2025 ISBE School Nutrition Training

General Procurement



Christina Smith

CHILD NUTRITION PROGRAMS



Meet the Procurement team!



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Supervisor: Dean Held Director: Mark Haller



Housekeeping

- Location of Bathrooms
- Cell phones, tablets and computers
- Questions
- Lunch
- PowerPoint presentation will be available on our SNP Training and Professional Standards <u>website</u>



SNP Training and Professional Standards

website

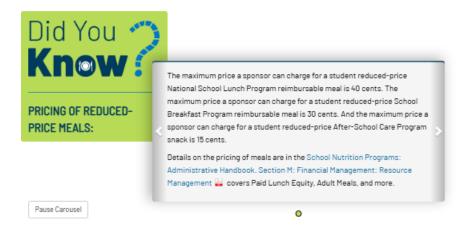


https://www.isbe.net/Pages/snp-training.aspx

NUTRITION

SNP TRAINING AND PROFESSIONAL STANDARDS

The Illinois State Board of Education Nutrition Department presents a variety of training options to support school nutrition professionals in ensuring they have the knowledge, skills, and resources they need to successfully operate the National School Lunch Program and other School Nutrition Programs. The U.S. Department of Agriculture's required professional standards consist of annual training requirements, as well as hiring standards.



Visit our What's New? section to view and register for upcoming trainings and webinars and to link to recent recordings from the ISBE Nutrition Department and our training partners.

- ABCs of School Nutrition: The ISBE Nutrition Department partners with the University of Illinois Extension to provide
 resources and training to support school nutrition programs in Illinois. View recorded trainings and watch for
 upcoming in-person trainings and live webinars.
- Institute of Child Nutrition: ICN is a federally funded national center dedicated to applied research, education and training, and technical assistance for Child Nutrition Programs. Register for upcoming live trainings and access recorded trainings and other resources.
- USDA Professional Standards Training Database: This database allows school nutrition professionals to search for training that meets their learning needs in one easy-to-use website. Trainings are available in a variety of formats and most trainings are free.



Agenda

- What is Procurement?
- Regulations
- Procurement Required Policies
- FSMC/Vended Meal Company Contracts
- Procurement Reviews
- Procurement Website and Resources
- Q&A



Procurement





Procurement



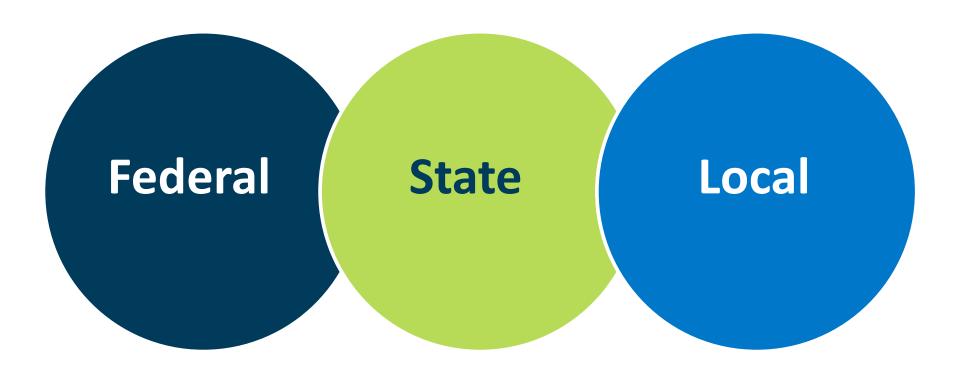


What is Procurement?

Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations.



Rules and Regulations





IL State Rule States Bidding Not Required

FALSE!

Public Act 102-1101 allows for the use of the IFB procurement method <u>or</u> the RFP procurement method when certain criteria are met.

- SFAs <u>must</u> continue to solicit bids or proposals in the purchasing of goods, services and/or food service management.
- There has been no change to the dollar thresholds that determine whether the purchase/contract can utilize the micro purchase, informal or formal procurement method.
- There has also been no change to the required 3 step process for the procurement of Vended meals and/or Food Service Management Company contracts. It does however allow for the SFA to determine if the IFB or RFP would be the best option for their SFA.
- Reminder: The Child Nutrition Programs are <u>Federally</u> funded programs. Therefore, no local or state law/rule/regulation can supersede Federal law/rule/regulation.



Federal Rules and Regulations

2 CFR 200: Uniform Administrative requirements, Cost Principles and Audit Requirements for Federal Awards.

7 CFR Part 210: National School Lunch Program

7 CFR Part 215: Special Milk Program

7 CFR Part 220: School Breakfast Program

7 CFR Part 225: Summer Food Service Program (SFSP)

7 CFR Part 226: Child and Adult Care Food Program (CACFP)

7 CFR Part 245: Determining Eligibility

7 CFR Part 250: USDA Foods



NEW! Procurement Training Requirement





Federal 2 CFR 200: Uniform Guidance/Super Circular

- All Procurement transactions <u>must</u> be conducted in a manner that provides maximum open and free competition.
- Procurement procedures <u>must</u> ensure they do not foster noncompetitive practices between firms, do not create organizational conflicts of interest, and do not restrict or eliminate competition.
- Procurement <u>must not</u> place unreasonable requirements on firms, require unnecessary experience, or establish unrealistic bonding requirements.
- The cost plus a percentage of cost and/or revenue method <u>must not</u> be used.
- School Food Authority (SFA) <u>must</u> maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts.
- School Food Authority (SFA) <u>must</u> have its own documented procurement procedures also referred to as procurement policy.
- School Food Authority (SFA) <u>must</u> have its own written code of conduct policy.
- School Food Authority (SFA) <u>must</u> have its own documented protest procedures.



Required Policies



PROCUREMENT PROCEDURES



CODE OF CONDUCT



PROTEST PROCEDURES



Required Policy: Procurement Procedure

The School Food
Authority (SFA) must have
its own documented
procurement procedures
that conform to all
federal, state and local
laws.

The Procedures <u>must</u> include, but not limited to, the following standards:

SFA oversight and contract monitoring procedures.

Avoid acquisition of unnecessary or duplicate items.

Identify who(m) (by either name and/or position) is responsible for the procurement processes.

Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the procurement.

Restricts awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Maintain records sufficient to detail history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Have written procedures for procurement transactions that incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured.

Require the SFA to perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications.

Required Policy: Code of Conduct

The School Food Authority (SFA) <u>must</u> have written standards of conduct covering conflicts of interest that prohibit officers, employees and agents from soliciting or accepting gratuities, favors or anything of monetary value from contractors or parties of subcontracts.

The Procedures <u>must</u> include, disciplinary actions for violations by officers, employees, or agents.



Required Policy: Protest Procedures

Any action that diminishes open and free competition seriously undermines the integrity of the procurement process and may subject any School Food Authority (SFA) to a contract award protest.

The School Food Authority (SFA) <u>must</u> have protest procedures in place to handle and resolve disputes relating to their procurements and must in all instances disclose information regarding a protest to the Illinois State Board of Education (ISBE) Nutrition Department.

The SFA are responsible for developing procedures, inputting procedures in each competitive procurement, properly responding to protests and concerns raised by potential contractors and reporting the protest with findings/ results to the Illinois State Board of Education Nutrition Department.



FSMC/ Vended Meals Contracts





Contract Types





What is an FSMC?

National School Lunch Program regulations under Title 7, Code of Federal Regulations (7 CFR), Section 210.2 define a food service management company (FSMC) as "a commercial enterprise or a nonprofit organization which is or may be contracted with by school food authority (SFA) to manage any aspect of the school food service." A company is considered an FSMC if it performs one, all or a combination of the following services:

- Providing Food Service Consulting Services
- Developing menus and menu production records
- Preparing, delivering, and/or serving meals
- Organizing and maintaining program documents (such as daily meal counts, menus, and menu production records)
- Preparing claims for SFA approval and submission
- Purchasing food, supplies, and/or equipment
- Providing program guidance and training
- Provide staff (managerial, supervisory, and/or hourly) to work onsite in an SFA facility
- Maintaining bookkeeping records
- Implementing other activities that would normally be performed by the SFA



What is Vended Meals?

Vended meals are pre-packaged, or bulk delivered meals purchased from a third-party commercial enterprise known as a Vendor. The Vendor prepared the meals off-site at the Vendor owned/leased facility and delivering meals to the SFA, while the SFA is responsible for serving the meals and managing all other aspects of the school food service. In this capacity, a meal vendor may also develop menus and menu production records.

Should additional services be provided, such as the activities listed under the FSMC definition above (usually performed by the SFA when contracting with a meal vendor), such services may constitute food service management and would need to be solicited and procured as such.

- Meal vendors may <u>not</u> perform any of the following services:
 - Access individual student meal eligibility
 - Act as an employee of, or agent for, the SFA
 - Collect claim data
 - Collect meal payments
 - Conduct point of service meal counts
 - Provide program oversight
 - Provide staff, in any capacity, to work onsite in an SFA facility



What is FSMC-Vended Meals?

National School Lunch Program regulations under Title 7, Code of Federal Regulations (7 CFR), Section 210.2 define a food service management company (FSMC) as "a commercial enterprise or a nonprofit organization which is or may be contracted with by school food authority (SFA) to manage any aspect of the school food service."

However, the SFA does not have the kitchen facilities for meals to be prepared on site. Therefore, the SFA requires the FSMC to be able to perform one, all or a combination of the services outlined under the definition of an FSMC but prepare the meals off-site at an FSMC owned/leased facility and deliver the meals in either bulk or individually pre-packaged units.



Federal Requirements for Soliciting an FSMC or Vended Meals Contract

7 CFR 210.19(a)(5) requires State Agencies to:

- Ensure that participating School Food Authorities (SFAs) entering into contracts with FSMCs/vended Meal Companies comply with State and Federal Procurement standards and cost principals and applicable Federal Program regulations.
- Annually review each contract (including all documentation supporting the original solicitation) between any SFA and FSMC to ensure compliance with all the provisions and standards set forth in this part prior to execution of the contract by either party.
- Ensure that State agency-approved FSMC prototype solicitation and contract documents used by SFAs meet the provisions of the governing regulations and that all changes made to the prototype contract are reviewed and approved annually by the State agency prior to execution of the contract.
- Conduct an on-site review of each contracting SFA at least once during each 5-year period.
 Such reviews must include an assessment of the SFA's compliance with 7 CFR 210.19(a)(5) and with 210.16.



Reminders when Soliciting an FSMC/ Vended Meals Contract

Full and Open Competition:

The foundation of all procurement, regardless of the method used, is that the procurement be conducted in a manner that provides maximum full and open competition. Procurement procedures and processes must not restrict or eliminate competition. Examples of such restrictions include, but are not limited to:

Noncompetitive Pricing Practices:

 Encouraging or fostering noncompetitive practices, e.g., collusion between firms and noncompetitive awards to consultants that are on retainer contracts.

Inappropriate Practices:

Includes using information prepared by a FSMC/Vendor in the solicitation; entering into negotiations with a firm prior to evaluating proposals; negotiating with any bidder at any time when the competitive sealed bid procurement method is used; opening sealed bids in advance of the published open date; and providing only certain firms with the results of pre-bid meetings or releasing the contents of a bid or proposal to other bidders/proposal offerors.

Overly responsive:

Giving consideration to overly responsive elements of the respondent's bid or response is prohibited. A contract award must be made by evaluating responses against the evaluation and scoring criteria stated in the solicitation with price as the primary consideration. Consideration may, however, be given to responses that add value to the Program; however, it is the SFA's responsibility to be able to substantiate that the item adds value to an element already contained in the solicitation as opposed to being overly responsive, for example, if the RFP does not have specific solicitation for equipment yet the offer includes such. Any questions that arise should be discussed with the State Agency.



Q: I currently contract or am thinking about contracting for an FSMC/Vended Meals Company- what do I do/ where do I start?

A: Contact ISBE to discuss you needs/goals and go over the solicitation process.



Procurement Review





What is a Procurement Review?

A procurement review is for State Agencies to ensure the procurement process conducted by school food authorities (SFAs) complies with Program and the government-wide procurement standards. Procurement standards must be conducted in a manner providing full and open competitive (2 CFR 200.319(a)).



Why are there Procurement Reviews?



Procurement is a major responsibility of each SFA – almost half, if not all, of the SFA's reimbursement is used on the procuring of goods and/ or services.



Procurement has a <u>major</u> impact on financial stability of the SFA's nonprofit school food service account.



Not just another "food service" requirement. 2 CFR 200 applies to <u>ALL</u> federal grants and most SFAs receive Federal grants other than just from the Child Nutrition Program.



Most Common Procurement Review Finding:

No documentation to support procurement (2 CFR 200.318)

Such as solicitation quotes, vendors contacted, invoices, vendor paid list, price per unit, a signed contract etc.

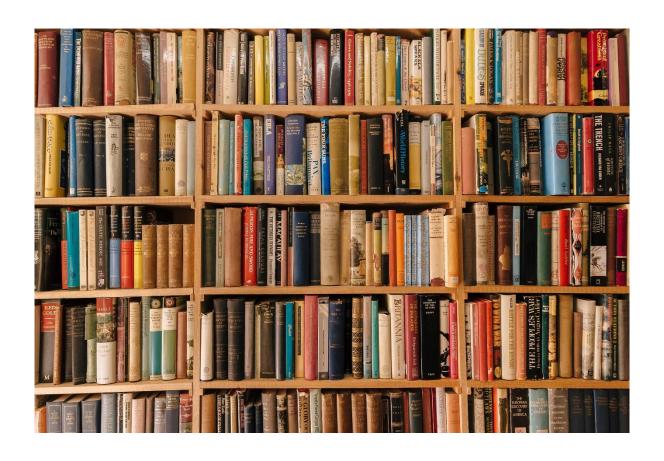


Tips for a Successful Review!

Document	DOCUMENT! DOCUMENT! DOCUMENT! Organize and retain all documents to support each procurement by creating labeled files, whether paper or electronic.
Know	Know Federal procurement record keeping requirements. All financial records, supporting documents, statistical records, and all other entity records pertinent to a federal contract award must be retained for a period of three years from the date of submission of the final invoice that has resulted from the contract end.
Update	Ensure Procurement policies, procedures, and plan are reviewed and updated annually.
Train	Include procurement as a topic in annual training for the appropriate staff.



Procurement Resources





Website Resources:

Nutrition Home Page: www.isbe.net/nutrition

Nutrition

- Child and Adult Care Food Program
- Financial Management
- Food Distribution
- Resources, Webinars and Workshops
- . School Nutrition Programs
- Summer Food Service Program

NUTRITION

What's New

Welcome to the Nutrition Department. This department supports and promotes the overall well-being of children. Healthy meals and healthy habits are essential for readiness to learn and success in the classroom and beyond.

Programs administered by the department include the National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, Summer Food Service Program, Fresh Fruit and Vegetable Program, and the Special Milk

Program. Are you interested in participating in Child Nutrition Programs in Illinois? Visit the New Applicants webpage for more information on how to become a sponsor.

ATTENTION: Language assistance services, free of charge, are available to you. Call (800) 545-7892 (Illinois only) or (217) 782-2491 (TTY: (217) 782-1900).

Log in to IWAS

RESOURCES

- A to Z Index of School Nutrition Programs
- Child Nutrition Data Analytics and Mapping Tools
- Child Nutrition Program Food Safety Information
- · Civil Rights
- Farm to Child Nutrition Programs
- Instructions for Online Applications and Reports
- Program Legislation, Regulations and Policies
- Recalls & Public Health Alerts
- · School Health Issues
- USDA Policy Memos



CHILD & ADULT CARE FOOD PROGRAM

- Child Care Institutions
- · Family Day Care Homes



FINANCIAL MANAGEMENT

- General Procurement for All Programs
- SNP FSMC/Vended Meals Contracts
- · SNP Resource Management



FOOD DISTRIBUTION PROGRAM

USDA Foods Show



Financial Management Home Page:

https://www.isbe.net/Pages/Nutrition-Financial-Management.aspx

NUTRITION

FINANCIAL MANAGEMENT

The Illinois State Board of Education Nutrition Department's Financial Management section of the website provides rules and resources to Child Nutrition Programs sponsors on procurement, contracts, and other financial matters. Child Nutrition Programs includes sponsors participating in the Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP), and the School Nutrition Programs (SNP), which includes the National School Lunch Program and other school-based programs.

Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations.

Resource Management for School Nutrition Programs includes four general areas: Maintenance of Non-Profit School Foodservice Account, Paid Lunch Equity (PLE), Revenue from Nonprogram Foods, and Indirect Costs.





News and Updates





General Procurement Website

NUTRITION

GENERAL PROCUREMENT FOR ALL PROGRAMS

This webpage is on procurement guidance and requirements for all Child Nutrition Programs, including School Nutrition Programs (such as the National School Lunch Program, Special Milk Program, and School Breakfast Program), the Summer Food Service Program, and the Child and Adult Care Food Program. Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations. Procurement rules ensure that program benefits are received by eligible schools and participants, and that taxpayer dollars are used effectively and efficiently, with no waste or abuse. Regulations require that all purchases made, whether funded wholly or in part with Child Nutrition Program funds, comply with all federal, state, and local procurement requirements.

All procurement transactions must be conducted in a manner that provides maximum open and free competition.

Procurement procedures must ensure they do not foster noncompetitive practices between firms, do not create organizational conflicts of interest, and do not restrict or eliminate competition. Procurement must not place unreasonable requirements on firms, require unnecessary experience, or establish unrealistic bonding requirements. Cost plus a percentage of purchase is not an allowable system. There must be descriptions of all products purchased and identical instructions provided to all potential vendors.

Formal standards of conduct should govern the performance of officers, employees, and agents in the award and administration of contracts. These standards should provide that officers, employees, or agents should not solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties of subagreements.



General Procurement for All Programs



SNP FSMC/Vended Meals Website

SNP FSMC/Vended Meals Contracts

NUTRITION Financial Management

SNP FSMC/Vended Meals Contracts

RESOURCES

 List of Known FSMC-Vended Meals Companies in the SNP NUTRITION

SNP FSMC/VENDED MEALS CONTRACTS

There are different types of contracts for school food services. Please read the following carefully if you are considering contracting for the first time, or have questions regarding the solicitation and contract procedures/processes.

Food Service Management Company: National School Lunch Program regulations under Tille 7, Code of Federal Regulations (7 CFR), Section 210.2 define a food service management company (FSMC) as 'a commercial enterprise or a nonprofit organization which is or may be contracted with by school food authority (SFA) to manage any aspect of the school food service." A company is considered an FSMC If it performs one, all or a combination of the following services:

- Providing consulting services
- Developing menus and menu production records
- Preparing, delivering, and/or serving meals
- Organizing and maintaining program documents (such as daily meal counts, menus, and menu production records)
- Preparing claims for SFA approval and submission
- Purchasing food, supplies, and/or equipment
- · Providing program guidance and training
- · Provide staff to work onsite in an SFA facility
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Food Service Management Company – Vended Meals: National School Lunch Program regulations under Title 7, Code of Federal Regulations (7 CFR). Section 210.2 define a food service management company (FSMC) as 's commercial enterprise or a nonprofit organization which is or may be contracted with by school food authority (SFA) to manage any aspect of the school food service. However, the SFA does not have the kitchen facilities for meals to be prepared on site. Therefore, the SFA requires the FSMC to be able to perform one, all or a combination of the services outlined above, but prepare the meals off-site at an FSMC owned/leased facility and deliver the meals in either bulk or individually pre-packaged units.

Vended Meals Company: Companies preparing and delivering meals to SFAs are meal vendors. In this capacity, a meal vendor may also develop menus and menu production records. Should additional services be provided, such as the activities listed under the FSMC definition above (usually performed by the SFA when contracting with a meal vendor), such services may constitute food service management and would need to be solicited and procured as such.

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- Collect claim data
- Collect meal payments
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- Provide program oversight
- · Provide staff to work onsite in an SFA facility

Please contact the Nutrition Department procurement team for further information and clarification: (800) 545-7882

Provided below are links to the forms and documents to assist you in completing a successful procurement or contract

If you are not sure which type of contract the SFA currently has, are considering contracting for the first time, or have questions regarding the solicitation and contract procedures/processes, call the Nutrition procurement team at (217) 782-2491 or (800) 545-7832 (in Illinois), or email nutrition procurement@isbe.net.

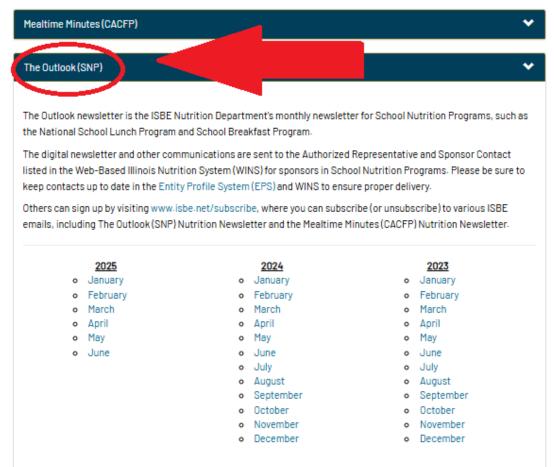
Rules and Regulations	¥
SFA Responsibilities When Contracting for Meals and/or Services	*
Three Step Solicitation Submission Process	•
Food Service Management Company Contract Prototypes	•
Vended Meals Contract Prototype	•
Informal Bidding Procedures – Vended Meals Contract	•
Contract Renewal	•
Contract Amendments	•
Contract Re-Soliciting	•
Contract Monitoring	•
Advisory Board Resources	~
A La Carte Equivalency Factor	•

CNP Newsletters



NUTRITION

CNP NEWSLETTERS





Illinois State Board of Education Nutrition Depart- cluding Smart S Illinois Staff will greater har free training opportunity on June 18 and 18 and

ing will leafure half-day workshops on Day Ore half-day workshops on Day Ore half-day workshops on Day Ore half-day workshops on Day Nov. A series of the Conference of the Co

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Amenous of Mouley, are 18 (Day 1). One was covered to the control of th

UTLOOK

IT'S ANNUAL **APPLICATION TIME**

Complete the App in WINS by June 30

 WINS Annual Application SY 25-26 Instructions Presentation slides

0 Presentation Slides WINS Annual Application SY 25-26 With SSO Instructions 0 Presentation slides

UTLOOK

ISBE SNP Updates

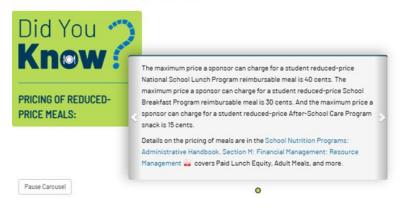
Training Opportunities



NUTRITION

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- USDA Professional Standards Training Database: This database allows school nutrition professionals to search for training that meets their learning needs in one easy-to-use website. Trainings are available in a variety of formats and most trainings are free.





Additional Outside Resources and Training

Free

- The Institute of Child Nutrition: https://theicn.org/
- Urban School Food Alliance: http://urbanschoolfoodalliance.org/
- USDA Food and Nutrition Service: https://www.fns.usda.gov/schoolmeals



Additional Outside Resources and Training

Fees required, but are Allocable Costs to the CNP

- Illinois Association of Public Procurement Officials (IAPPO): https://www.iappo.org/
- NIGP The Institute for Public Procurement: https://www.nigp.org/

These are other similar companies or organizations that specialize in public procurement and may be an allowable cost to the Child Nutrition Programs. The companies listed are for information purposes and does not imply endorsement by the Illinois State Board of Education (ISBE) or the United States Department of Agriculture (USDA).



Questions?



thankyou

800/545-7892

NutritionProcurement@isbe.net

