring that the Buy American provision will be included in solicitations and contracts.
- _____ is permitted limited exceptions to the Buy American provision. In circumstances when use of domestic foods is truly not practicable, these exceptions will be based on the following criteria;
 - Availability – If the product is listed on the Federal Acquisitions Regulations Nonavailable articles list, 25.104 Nonavailable articles, and/or is not produced or manufactured in the U.S. in sufficient and reasonably available quantities of a satisfactory quality; or
 - Price – If after competitive bids reveal the costs of a U.S. product are significantly higher than the non-domestic product.
- The _____ will be responsible for tracking all non-domestic exceptions.
- The _____ will be responsible for tracking non-domestic product(s) purchased.

F. Equipment Purchases

Equipment is an article of nonexpendable, tangible personal property having a useful life of more than one (1) year and an acquisition cost of \$10,000 or more on an individual basis.

- The _____ will be responsible for procuring equipment.
- If the cost of the equipment is more than \$10,000 on an individual basis and has a useful life of more than one (1) year, then the procurement will be conducted in accordance with the outlined Informal or Formal procurement method as defined above.
- When procuring multiple pieces of equipment in a single purchase, the determined procurement method will be based on the aggregate dollar amount of the purchase.

- Equipment purchases of over \$10,000 must receive prior approval by the Indiana Department of Education (IDOE) office of School and Community Nutrition (SCN). Approval will be determined by one of the following criteria;
 - If equipment is listed on the IDOE Pre-Approved Equipment List then it is approved. Equipment will be procured according to the proper procurement method as defined above.
 - If equipment is not listed on the IDOE Pre-Approved Equipment List, then the IDOE Equipment Approval Form must be completed and approved by IDOE SCN prior to purchase.

G. Sponsor Specific Local Procurement Policies

(Local Requirements should be entered here; if none exist, please leave this section blank)