

PROCUREMENT PLAN (REGULATION)

In accordance with the policy of the board of education, the following regulation shall govern the procurement of products, equipment or supplies that are purchased with federal funds for this school district.

SECTION I—PROCUREMENT PLAN GENERAL REQUIREMENTS

The plan for is Colcord Public Schools for procuring items for use in the Child Nutrition Programs (CNP) and is as follows:

1. The procurement plan provides for free and open competition, transparency in transactions, comparability, and documentation of all procurement activities.
2. The following *Code of Conduct* will be expected of all persons who are engaged in the awarding and administration of contracts supported by CNP reimbursement funds. These written standards of conduct include:
 - a. No employee, officer, or agent shall purchase or establish a contract 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:
 - The employee, officer, or agent
 - Any member of the immediate family
 - His or her partner
 - An organization that employs or is about to employ one of the above
 - b. Employees, officers, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
 - c. The purchase during the school day of any food or service from a contractor for individual use is prohibited.
 - d. No item, food, or beverage purchased with nonprofit school food service funds will be removed from the school premises by school personnel.
 - e. Penalties for violation of the standards of the code of conduct of the Colcord Public Schools CNP should be:
 - Reprimand by Board of Education
 - Dismissal by Board of Education
 - Any legal action necessary
3. Regardless of the procurement method, the following factors will be determined regarding the allowability of costs:
 - a. Be necessary and reasonable for the proper and efficient administration of the program(s)
 - b. Be allocable to federal awards applicable to the administration of the program(s)
 - c. Be authorized and not prohibited under state and local law

4. Purchasing will be conducted at the most restrictive procurement threshold:

	Federal Procurement Thresholds	SFA Procurement Thresholds (Input)
Micro Purchasing	Less than \$3,500	Less than \$3,500
Equipment	Over \$5,000	Over \$5,000
Small/Informal	Less than \$150,000	Less than \$150,000
Formal	Greater than \$150,000 or any total Food Service Management Contract	\$150,000 or Greater

5. All staff conducting purchasing will be trained on the procurement procedures.
6. All purchasing records must be maintained no less than the current year plus three additional years.
7. **Buy American Provision**

Section 104(d) amended Section 12(n) of the National School Lunch Act (NSLA) (42 U.S. 1760) to require SFAs participating in the NSLP and SBP in the 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, including Guam, American Samoa, the Virgin Islands, Puerto Rico, and the Northern Mariana Islands, 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 105-336 makes it clear that the term **SUBSTANTIALLY** means that over 51 percent of the processed food comes from American-produced products.

8. **Geographic Preference**

The use of statutorily or administratively imposed in-state or local geographic preferences for procurements under USDA entitlement programs is prohibited, except for unprocessed locally grown or locally raised agricultural products. The Food, Conservation, and Energy Act of 2008 (Public Law 110- 246, Section 4302) amended Section 9(j) of the NSLA to allow institutions receiving funds through CNP to apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products. When the geographic preference is used, an SFA must still get quotes from several farmers when procuring unprocessed locally grown or locally raised agricultural products so that competitors have an opportunity to compete for the bid.

9. **Protest Procedures**

Protest procedures are required. SFAs will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the SFA before pursuing a protest with a federal agency. Reviews of protests by the federal agency will be limited to:

- a. Violations of federal law or regulations and the standard of 7 CFR §3016 (violations of state or local law will be under the jurisdiction of state or local authorities).

- b. Violations of the SFA's protest procedures for failure to review a complaint or protest. Protests received by the federal agency other than those specified previously will be referred to the SFA. (See attachment for protest procedures)

10. Nonkickback Affidavit

Please note that Oklahoma statute 62 O.S. §310.9 requires a signed and notarized non-kickback affidavit on every purchase order of \$25,000 or more. The affidavit is to be signed by the person or persons authorized to accept payment on behalf of the architect, contractor, engineer, or supplier.

11. Lobbying Certification (Reference 200.326[1])

- a. Lobbying certification must be obtained for procurement contracts of more than \$100,000. Any vendor whose contract award is for more than \$150,000 must complete a Certification Regarding Lobbying form. The SFA must keep this signed certification statement on file with a copy of the vendor's contract. (If applicable, see attachment)
- b. Any SFA or its vendors who participate in lobbying activities must complete a Disclosure of Lobbying Activities form. SFAs must submit this completed form to the State Agency. A vendor would submit its completed form to the SFA. (If applicable, see attachment)

12. Debarment or Suspension

An SFA is prohibited from contracting with an individual or company that has been debarred or suspended in accordance with 2 CFR §180, as adopted and modified by USDA regulations at 2 CFR §417. This prohibition does not extend to contracts in existence at the time of the debarment or suspension or to most contracts under \$25,000. Rather, it applies to new contracts and extensions or renewals of existing contracts of \$25,000 or more and to contracts for audit services, regardless of amount.

13. Beverage and Snack Agreement

In some cases, the exclusive contracts do not involve nonprofit school food service account (SFSA) funds, in which case there are no federal FNS procurement issues involved. However, if any nonprofit school food service products are purchased via the exclusive contract, then all federal procurement requirements must be met. If small purchase procedures are used for a procurement of \$150,000 or less, price or rate quotations must be obtained from an adequate number of qualified sources. Additionally, if nonprofit school food service products are included in the contract, any rebates, commissions, scholarship fund contributions, or any other payments back to the SFA or SFA-related organizations must be reimbursed to the nonprofit SFSA on a prorated basis.

- a. No federal prohibition on multiyear contracts other than for FSMCs. It is suggested, however, that school procurement officials consider the impact of multiyear contracts, as opposed to one-year contracts, on beverages and snacks. Long-term contracts would appear to be more appropriate for nonperishable products and services such as warehousing and equipment rental. As noted above, however, there is no federal prohibition on these longer-term contracts.
- b. Public Law 108-265, Section 102, requires a school participating in the NSLP shall not directly or indirectly restrict the sale or marketing of fluid milk products by the school (or by a person approved by the school) at any time or any place on the school premises or at any school-sponsored event.
- c. Schools participating in the NSLP must check all beverage contracts for language that may limit the sale of milk on school grounds. The sale of milk cannot be limited at any time during the school day or at any place on the school premises. Contracts may have language that is hard to understand. Look for the term Exclusive Pouring Rights. Every school district must have amended their beverage contracts that limit the sale of milk should such language exist. The primary effect of this provision is to prevent contract limitations on the sale of fluid milk in competition with other beverages.

14. Contracts in excess of \$150,000 shall contain provision that require compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857[h]), Section 508 of the Clean Water Act (33 U.S. C. 1368), Executive Order 11738, and Environmental Protection Agency (EPA) Regulation (40 CFR §15), which prohibit the use of nonexempt federal contracts, grants, or loans of facilities included on the EPA list of violating facilities. The provision shall require reporting of violations to the grantor agency and to the EPA Assistant Administrator for Enforcement (EN-329). The contract must recognize mandatory standards and policies relating to energy efficiency that are contained in the State Agency conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).
15. The SFA will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps shall include:
- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
 - b. Assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources.
 - c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises.
 - d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises.
 - e. Using the services and assistance of the Small Business Administration (SBA) and the Minority Business Development Agency of the Department of Commerce.
 - f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

SECTION II—MICRO PURCHASING

If the amount of purchases for items is less than \$3,500 and less than the SFA's small purchase threshold, the following procedures will be used:

1. Purchases will not be separated into two or more purchases to meet or be below the \$3,500 threshold.
2. The price quotes will not be required. Competition is not required.
3. When practicable, micro-purchases will be distributed equitably among qualified suppliers.
4. Documentation of purchases will be kept and maintained for three years plus the current year.

The SFA will be responsible for documentation of purchase.

NOTE: Federal threshold of \$2,000 is applicable in the case of acquisitions for construction subject to the Davis-Bacon Act.

SECTION III—PURCHASING EQUIPMENT

If the amount of purchases for equipment is **greater than \$5,000**, the following procedure will be used:

1. Written specifications will be prepared and provided to vendors.
2. 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.
3. The price quotes will receive appropriate confidentiality before award.
4. If using USDA funding for the purchase, the SFA will seek prior approval from Oklahoma CNP unless the equipment is placed on the Equipment Preapproval List located in the Child Nutrition Manual.
5. Quotes will be awarded by SFA. Quotes awarded will be to the

lowest and best quote based upon quality, service availability, price, and/or location.

- 6. The SFA be responsible for documentation of records to show a selection of a vendor, reasons for selection, names of all vendors, price quotes from each vendor, and written specifications.
- 7. The SFA 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. See also §§200.12 capital assets, 200.20 computing devices, 200.48 general purpose equipment, 200.58 information technology systems, 200.89 special purpose equipment, and 200.94 supplies.

SECTION IV—SMALL PROCUREMENT

If the amount of purchases for items is greater than \$3,500 and less than \$150,000 (or the SFA’s small purchase threshold), Small Purchase Procedures must be followed. Quotes documented from an adequate number of qualified sources will be required.

Select one:

- Purchases over \$3,500, but below \$150,000
Purchases over \$3,500, but below (Enter amount if the threshold is different from the federal limit of \$150,000; it must be more restrictive)

Quotes

- 1. Written specifications will be prepared and provided to the vendor.
- 2. 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.
- 3. The SFA will be responsible for contacting potential vendors when price quotes are needed.
- 4. The price quotes will receive appropriate confidentiality before award.
- 5. Quotes will be awarded by the SFA. Quotes awarded will be to the lowest and best quote based on quality, service availability, price, and/or.
- 6. The SFA will be responsible for documentation of records to show a selection of a vendor, reasons for selection, names of all vendors contacted, price quotes from each vendor, and written specifications.
- 7. The SFA will be responsible for documentation that the actual product specified is received.
- 8. Anytime an accepted item is not available, the SFA will select the acceptable alternative. Full documentation will be made available as to the selection of the acceptable item. Substituted items will not be made at the vendor’s discretion.
- 9. Purchasing will be based on the following criteria:
 - a. **Price** _____
 - b. _____
 - c. _____(Example: quality, delivery, service)

SECTION V—FORMAL PROCUREMENT

Select one or more as applicable:

- ✓ Purchases over \$150,000 or over
(Sponsor input if the threshold is below federal limit of \$150,000, must use most restrictive)
- ✓ Food Service Management Contracts at any total cost (does not include vendor meal agreements)
NA, no purchases over \$150,000 or Food Service Management Contracts

1. If the amount of purchases is \$150,000 (or SFA approved threshold if less), or for a Food Service Management Contract, formal procurement procedures will be used as required by 2 CFR Part 200.318- 326, formerly 7 CFR §3016.36.

Category	Procurement Method	Evaluation Used	Contract Type Award	Contract Duration/Frequency

2. Formal bid procedures will be applied on the basis of a:

- ✓ Centralized System
- Individual Site
- Multisponsor Systems
- State Contract
- Combination of above (Specify): _____

3. Because of the potential for purchasing more than \$150,000, it will be the responsibility of the SFA to document the amounts to be purchased so the correct method of procurement will be followed.

4. When a formal procurement method is required, 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:

- a. An announcement of an IFB or an RFP will be placed in the school webpage www.colcordschools.com to publicize the intent to purchase needed items. The advertisement for bids/proposals or legal notice will be run for 1 week.
- b. An advertisement is required for all purchases over the districts shall purchase threshold

of \$150,000.00 . The announcement will contain a:

- 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
 - Address of location where complete specifications and bid forms may be obtained
- c. If an IFB or RFP, each vendor will be given an opportunity to bid on the same specifications.
- d. The developer of written specifications or descriptions for procurements will be **PROHIBITED** from submitting bids or proposals for such products or services.
- e. The IFB or RFP will clearly define the purchase conditions. The following list includes
- f. 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 be entitled if the contractor cannot or will not perform as required
 - A statement assuring positive efforts will be made to involve minority and small business
 - Statement regarding the return of purchase incentives, discounts, rebates, and credits to the nonprofit CN account
 - 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 (FSMC) 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 [CPI] 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 of the 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
 - A provision requiring access by duly authorized representatives of the SFA, State Agency, USDA, 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
 - A provision requiring the contractor to maintain all required records for **THREE** 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
 - A 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 noncollusion
 - Signed Disbarment/Suspension Certificate or statement included in contract or copy of Excluded Parties List System (EPLS)
 - 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 for the true meaning of specifications or purchase conditions, interpretation will be provided in writing to all potential bidders by the SFA
 - The SFA will be responsible for securing all bids or proposals
 - The SFA will be responsible to ensure all SFA procurements are conducted in compliance with applicable federal, state, and local procurement regulations
 - The following criteria will be used in awarding contracts as a result of bids/proposals:
5. 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 reevaluation and negotiations, a firm fixed price or cost reimbursable contract is awarded.
- a. 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, price and other factors considered. Any and all bids or proposals may be rejected in accordance with law.
 - b. The SFA 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.
 - c. The SFA is responsible for reviewing the procurement system to ensure compliance with applicable laws.
 - d. The SFA is responsible for documenting the actual product specified is received.
 - e. Anytime an accepted item is not available, the SFA will select the acceptable alternative. The contractor must inform by SFA when a product is not available. In the event a nondomestic agricultural product is to be provided to the SFA, the contractor must obtain, in advance, the written approval of the product. The SFA must comply with the Buy American provision.
 - f. 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 SFA
 - g. The SFA is responsible for maintaining all procurement documentation.

SECTION VI—NONCOMPETITIVE NEGOTIATION

If items are available *only* from a *single* source when the award of a contract is not feasible under small purchase, sealed bid, or competitive negotiation, noncompetitive negotiation procedures will be used:

1. Written specifications will be prepared and provided to the vendor.
2. The SFA will be responsible for the documentation of records to fully explain the decision to use the noncompetitive negotiation. The records will be available for audit and review.
3. The SFA will be responsible for documentation that the actual product or service specified was received.

4. The SFA will be responsible for reviewing the procedures to be certain that all requirements for using single source or noncompetitive negotiation are met.

5. 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 noncompetitive negotiation purchase shall be maintained by the SFA. The record of noncompetitive purchases shall include, at a minimum, the following:

- a. Item name
- b. Dollar amount
- c. Vendor
- d. Reason for noncompetitive procurement

NOTE: Due to the rural location of the district, it is feasible the school will only receive one responsible and responsive response.

SECTION VII—EMERGENCY PURCHASING

1. If it is necessary to make a one-time emergency procurement to continue service to obtain goods, the purchase shall be made and a log of all such purchases shall be maintained by SFA. The following emergency procedures shall be followed. All emergency procurements shall be approved by the SFA. At a minimum, the following emergency procurement procedures shall be documented:

- a. Item name
- b. Dollar amount
- c. Vendor
- d. Reason for emergency

2. If the emergency purchasing need requires a contract, all books, records, and other documents relative to the award of the contract must be retained for three years after final payment. Specifically, the SFA shall maintain, at a minimum, the following documents:

- a. 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 a lack of competition when competitive bids or offers are not obtained
- g. The basis for award cost or price
- h. The terms and conditions of the contract
- i. Any changes to the contract and negotiation history
- j. Billing and payment record
- k. A history of any contractor claims
- l. A history of any contractor breaches

INFORMAL PROCUREMENT LOG

To Be Used for Purchases of \$150,000 or Less

Check the box next to the supplier that you choose. If the chosen supplier does not provide the lowest overall price, explain the decision on the attached sheet. Document contact with two or more vendors.

Items to be purchased and specifications:

	Date and Method of Contact	Bid Price	Negotiated Price	Notes
Supplier 1				
Supplier 2				
Supplier 3				

CHART OF PROCEDURES

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

PRODUCT	PRICE QUOTE TIME FRAME	PROCUREMENT METHOD USED
Milk	NA	FSMC
Bread	NA	FSMC
Canned Fruit	NA	FSMC
Canned Vegetables	NA	FSMC
Frozen Vegetables	NA	FSMC
Prepared fruits and Vegetables	NA	FSMC
Fresh fruits	NA	FSMC
Fresh vegetables	NA	FSMC
Meats	NA	FSMC
Paper products	NA	FSMC
Chemicals	NA	FSMC
Small Equipment	NA	FSMC
Large Equipment	Varies by item availability	Micro & small purchases