

Procurement of Goods and Services for School Meal Programs (2 CFR 200.320, 2 CFR 200.319, 2 CFR 200.320(a) and (b), 2 CFR 200.67, I.C. 67-2806)

When making purchases related to the District federally funded school breakfast and lunch programs, the District shall adhere to the following requirements in addition to any more restrictive requirements imposed by other applicable policies.

The Sugar-Salem School District may set a lower simplified acquisition threshold than the Federal threshold. The most restrictive (lowest) threshold must be used.

The Child Nutrition Program Director shall be responsible for all Child Nutrition Program (CNP) purchases procured when using the nonprofit Food Service account.

It will be the responsibility of the CNP Director to evaluate the procurement needs and forecast the amounts to be purchased so the correct method of procurement will be followed.

The CNP Director will perform a cost or price analysis in connection with every procurement action in excess of the simplified acquisition threshold including contract modifications in accordance with **2 CFR 200.323 (a)**.

It will be the responsibility of the CNP Director to ensure that contracts contain the applicable provisions described in **Appendix II to 2 CFR 200** and **7 CFR 210.21** in accordance with **2 CFR 200.326**.

Regardless of procurement method, the following factors will be determined regarding the allowability of costs in accordance with **2 CFR 200 Subpart E**.

- Be necessary and reasonable for proper and efficient administration of the program
- Be allocable to federal awards applicable to the administration of the program.
- Be authorized and not prohibited under federal, state and local laws

The CNP Director is responsible to ensure all CNP procurements are conducted in compliance with applicable Federal regulations, State General Statutes or policies of the Sugar-Salem School District.

The Sugar-Salem School District Child Nutrition Program (CNP) will utilize collaborative efforts for procurement in order to encourage competitive pricing and increase buying power through a school nutrition cooperative. The cooperative will follow State purchasing and Federal procurement requirements.

A. Micro Purchases (\$10,000 or Less)(2 CFR 200.67 & 2 CFR200.320(a)

The District shall, to the extent practicable, distribute micro purchases equitably among qualified suppliers. Micro purchases may be awarded without soliciting competitive quotes if the District considers the price to be reasonable. The District shall maintain evidence of this reasonableness with the records of any such purchase.

B. Small Purchase Procedures (\$10,000 to \$49,999) (2 CFR 200.320(b)

Before making a small purchase, the District shall obtain quotes from vendors. When possible, three quotes should be obtained, and in all cases at least two quotes will be obtained. These quotes may be provided verbally and shall be documented by the District.

C. Semi-Formal Bidding (\$50,000 - \$99,999)

The District shall issue a written request for bids for any purchase subject to semi-formal bidding requirements. This request describing the goods or services desired shall be provided to at least three vendors. Unless there is an emergency, the District shall grant the vendors three days to provide a written response. In all cases, the vendors shall have one day to submit any objections.

D. Formal Bidding (\$100,000 or More)

At least two weeks before the bid opening, the District shall publish notice of the request for bids with the second notice to be published in the succeeding week at least seven (7) days before the date the bids are scheduled to be opened. The District shall make bid specifications available upon request and will accept written objections. The District may, at its discretion, request a security or bond from vendors submitting bids.

All bids shall be publicly opened at the time and place prescribed in the invitation for bids.

The purchase shall be made through an open competitive sealed bid process with the procurement to be made from the qualified bidder submitting the best quote based upon price, quality, and service availability, complying with bidding procedures and meeting the specifications for the goods and/or services sought to be procured. All bids shall be publicly opened at the time and place prescribed in the invitation for bids.

A firm fixed price contract shall be awarded to the lowest bid that meets all of the material terms and conditions of the invitation for bid and which was submitted by a responsible bidder. This contract may specify a lump sum or a per unit price. The District may reject any bid if there is a sound and documented reason to do so.

- 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 procurement will be prohibited from submitting bids or proposals for such products and services.

- The IFB or RFP will clearly define the purchase conditions. The following shall be addressed in the procurement document:
 1. Contract time period;
 2. CNP Director is responsible for all contracts awarded;
 3. Date, time and location of bid opening;
 4. How vendor/contractor will be informed of bid acceptance or rejections;
 5. Delivery schedule and requirements (location, contact person, delivery times & deliveries per week)
 6. Requirements which bidder must fulfill in order for bid to be evaluated;
 7. Benefits to which the CNP will be entitled if the contractor cannot or will not perform as required;
 8. Statement assuring positive efforts will be made to involve minority, small owned and women owned business;
 9. Method of evaluation and type of contract to be awarded;
 10. Specific bid protest procedures including contact information of person and address and the date by which a written protest must be received.
 11. **Buy American Provision:** The contractor will purchase, to the extent practicable, domestic commodities or products substantially processed in the United States. “Substantially” means the final processed product contains over 51% domestically grown agricultural commodities. This provision applies to all food purchases paid from the nonprofit school food services account. There are limited exceptions to this provision which allow for the purchase of products not meeting the “domestic” standard as described above in circumstances when use of domestic product is truly not practicable. However, before utilizing an exception, alternatives to purchasing non-domestic food products should be utilized.
 - 12) **Debarment, Suspension, Ineligibility and Voluntary Exclusion:** By signing the Offer & Award form, the contractor shall certify that they have not been disbarred, suspended or otherwise excluded or ineligible for participations in federal assistance programs under executive order 12549.

Specifying Name brand and/or Equivalent (2 CFR 200.319 (6))

All procurement transactions for the acquisition of property or services required under a Federal award must be conducted in a manner providing full and open competition consistent with the standards of **200.319** and **200.320**.

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 bid or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
2. Noncompetitive pricing practices between firms or between affiliated companies;
3. Organizational conflicts of interest;
4. Specifying a “brand name” product instead of allowing “an equal” product to be offered
And describing the performance or other relevant requirements of the procurement;
5. Any arbitrary action in the procurement process

- **Bid Structure:**
 1. Bread, produce and Milk will be bid separately and will be awarded on a bottom line basis
 2. Groceries and Supplies will be bid on a line item basis.
 3. All bids will be considered as a single drop. Vendors may specify additional drop charge for site to site deliveries.

- **Bid Standards**

Termination Cause: The contract may be terminated for cause and for convenience by the Sugar-Salem School District CNP. (**Appendix II to 2 CFR 200.**) (Applies to contracts over \$10,000)

Escalation/De-escalation
Bid conditions must include the process in which a vendor needs to increase/decrease bid pricing.

- **Vendor Award Notification**
Bidders will be notified via email by the CNP Director within 10 operating days of final award.
- **Bid Protest Procedures (2 CFR 200.3185 (2) (k)):** If any vendor who submitted an offer as an objection to the award of the contract to the apparent vendor who submitted a responsive offer and is a responsible vendor with the lowest costs in the case of a bid or scored the greater number of points on a proposal, the objecting vendor shall notify the District within one day.
- **Bid will not include unnecessary or duplicative items (2 CFR 200.318 (d))**
- **Assurance of Ethical Practices-** Successful bidder will not engage in any practices that may be interpreted as a conflict of interest, real or apparent, or give an unfair advantage over other bidders. Such practices as offering gratuities, favors, gifts of monetary value in return for award of contract will disqualify potential bidders.
- **Contract only to Responsible Parties**
- **Contract Management 2 CFR 200.318(b)-** The Sugar-Salem School District Child Nutrition Program will monitor contractor performance to ensure:
 1. Quantity and quality of the goods and services requested are actually received
 2. Goods and Services are received on time
 3. Correct prices are charged

- **Contract With A Company Owned or Operated By The Government Of China Prohibited** Idaho Code 67-2359 States that A public entity in this state may not enter into a contract with a company to acquire or dispose of services, supplies, information technology, or construction unless the contract includes a written certification that the company is not currently owned or operated by the government of China and will not for the duration of the contract be owned or operated by the government of China. Applicable to all contracts executed on and after July 1, 2023.

Debarment and Suspension (2 CFR Appendix II (J)) - A contract award must not be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM). The list in “SAM” contains the names of parties

disbarred, suspended or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

- Debarment form must be included in bid packet and returned with applicable signatures with bid packet before consideration of award.
- **Lobbying (2 CFR 200 Appendix II (J))**- Vendors agree to provide certification regarding disclosure of lobbying activities of \$100,00+
- **Collusion** – Vendors agree to arrive independently at prices on the bid, without collusion, consultation, communication or agreement with any other bidder or competitor.
- **Equal Employment Opportunity (2 CFR Appendix II (c))**-In connection with the execution of the contract, the successful proposer shall not discriminate against any applicant for employment because of race, religion, color, sex, or national origin. The proposer shall take affirmative actions to ensure that applicants are employed and that employees are treated during their employment, without regard to their race, religion, color, sex or national origin. Such actions shall include, but not limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off, termination; rates or pay or other form of compensation; and selection for training, including apprenticeship.
- **Substitutions or Deviations** – Vendors must inform the CNP any time an accepted item is not available. If a substitution is made, it must meet nutrition guidelines and must be offered at the same price as the accepted item. In the event a non-domestic agricultural product is to be provided to the CNP, the CNP must maintain full documentation as to the reason an accepted item was unavailable, thus complying with the Buy American Provision Exception.

E. Procurement by Noncompetitive Proposals (2 CFR 200.320 (f)):

Procurement by noncompetitive proposal will only be used if one or more of the four circumstances apply:

1. Item is available only from a single source (Sole Source).
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposal in response to a written request from the CNP Director.
4. After solicitation of a number of sources, competition is determined to be inadequate.

When a noncompetitive proposal is used, the Sugar-Salem School District shall:

- Prepare and provide written specification to the vendor/contractor in accordance with 2 **CFR 200.319 (c) (1)**.
- The CNP Director is responsible for the documentation records to fully explain the decision to use the non-competitive negotiation. The records will be available for audit and review.
- The CNP Director is responsible for documentation that the actual product or service specified was received.
- The CNP Director is responsible for reviewing the procedures to be certain all requirements for using the single source or non-competitive negotiation are met.
- The record of non-competitive purchases shall include, at a minimum, the following:
 - a. Item Name

- b. Dollar amount
- c. Vendor/Contractor
- d. Reason for non-competitive procurement
- Piggybacking- The Sugar-Salem School District CNP may choose to piggyback onto a solicitation for goods/services under the same terms, costs, and conditions. The Sugar-Salem School District CNP will be included as a participant on the original solicitation or ensure that the solicitation and contract include language for the addition of parties and specifies applicable limits without causing a material change. All documentation will be acquired and maintained for the length of the contract, plus three (3) years, plus current year. The contract will be monitored to ensure compliance.

F. Internal Controls and Record Keeping (2 CFR 200.61, 2 CFR 200.62, 2 CFR 200.233, 2 CFR 200.336)

The Sugar-Salem School District CNP and contractor will retain all books, records and other documents relative to the contract agreement for three (3) years after the final payment, plus current year. Sugar-Salem School District, 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. Specifically the Sugar-Salem School District CNP shall maintain at a minimum:

- a. Written rationale for the method of procurement;
- b. A copy of the original solicitation;
- c. The selection of contract type;
- d. The bidding and negotiation history and working papers;
- e. The basis for contractor selection;
- f. Approval from the state agency to support lack of competition when competitive bids or offers are not obtained;
- g. The basis for cost or price;
- h. The terms and conditions of the contract;
- i. Any changes to the contract and negotiation history;
- j. Billing and payments records;
- k. A history of any contractor claims;
- l. A history of any contractor breaches;
- m. Record of public bid openings;
- n. Copies of contract award / non-award letters;
- o. Copies of advertisement for solicitation of goods / services;
- p. Determination / document of correct procurement method used; and
- q. Evaluation of whether procurement methods are consistent with the written procurement plan.

G. Equipment Purchases (2 CFR 200.33, 2 CFR 200.313, 2 CFR 200.439):

If the amount of purchase for equipment is greater than \$5,000, the following procedure is used:

- The CNP Director will develop written specifications of required equipment and provide them to vendors.
- Each vendor will be contacted and given an opportunity to provide a price quote on the same specifications. An adequate number of vendors shall be contacted,
- The price quotes will receive appropriate confidentiality before award.

- If using the nonprofit food service account or USDA funding for the purchase, the CNP Director will seek prior approval from the State Dept. of Education Child Nutrition Department by completing the Capital Expenditure Request.
- Quotes will be awarded by the CNP Director. Quotes awarded will be to the lowest and best quote based upon, price, quality, service availability and other pertinent specifications.
- The CNP Director is 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 CNP Director is responsible for documentation that the actual product specified is received.

H. Minority, Women and Small Business (2 CFR 200.321)

Sugar-Salem School District Child Nutrition Program shall take all necessary steps to assure that minority business, women business enterprise and labor surplus area firms are used when possible. Sugar-Salem School District Child Nutrition Program will:

- Place qualified small and minority business and women’s business enterprises on its solicitation list.
- Assure that small and minority business and women’s business enterprises are solicited and notified whenever they are potential sources of the needed goods or services.
- Award grocery and supply bid on a line item basis to allow for small and minority business and women’s business enterprises
- Encourage flexibility in delivery schedules to create opportunity for small and minority business and women’s business enterprise.
- Consult the services, assistance and information, as appropriate, of qualified organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

I. Code of Conduct (2 CFR 200.318(c)):

The following conduct will be expected of all persons who are engaged in the awarding and administration of contracts supported by the Child Nutrition Program funds.

1. No District employee, officer or agent of the Sugar-Salem School District Child Nutrition Program 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 or in any tangible personal benefit offered by the firm:

- a. The employee, officer or agent;
- b. His or her partner;
- c. Any member of the immediate family;
- d. An organization which employs or is about to employ one of the above.

2. The Sugar-Salem School District Child Nutrition employees, officers or agents shall neither solicit or accept gratuities, favors or anything of monetary value from contractors, political contractors or parties to sub-agreements. Trivial benefits not to exceed a value of fifty dollars (\$50.00) incidental to personal, professional or business contracts and involving no substantial risk of undermining official impartiality may be permitted.

3. Penalties for violations of the standards of code of conduct of the Sugar-Salem School District Child Nutrition Program may include any or all of the following:

- a. Reprimand or other disciplinary action by the Board
- b. Dismissal by the Board
- c. Additional legal action necessary

The non-Federal entity must maintain a written code of standards of conduct; establish procurement procedures and all procurement transactions shall be conducted in a manner that provides the maximum of free and open competition. These procedures must reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in **2 CFR 200.318**. An institution should not knowingly do business with a company that is debarred or suspended.

USDA Non-discrimination Long Statement:

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices and employees and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by the USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotope, American Sign Language, etc.) should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: How to File a Complaint, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

1. mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Ave, SW
Washington, D.C. 20250-9410;
2. fax: (202) 690-7442; or

3. email: program.intake@usda.gov

This Institution is an equal opportunity provider.

Legal References:	2 CFR § 200.319	Competition
	2 CFR § 200.320(a) and (b)	Methods of Procurement to be Followed
	2 CFR § 200.67	Micro-purchase
	I.C. § 67-2806	Procuring Services or Personal Property

Policy History:

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