

SCHOOL DISTRICT OF LANCASTER

PROCUREMENT PLAN
CHILD NUTRITION PROGRAMS

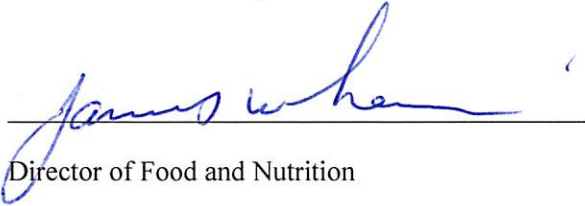
This procurement plan contained on the following pages 2 through 10 will be implemented on July 1st 2017 from that date forward until amended. All procurements must adhere to free and open competition. Source documentation must be available to determine open competition, the reasonableness, the allow-ability and the allocation of costs.



Chief Financial and Operations Officer

February 28, 2018

Date



Director of Food and Nutrition

February 28, 2018

Date

(The School District of Lancaster)

PROCUREMENT PLAN

1. The School District of Lancaster plan for procuring items for use in the Child Nutrition Program is as follows. The procurement plan provides for free and open competition, transparency in transactions, comparability, and documentation of all procurement activities.
2. If the amount of purchases is more than the Federal small purchase threshold currently valued at \$150,000, or State agency or SFA approved threshold if less, formal procurement procedures will be used as required by 2 CFR Part 200.318-326, formerly 7 CFR §3016.36 and Pennsylvania Procurement Code and Regulations. Informal procurement procedures (small purchase) will be required for purchases under the most restrictive small purchase threshold.
3. The following procedures will be used for all other purchases:

Purchase of PERISHABLE Products/Services		
Amount	Type of Procurement	Procedure
≤\$3,500	Micro-purchase	Non-competitive
>\$3,500 – ≤\$150,000	Informal	At least 3 quotes
>\$150,000	Formal	Sealed bids (IFB or RFP)
Purchase of NON-PERISHABLE* Products		
Amount	Type of Procurement	Procedure
≤\$3,500	Micro-purchase	Non-competitive
>\$3,500 – <\$19,700	Informal	At least 3 quotes
≥\$19,700	Formal	Sealed bids (IFB or RFP)
*NON-PERSIHABLE – Canned goods, dry goods, supplies, equipment, etc. Equipment ≥\$5,000 must have prior approval from DFN.		

Perishable Products/Services

Micro-Purchase – 2CFR §200.320

Informal Purchase – 24 PS § 807.1

Formal Purchase – 2 CFR § 200.318- §200.326

Non-Perishable Products

Micro-Purchase – CFR § 200.320

Informal Purchase – 24 PS § 504 (d)

Formal Purchase – 2 CFR § 200.318- §200.326

Category	Procurement Method	Evaluation Used	Contract Award Type	Contract Duration/ Frequency
Frozen Foods; Canned Foods; Bakery, Pasta, and Miscellaneous, Manual-All Purpose Cleaning Supplies, Paper and Plastic Supplies	Formal or Cooperative Purchasing Contract	Bottom line	Fixed price	Annual
Pre-packaged fresh Fruits and Veggies.	Formal	Bottom line	Fixed Price with price adjustments	Multiple Years
Pre-Packaged Meals	Formal	Bottom line	Fixed price with price adjustment	Multiple years
Small wares	Cooperative Purchasing Contract	Bottom line	Fixed price	As needed
Capital Equipment	Formal or Cooperative Purchasing Contract	Bottom line	Fixed price	As needed
Fresh Bread	Formal - CAFCO	Bottom line	Fixed price	Annual
Milk and Dairy Products	Formal - CAFCO	Bottom line	Fixed price	Annual
Office Supplies	Formal – IU13	Bottom line	Fixed price with price adjustment	Multiple years
Emergency	Informal	Bottom line	Fixed price	As needed

4. Formal bid procedures will be applied on the basis of a combination of a centralized system, Multi School/Multi District and State contract will all be used.
5. Because of the potential for purchasing more than \$150,000, it will be the responsibility of the Food service Director to document the amounts to be purchased so the correct method of procurement will be followed.

6. The Food Service Director and/or Purchasing Manager will perform a cost or price analysis in connection with every procurement action in excess of small purchase threshold.
- B.** When a formal procurement method is required, the following ***COMPETITIVE SEALED BID in the form of an Invitation for Bid (IFB) or COMPETITIVE PROPOSAL in the form of a Request for Proposal (RFP)*** procedures will apply:
- An announcement of an ***Invitation for Bid (IFB) or a Request for Proposal (RFP)*** will be placed on the school district website, to publicize the intent of the School Food Authority to purchase needed items. The advertisement for bids/proposals or legal notice will be run for a minimum of three weeks.
 - An advertisement is required for all purchases over the districts purchase threshold of (\$20,100) The announcement (advertisement or legal notice) 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, and
 - address of location where complete specifications and bid forms may be obtained.
 - In an IFB or RFP, each vendor will be given an opportunity to bid on the same specifications.
 - The developer of written specifications or descriptions for procurements will be prohibited from submitting bids or proposals for such products or services.
 - The IFB or RFP will clearly define the purchase conditions. The following list includes 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 which the School Food Authority will be entitled if the contractor cannot or will not perform as required
 - 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 School Food Authority's non-profit Child Nutrition account
 - Contract provisions as required in Appendix II for 2 CFR Part 200, formerly 7 CFR Part 3016.36(i)
 - 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 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, 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 and 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
- Provision requiring access by duly authorized representatives of the School Food Authority, State Agency, United State Department of Agriculture, 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
- Provision requiring 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
- 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 non-collusion
- Signed Debarment/Suspension Certificate or statement included in contract or copy of Excluded Parties List System (EPLS).
- Provision requiring “Buy American” as outlined in 7 CFR Part 210.21(d); specific instructions for prior approval of all of non-domestic product (s).
- 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 to the true meaning of specifications or purchase conditions, interpretation will be provided in writing to all potential bidders by the Purchasing Manager and date specified.
- The Purchasing Manager will be responsible for securing all bids or proposals.
- The Purchasing Manager and /or Food Service Director 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.
 - a. Price
 - b. Quality
 - c. Delivery
 - d. Service
 - e. Past History/References
 - f. Student acceptance
 - g. And other qualities deemed necessary for proposal award by SDoL

In awarding a competitive negotiation (RFP), a set of award criterion 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 award, but remains the primary consideration when awarding a contract. Following evaluation and negotiations a firm fixed price or cost reimbursable contract is awarded.

- 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.
- The Purchasing Manager 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.
- The Purchasing Manager is responsible for reviewing the procurement system to ensure compliance with applicable laws.
- The Director of Food and Nutrition or designee is responsible for documentation that the actual product specified is received.
- Any time an accepted item is not available, the Director of Food and Nutrition or designee will select the acceptable alternate. The contractor must inform the Director of Food and Nutrition or designee prior to delivery, allowing enough time amend the order, if a product is not available. In the event a non-domestic agricultural product is to be provided to the SFA, the contractor must obtain, in advance, the written approval of the product. The School District of Lancaster must comply with the Buy American Provision.
- 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 the Purchasing Manager and /or Director of Food and Nutrition.
- The Director of Food and Nutrition and/or Purchasing Manager is responsible for maintaining all procurement documentation.

C. If the amount of purchases for items is less than the district's small purchase threshold, the following, **SMALL PURCHASE PROCEDURES, including quotes**, will be used. Quotes from an adequate number of qualified sources will be required.

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 purchasing manager and/or Director of Food and Nutrition 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 Director of Food and Nutrition and/or Purchasing Manager. Quotes awarded will be to the lowest and best quote based upon quality, service availability, price delivery schedule, and/or other qualities deemed important for the award by The School District of Lancaster.

6. The Director of Food and Nutrition and/or Purchasing Manager will be 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*.
 7. The Director of Food and Nutrition will be responsible for documentation that the actual product specified is received.
 8. Any time an accepted item is not available, the Director of Food and Nutrition or designee will select the acceptable alternate. Full documentation will be made available as to the selection of the acceptable item.
 9. Bids will be awarded on the following criteria:
 - a. Price
 - b. Quality
 - c. Delivery
 - d. Service
 - e. Past History/References
 - f. Student acceptance
 - g. and other qualities deemed necessary for proposal award by SDoL
 10. The Director of Food and Nutrition and/or Purchasing Manager is required to sign all quote tabulations, signifying a review and approval of the selections.
- D.** 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*, **NON-COMPETITIVE NEGOTIATION** procedures will be used:
1. Written Specifications will be prepared and provided to the vendor.
 2. The Director of Food and Nutrition and/or Purchasing Manager will be responsible for the documentation of records to fully explain the decision to use the non-competitive negotiation. The records will be available for audit and review.
 3. The Director of Food and Nutrition will be responsible for documentation that the actual product or service specified was received.
 4. The Director of Food and Nutrition and/or Purchasing Manager will be responsible for reviewing the procedures to be certain all requirements for using single source or non-competitive negotiation are met.

Non-competitive 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 non-competitive negotiation

purchase shall be maintained by the School Food Authority Official. The record of non-competitive purchases shall include, at a minimum, the following:

- item name
- dollar amount
- vendor, and
- reason for non-competitive procurement

E. Miscellaneous Provisions:

1. New product evaluation procedures will include:

- Samples provided for taste and quality
- Complete nutrition label
- Pricing
- Child Nutrition labeling
- Shelf life
- Packaging

2. The School Food Authority agrees that the reviewing official of each transaction will be the Director of Food and Nutrition.

3. Payment will be made to the vendor when the contract has been met and verified and has met the SFA's procedures for payment. (If prompt payment is made, discounts, etc. are accepted.)

4. Specifications will be updated as need.

5. If product is not as specified, the following procedure will take place:

- Identify the problem
- Notify the vendor
- Arrange for a replacement

F. Emergency or "Pressing Need" Purchases

1). If it is necessary to make a one-time emergency procurement to continue service or obtain goods, the purchase shall be made, and a log of all such purchases shall be maintained by the Director of Food and Nutrition or designee. The following emergency procedures shall be followed. All emergency procurements shall be

approved by the Director of Food and Nutrition. At a minimum, the following emergency procurement procedures shall be documented:

- item name
- dollar amount
- vendor, and
- reason for emergency

2). If it is necessary, in the course of a pressing need, to make an emergency purchase by means of “piggybacking” on the bid of another district, the following conditions must exist and approved procedures must be followed and appropriately documented as follows:

- The SFA originating the competitive procurement must have a “piggyback provision” in the original solicitation;
- Documentation of the emergency requiring the piggybacking must be maintained;
- Approval from the purchasing SFA’s governing board will be obtained and documented;
- Approval from the SFA that originated the competitive procurement will be obtained and documented;
- Approval from the Vendor that was awarded the Contract (original solicitation) will be obtained and documented;
- If required, a public notice of the district’s “*Intent to Waive Competitive Bidding*” will be issued at least 10 days prior to the regularly scheduled governing board meeting;
- Approval to piggyback will be obtained and documented from the governing board during a regularly scheduled meeting following the public notice;
- Notification to the Vendor of final approval will be documented and issued;
- A contract with the Vendor will be developed including:
 - i. The contractor shall agree to retain all books, records and other documents relative to the contract agreement for three (3) years after final payment, or until audited by SFA, whichever is sooner. The SFA, its authorized agents, and/or State and/or USDA auditors shall have full access to and the right to examine any of said materials during said period.

3). The SFA shall agree to retain all books, records and other documents relative to the award of the contract for three (3) years after final payment. Specifically the SFA shall maintain, at a minimum, the following documents:

- Written rationale for the method of procurement;
- A copy of the original solicitation;
- The selection of contract type;
- The bidding and negotiation history and working papers;
- The basis for contractor selection;
- Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
- The basis for award cost or price;
- The terms and conditions of the contract;

- Any changes to the contract and negotiation history;
- Billing and payment records;
- A history of any contractor claims; and
- A history of any contractor breaches.

G. The following conduct will be expected of all persons who are engaged in the awarding and administration of contracts supported by School Food and Nutrition Program Funds. These written standards of conduct include:

1. No employee, officer or agent of the School Food Authority 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:

- a. The employee, officer or agent;
 - b. Any member of the immediate family;
 - c. His or her partner;
 - d. An organization which employs or is about to employ one of the above.
2. The School Food Authority 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.
 3. Penalties for violation of the standards of code of conduct of the School District of Lancaster School Child Nutrition Program should be:
 - a. Reprimand by Board of Education;
 - b. Dismissal by Board of Education;
 - c. Any legal action necessary.

Other State or local procurement requirements that may be required.