

Invitation for Bid (IFB) Vs. Request for Proposal (RFP)

Comparison Factors	IFB	RFP - Fixed Price	RFP - Cost Reimbursable	Notes/Clarifications
Does not require a bid or solicitation process. The SFA can just select an awardee at their discretion.	X	X	X	Neither the IFB or the RFP allows the SFA to just choose who to award the contract to. A compliant procurement process is required for both. Competition is an important factor in obtaining the goods and services needed at the best price.
Is ONLY based on price.	X	X	X	Neither the IFB or the RFP is based ONLY on price. Price must be the primary factor for both the IFB and RFP.
Requires bidding/soliciting.	X	X	X	Both the IFB and the RFP require a bidding/solicitation process that follows all applicable federal, state and local laws, regulations and guidance. The method chosen by the SFA must also ensure free and open competition, that is administered in an ethical and fiscally responsible manner.
Allows for healthier meals.	X	X	X	All procurement types allow for healthier meals. It is just dependent on how the SFA writes their solicitation. With the IFB, the solicitation would need to include clear requirements for the content of the meals (ex. scratch cooking, local foods, salad bars, etc.). With the RFP, the solicitation could have a scoring preference for healthy meal proposals (ex. scratch cooking, local foods, salad bars, etc.).
Allows for taste testing.	X	X	X	The IFB allows for continuous taste testing after the award, if the SFA made it a requirement of the contract. The RFP allows for taste testing as part of the evaluation matrix. In an RFP, the SFA must establish a taste testing procedure (for both bidders and the evaluation team) and detailed taste testing menu plan that provides for an even playing level of competition and that tests foods that would be served as a part of the awarded contract.
Awardee is determined based on SFA requirements being met.	X	X	X	
Lowest price is a factor in the awarding of the contract.	X	X	X	Price is the primary factor for both the IFB and RFP.
Award is based on a combination of factors including price, technology, quality, service and ability to meet the SFA's needs.	X	X	X	Both the IFB and RFP are based on a combination of factors. With the IFB those factors are scored in a pass/fail method and with the RFP the factors are scored by a point system.
Requires a public announcement.	X	X	X	
Scoring can take into consideration a vendors experience.	X	X	X	
Solicitation method is designed to illuminate new ideas for organizations that know where they want to go but do not know how to get there.	X	X	X	Could apply to both the IFB and RFP depending on how the solicitation is written, for ex. if they require new trending initiatives in marketing/ menu'ing etc.
Is used when the SFA has a clear understanding of what the contract entails, how work will be completed and requirements and qualifications of the contract are clearly defined.	X	X	X	
Offers more transparency in the award of the contract.	X	X	X	

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Scoring is less complex.	X			Award is made by determining which bidders can meet all of the SFA's requirements at the lowest price.
Requires a sealed bid.	X			
Requires a public bid opening.	X			A public bid opening is required for IFB's. Federal requirements for RFP's do not require a public bid opening. However, an outline of when responses will be opened, evaluated, negotiated, and awarded is a best practice. Additional information needed is the type of award to be made; information concerning pre-bid meetings; level of approval authority required before contract award is final; and process required to officially award a contract, such as the need for board approval of the selected offeror.
Solicitation is written to require certain criteria. For example: fresh and/or unprocessed foods, local foods, green initiatives, salad bars, etc. (if not overly restrictive).	X			
Solicitation is written to have requirements and preferences for certain criteria. For example: fresh and/or unprocessed foods, local foods, green initiatives, salad bars, etc. (if not overly restrictive).		X	X	
Evaluations/scoring is complex & requires a committee.		X	X	Requiring a knowledgeable evaluation committee with highly structured process that is committed to ethical participation in all required portions of the process. Requires a lengthy time commitment to each project.
This procurement method has state mandated preferences and SFA determined preferences that must be defined and scorable by the SFA in order to utilize method.		X	X	SFAs that choose the RFP method of procurement must at a minimum include the five scorable preferences referenced on page 3 of this document. The SFA will need to determine, on their own, the criteria and/or documentation required in the scoring. ISBE will not define preferences including the five preferences that are required if the SFA elects the RFP method.
Requires proposers to create customized proposals and encourages them to suggest different approaches to the same project.		X	X	
Allows for negotiations.		X	X	
Resulting final contract has a set per meal price the SFA will pay the awarded contractor.	X	X		Having a fixed price contract provides the SFA with the ability to develop a more consistent monthly budget. The fixed price contract also simplifies the continuous contract management of reviewing each monthly invoice to verify accuracy, allowability and USDA Foods credits.
Procurement methods that are allowed if the contract includes SFSP and/or CACFP meals.	X	X		Contracts that are for SNP meals and CACFP and/or SFSP meals must be fixed price contracts.
Resulting final contract does not have a set per meal price. With this type of contract, the SFA would receive an invoice for all of the expenses the contractor has incurred plus any additional fees. The risk of increased costs for food, labor, etc. is taken on by the SFA.			X	Having a cost reimbursable contract can present challenges for an SFA in developing a monthly budget. The cost reimbursable contract can make the continuous contract management of reviewing each monthly invoice more complicated and time consuming. The SFA would be required to review each individual item listed on the invoice for accuracy, compliance with the contract, allowability and must ensure all applicable credits and rebates are applied for both USDA Foods and all other purchases.

What's Best for My School Food Authority (SFA)?

When an SFA is contracting for their food service there are a lot of factors to take into account when determining what is the best procurement method for your SFA. The SFA needs to determine their needs, goals and priorities prior to determine which procurement method best suits the situation. Our goal with this document and comparison chart is to provide schools with the information that they need to determine, on their own, whether the IFB or the RFP process meets their needs best.

IFB's and RFP's are actually very similar in many ways, they both require a proper bidding or solicitation process to take place that is in compliance with all applicable federal regulations found in 2 CFR 200 and all applicable state and local laws and regulations. Neither the IFB or the RFP allows for an SFA to just select a contractor, both methods require a procurement process that provides for free and open competition. This free and open competition is what drives the SFA to determine which contractor meets their needs, while maintaining the fiscal responsibility to keep costs within their budget.

It is important to note, that if an SFA wants to utilize the RFP method, the recent law passed states that an RFP procurement method can only be used IF a good faith effort is made on behalf of the school district to give preference to ALL five of the items listed in the bill. It is up to the SFA to define these five items and include scorable parameters that are not simply yes or no as the RFP process is more than just a simple ranking tool to determine a preferred provider.

- contracts should promote the production of scratch made, minimally processed foods;
- contracts that give a preference to State or regional suppliers that source local food products;
- contracts that give a preference to food suppliers that utilize producers that adopt hormone and pest management practices recommended by the United States Department of Agriculture;
- contracts that give a preference to food suppliers that value animal welfare; and
- contracts that increase opportunities for businesses owned and operated by minorities, women, or persons with disabilities.

One very important factor to remember, whether you choose to utilize the IFB or the RFP procurement method is that your final contract will only be as good as your solicitation was written, the requirements of your final contract and how well the contract is managed by the SFA. Meaning that, you as the SFA, needs to include the specific details of exactly what you want your meal programs to look like. You, the SFA is responsible for including all of your needs and wants into your solicitation in order for the contractor to provide you with a meal program that is what you envision it to be. If you want scratch cooking, or you want a salad bar with specific items on it or you want a certain percentage or number of offerings each week to be local, all of those details need to be in your solicitation. The SFA, is in control of what your meal programs look like by providing all of the particulars of your needs.

SFAs have a fundamental responsibility to be effective stewards of the taxpayers' money. We know that many schools are experiencing financial challenges and ensuring competition is one process that can help keep meal costs down. The nonprofit school food service account must be used for expenses that are necessary and reasonable for child nutrition program operations and improvements. This includes, but is not limited to, food, equipment, supplies, and program personnel. School nutrition program (SNP) funds must not be used for expenditures that are not directly related to the SNP operation and improvement. **All expenditures must be reasonable, allowable, allocable, adequately documented and justifiable.** ISBE procurement staff are always available as a resource and the SFA should work closely with their legal staff to ensure all requirements of the procurement process, award and management of the contract is in compliance and fiscally responsible. Continuous management of your contract is an extremely important component and requirement of contracting for food service.

Additional Resources to Assist in the SFA's Decision

ISBE Financial Management Website: <https://www.isbe.net/Pages/Nutrition-Financial-Management.aspx>

October 2022 Outlook Article (HB 4813 Procurement Options Q&A): <https://www.isbe.net/Pages/Nutrition-and-Wellness-Newsletters.aspx>

Public Act 102-1101 (HB 4813): <https://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=102-1101>

Contact the ISBE Procurement Team

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