

## **Operational Services for Contract Awards**

### **Procurement Procedures**

When conducting procurement, \_\_\_\_\_ School Food Authority will ensure purchases meet federal procurement statutes/executive orders, and ensure federal regulations are followed as outside in 2 CFR part 200. The School Food Authority will avoid acquisition of unnecessary or duplicative items. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of purchase alternatives, and any other appropriate analysis to determine the most economical approach. The School Food Authority will not unduly restrict competition or eliminate competition.

### **Internal Procedures for Procurement Transactions (To be written by the School Food Authority)**

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### **Methods of Procurement**

The School Food Authority will use one of the following methods of procurement as outlined in federal regulations 2 CFR part 200:

(a) Procurement by micro-purchases. (Upto \$10,000)

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$10,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers, if applicable within a reasonable area. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. (\$10,001-\$250,000)

Small purchase procedures are those relatively simple and informal procurement methods or securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids/Formal (\$250,001 or more)

Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction.

**Consolidate or Break out Procurements**

The School Food Authority will not intentionally split purchases to have them fall below the micro- purchase or small purchase thresholds to avoid the formal procurement method. There may be instances in which a specific market supports the need to separate certain products from the overall procurement.

**Analysis to Determine the Most Economical Approach to Purchasing**

The School Food Authority will conduct a needs analysis assessment which includes all the activities used to collect information about the school program's needs, wants, wishes, and desires. A needs analysis will help the school departments clarify the purposes of the procurement.

**Intergovernmental Agreements and Purchasing Used Equipment**

The School Food Authority will consider use of federal, state, and local government excess and surplus property in lieu of purchasing new equipment whenever such use is feasible and reduces costs. See section Procurement Policy and Procedures Manual for more detailed information.

## **Value Engineering Clauses**

Whenever possible the School Food Authority will consider use of value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

## **Responsible Contractors**

The School Food Authority will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The School Food Authority will facilitate a competitive environment when conducting procurement. Regardless of the procurement method used, the awarded contracts can only be made to a responsive contractor whose bid or proposal meets all of the minimum product or other requirements specified in the solicitation and who's a responsible contractor who can and will successfully fulfill the terms and conditions of the contract.

The School Food Authority shall award its contracts to the responsive, responsible contractors offering the best value, and whose offer or proposal is technically compliant with the requirements listed in the solicitation document. Awarded contracts shall be made to the bidder or proposer offering the lowest price, (being the highest ranked), or as otherwise prescribed in the solicitation. The use of the term bidder or offer or shall be understood to include any participant in the procurement process and the term bid or proposal shall be understood to include any offer in response to a solicitation.

## **Record Policy**

The School Food Authority will maintain records sufficient to detail the 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.

## **Bid and Proposal Disputes**

The School/District will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation,

protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction. See the 'Ethics and Code of Conduct' section in this Procurement Policy and Procedures Manual for more detailed information on this topic.

### **Unfair competitive advantage**

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 bids or requests for proposals will be excluded from competing for procurements issued by the School Food Authority.

### **Buy American – 7 CFR § 210.21 (d) and 220.16 (d)**

School food Authorities are required to adhere to the Buy American provisions found in federal regulation. Actions a School Food Authority should take to comply with these requirements are as follows:

- Include a Buy American clause in all food product procurement documents (product specifications, bid solicitations, purchase orders, etc.);
- Monitor contractor performance;
- Require suppliers to certify the origin of the product;
- Examine product packaging for identification of the country of origin; and
- Ask the supplier for specific information about the percentage of U.S. content in the food product

### **Geographic Preferences – 2 CFR §200.319 (b)**

The School Food Authority will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal and state statutes expressly mandate or encourage geographic preference.

### **Solicitation of Small and Minority Business – 2 CFR §200.321**

The School Food Authority will take affirmative steps to ensure that small businesses, minority- owned businesses and women's business enterprises are used whenever possible.

Affirmative steps shall include the following:

- 1) Including qualified small businesses, minority-owned businesses, and women's business enterprises on solicitation lists;

- 2) Assuring that small businesses, minority-owned businesses and women's businesses are solicited whenever they are potential sources;
- 3) When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small business, minority-owned business, and women's business participation;
- 4) Where the requirement permits, establishing delivery schedules that will encourage participation by small businesses, minority-owned businesses and women's businesses;
- 5) Using the services and assistance of the Small Business Administration and the Department of Commerce's Minority Business Development State Agency in the solicitation and utilization of small businesses, minority-owned firms, and women's business enterprises.

LEGAL REF.: 2 CFR Part

200 CROSS REF.:

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