

**Check in with CANS - Minutes**  
**Monthly Conference Call with DOE-Child and Adult Nutrition Services**  
**February 1, 2018 2:30PM CT/1:30PM MT**

Call in number: 866-410-8397, Participant code: 6507733610

\*6 = Mute Line; #6 = Unmute Line

Website: <http://doe.sd.gov/cans>

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### Summer Food Service Program

- Reminder: Summer Food Service Program required Administrative training webinars and workshops registration is due by February 22, 2018, see [2018 SFSP Training Registration](#).
- 2018 SFSP Reimbursement Rates have been released, available on [SFSP website](#).

### **\*\*New Guidance for Child Nutrition Procurement\*\***

#### **Using a Market Basket when Formally Procuring Child Nutrition Program Goods and Food**

FNS memo [SP 04-2018, FD-144, SFSP 01-2018, CACFP 04-2018 Market Basket Analysis when Procuring Program Goods and Modifying Contracted-For Product Lists](#) issued January 17, 2018 provides clarifications on procurement using a market basket. Programs affected include the National School Lunch Programs, School Breakfast Programs, Summer Food Service Programs, Child and Adult Care Food Programs, and Food Distribution Programs (herein referred to as “Programs”).

This refers to the procurement practice used by Child Nutrition Program operators in the School Nutrition Programs of awarding contracts based on an evaluation of the lowest price a vendor can offer for a representative sample of goods the Program operators wish to obtain. This practice, sometimes called a “market basket” analysis, is used to evaluate bids/proposals to a solicitation for awarding a contract. A market basket is an acceptable procurement method ONLY within the formal procurement methods, Invitations for Bid or Requests for Proposal.

Evaluating the price on all goods, either as a total contract cost or by line item, is the preferred method of awarding a contract. However, FNS recognizes that price analysis can be simplified when only the bottom line costs of major items are totaled to determine the lowest price between bidders.

#### I. “Market Basket Analysis” Evaluation and Scoring for Contract Award

Market basket analysis allows a Program operator to review bids using an established, representative sample of goods and use this group of prices to award a contract as long as the published solicitation includes language that allows for this type of an evaluation. Sample language is included in memo question 4. In determining the goods to be used for evaluating an award, the Program operator must select a representative sample; FNS recommends the aggregate value be 75% or more of the estimated value of the contract to be awarded. A combination of products that represents the majority of their purchases.

When using a market basket analysis, the Program operator must obtain pricing for the remaining listed goods that were not included in the market basket analysis before making the final award. The pricing of these miscellaneous goods must be reasonable. Regulation discusses points to consider when deciding if a cost is reasonable, including the cost of comparable goods within the geographical area and whether it is “ordinary and necessary”. All items on the list of goods to be procured must have clear and accurate descriptions (specifications), and estimated quantities to be used in evaluating responses for awarded contracts.

This method is not acceptable for awarding equipment or service contracts, such as pest control, as service contracts do not lend themselves to this type of market basket analysis. Also, market basket analysis is not appropriate in fee-for-service processing contracts as these are service contracts and do not lend themselves to this type of analysis.

Market basket analysis is allowed when procuring processed end products containing USDA Foods purchased using the Net-Off-Invoice (NOI) value pass through system. Under NOI, processed end products are sold to an eligible distributing or recipient agency, as appropriate, at a net price that incorporates a discount from the commercial case price for the value of donated food contained in the end products. NOI is used in many different circumstances but is often used when a commercial distributor exists in the supply chain between the processor and distributing or recipient agency.

II. Modifications of Contracted Product Lists to Acquire Additional Goods or Increase Quantities of Listed Goods

Occasionally, the Program operator needs to purchase goods that are not included in its existing contract. For example, a new food is introduced by the supplier that may benefit the Program. Such purchases should be made using applicable procurement methods such as micro purchases, small purchase procedures, sealed bids, or competitive proposals depending on the value of the purchase. If it is determined that purchases are needed on an ongoing basis, they may be added to an existing contract if the following conditions are met:

- The option to add products must be included in the original solicitation and contract.
- The total value of all additional products and quantities of listed products that exceed estimated quantities may not exceed the limit specified in the solicitation and contract. This means a percentage of the estimated value of the contract at the beginning of the contract year. If the value of additional products exceeds the specified limit, a separate procurement procedure for those products must be conducted or these purchases will be considered an unallowable cost. FNS recommends limiting additional costs to 5-10% of the estimated total value of the contract.
- If the contract allows a renewal option and the renewal is approved as established in the original contract, upon renewal, any goods added to the contract must be included in a contract amendment.
- For each year of a renewed contract, a new basis for contract value must be established. This value will *include the actual expenditures of the previous year, plus the value of the additional items*. Likewise, actual expenditures that fall below the initial estimated value of the contract could result in a lower contract value in following contract years.
- Program operators must maintain records of all additional goods purchased to ensure that the value of additional products purchased does not exceed the specified limit.

For the full memo and a list of questions and answers, you can find a link to [this memo](#) on the CANS website (<http://doe.sd.gov/cans/index.aspx>) under the Procurement Section.

**Food Service Management Company (FSMC) Contract – Managing the Contract Webinar**

If you are a Local Education Agency (LEA) that has a FSMC currently or are interested in entering into a contract with one, this webinar is for you. We will cover the program requirements for developing or renewing this type of contract, timelines, proper procurement and management of the final contract.

This webinar will be presented twice:

- January 30, 2:30 – 4:00 PM Central/1:30 – 3:00 PM Mountain
- February 6, 10:30 – 12:00 PM Central/9:30-11:00 AM Mountain

Call in information was sent in an email from Geriann Headrick. Please call the CANS office for this information.

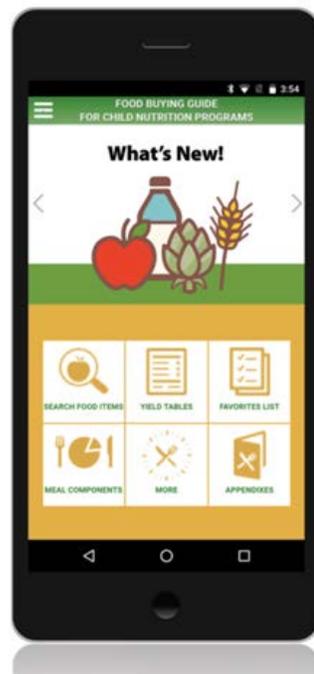
The presentation materials will be posted on the CANS website, [www.doe.sd.gov/cans/nslp.aspx](http://www.doe.sd.gov/cans/nslp.aspx), under Trainings and Webinars. We are estimating this will take approximately an hour, but we are allowing more time for questions. Please review the presentation materials ahead of time and have your questions ready!

### **Placed students in NSLP/SBP (students enrolled at another school district than the one they attend classes)**

A question about the eligibility for reimbursable meals served to children who are placed in a school by an education cooperative, another school or agency came into the CANS office recently. This is a reminder that only meals served to **eligible students** in a school that also participates in the National School Lunch Program (NSLP) or School Breakfast Program (SBP) may be claimed for reimbursed. Eligible students are students that are enrolled in your school, were determined to receive free, reduced, or paid meals, and the student attends school during (or adjacent to) meal service. Student that are placed in your school are not eligible to be claimed for reimbursement, unless that student is enrolled in your school district. For more examples, please see the February CANS Nutrition Bulletin. Feel free to contact the CANS office with any questions.

**Interactive Food Buying Guide & Mobile App:** Food Buying Guide (FBG) is an essential tool for food crediting and yield information for all USDA Child Nutrition Programs (CNP). The FBG is used to obtain information for: Purchasing the required quantities of foods, and determining the contribution each food makes toward the meal pattern requirements.

- **Interactive Online FBG:** Check out more information on the new interactive FBG at <http://doe.sd.gov/cans/documents/FBG-Flyer.pdf> or sign up for an account at <https://foodbuyingguide.fns.usda.gov/>
- **\*\*Just Released\*\* Mobile App Food Buying Guide (FBG):** [Click Here to Download it Today!](#)
- The FBG has gone digital to provide menu planning features at your fingertips! This App also includes access to narrative content which provides:
  - CN Program-specific information for meeting meal pattern requirements
  - Helpful information related to food purchasing and how to utilize food yield information in the FBG
  - Additional resources related to meal pattern requirements and menu planning for CNPs.



Search and locate yield information for foods typically served in Child Nutrition



Compare yield information to determine the foods that best meet your program needs.



Create a Favorites foods list! Stay tuned for the ability to save a Favorites foods list for access at a later time.



Email and print search results, food comparisons, and listings of favorite foods.

## Fresh Fruit and Vegetable Program

- Several schools have been underspending at this point
- Reminder to use your FFVP funds
  - You can check your remaining fund balance by clicking on a current month's claim, and observing the amount listed as 'Remaining Funds'
- As a reminder, only fresh fruits and vegetables may be provided on the program
- Low-fat dips must be limited to vegetables only
- Do not provide additional accompaniments with FFVP service, like a milk break

## Upcoming Listening Sessions

- Stakeholders of US Department of Agriculture (USDA) Food and Nutrition Programs are invited to share challenges, success stories, critiques, and constructive criticisms regarding the Programs or the Child and Adult Nutrition Services (CANS) office. Information will be provided at the sessions about the proposed regulations for which USDA is seeking comments.
- We are interested in comments on any of the USDA programs administered by the CANS office including:
  - School Nutrition Programs (National School Lunch Program, School Breakfast Program, Special Milk Program, Seamless Summer Option, Fresh Fruit and Vegetable Program)
  - Child and Adult Care Food Program
  - Summer Food Service Program
  - Food Distribution Program
  - The Emergency Food Assistance Program
  - Commodity Supplemental Food Program
- **There is no pre-registration.** Please attend ready to share.
- Session 1: Wednesday, February 7, 3:00-4:45 PM MT at The Outdoor Campus West, Rapid City
  - Located on Sturgis Road in the NW corner of Rapid, just past the Meadowood Lanes Bowling Alley located at 3809 Sturgis Rd.
- Session 2: Thursday, February 8, 3:00-4:45 PM CT at Sioux Falls School District Child Nutrition Services Office, 1101 North Western, Sioux Falls
  - Park on west side of building and enter from Lyndale Street. Use the glass door and ring the bell for assistance. The Child Nutrition Services training room is on the second floor. An elevator is available.
- Session 3: Tuesday, February 13, 3:00-4:45 PM CT at Mitchell Career & Technical Education Academy (MCTEA), 821 North Capital Street, Mitchell Room 10, across the street from the high school.
- Session 4: Wednesday, February 14, 2:30-3:45 PM CT / 1:30-2:45 PM MT via Conference Call. Phone Number: 866-410-8397 participant code: 6507733610

## Procurement **\*\*Reminder\*\***

- Now that your menus are revised and your procurement plan is up to date.
- Ask your current vendor for a velocity report.
- Begin writing specifications for the items you would like to purchase.
- You can find more information about velocity reports and writing specifications in the Power Point called "[Training: 3 Bids and a Buy: Informal Method](#)" posted on the [CANS website](#) under the procurement section.

## Environmental Education Local Grants Program for Region 8

- The purpose of the Environmental Education Local Grants Program in Region 8 is to support locally-focused environmental education projects that increase public awareness and knowledge about environmental and conservation issues and provide the skills that participants in its funded projects need to make informed decisions and take responsible actions toward the environment.
- The total funding for the competitive opportunity in U.S. EPA Region 8 is up to \$300,000. This Region expects to award three or four grants for **no less than \$50,000, and no more than \$100,000 each.**
- The closing date and time for receipt of proposal submissions is **March 15, 2018,**
- For More information visit <https://www.epa.gov/education/environmental-education-ee-grant-solicitation-notice>

### Beef to School Webinar

Date: Tuesday, February 13, 2018 at 3:00 pm CT / 4:00 pm MT

- Join USDA's Office of Community Food Systems, Montana Beef to School Project, Montana State University, and school food service directors to learn about successful strategies for serving local beef in schools. The webinar will explore the [Montana Beef to School Project](#)'s findings and resources - including two new beef to school solicitation templates designed to help school districts purchase local beef! Participants will also hear from two school food service directors who will share their strategies and lessons learned for purchasing and serving local beef in schools.
- [REGISTER FOR THE WEBINAR HERE](#)

## School Breakfast Grants

- Action for Healthy Kids is pleased to release its School Breakfast for Healthy Kids grant for the 2018 - 2019 school year. These grants are for schools and districts to implement new alternative breakfast initiatives including, but not limited to breakfast in the classroom and grab n' go breakfast options. Schools will be awarded \$2,000 or \$3,000 based on project, ability to offer breakfast at no charge and impact of grant. Funded schools will also receive expertise to help implement a successful project that leads to a sustainable change. South Dakota has never had a school awarded this specific grant, therefore schools who apply have a higher chance of receiving a grant. Grant applications are due **Friday, April 6<sup>th</sup> 2018.** Action for Healthy for Kids will be hosting a webinar with more information and helpful tips for applying on **Tuesday, February 20<sup>th</sup> 3:00 pm CT/2:00 pm MT.** [Register Here](#) for the webinar and for more information on the grant and Action for Healthy Kids visit <http://www.actionforhealthykids.org/tools-for-schools/apply-for-grants>

### National School Breakfast Week

- Mark your calendars for National School Breakfast Week **March 5<sup>th</sup> – 9<sup>th</sup> 2018.** School Nutrition Association is excited to announce this year's theme is "I Heart School Breakfast." The theme encourages parents, students and school officials to promote the importance of school breakfast through social media and the use of breakfast emojis. SNA offers a National School Breakfast Week (NSBW) 2018 toolkit to help schools promote NSBW and increase breakfast participation all year long. The toolkit includes tips and examples for developing social media, community outreach, activities to increase participation, multiple resources for materials including emoji activity sheets, and a countdown checklist to keep your schools planning organized. For more information on NSBW and to download a copy of the SNA NSBW toolkit visit <https://schoolnutrition.org/Meetings/Events/NSBW/2018/>

### Breaking Up is Hard to Do: Considerations at the End of a CEP Cycle (Webinar)

- On Wednesday, February 14<sup>th</sup> USDA will be hosting a webinar that will highlight special considerations for schools in their 4<sup>th</sup> year of CEP.

- The webinar will be from 12pm-1pm CT / 11am – 12pm MT
- **To Participate:** Log on to view the webinar on February 14 at 1:00 PM EST at <https://cc.readytalk.com/r/9ytozjanvp4h&eom>. Streaming audio will be available through your computer. If you are unable to use streaming through your computer, you can call in to listen to audio via your phone at the **toll number 303-248-0285, Access Code: 6054013**.

**Professional Standards Reminder:** Any learning or training you receive about any aspect of the School Nutrition Programs can be counted as training time towards the professional standards annual training requirement.

Please retain documentation to show what topics were trained. For example, agenda, topics, handbook, certificate, etc. And record training on a Tracking Tool – we suggest using the [SD Tracker Tool](#) posted on the CANS NSLP website.

**This Conference call was 45 minutes long and can credit for 45 minutes of training.**

Learning Topics discussed during this call were:

- 3000 Administration: 3200 Program Management