PROCUREMENT PLAN

HAVE A PLAN. FOLLOW THE PLAN.
§ 200.318 - General procurement standards.

(a) The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in §§ 200.317 through 200.327.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
Ensure full and open competition.

Costs for every threshold will be:
- Necessary and Reasonable
- Allocable to federal awards
- Authorized and not prohibited under state and local law.
§ 200.318 - General procurement standards.
(a) The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in §§ 200.317 through 200.327.
PROCUREMENT PLAN

WHAT IS ON YOUR LIST TODAY?

Quanna Keyser
Procurement Methods

2 CFR 200.320

**Micro-Purchases** - Informal method (*Purchases between $0 - $10,000*)

- Small Purchase - Informal method (*Purchase between $10,000 - $250,000*) [3 bids or quotes & a buy]

**Competitive Sealed Bids** – Formal method (*over $250,000*)

Check for your own agency threshold requirements

South Dakota small purchases limit for supplies & services is $25,000 which has not changed.
PROCUREMENT TEMPLATE

SECTION I – Procurement Plan Requirements
SECTION II – Micro Purchasing
SECTION III – Small Purchase Procurement
SECTION IV – Formal Procurement
SECTION V – Non-Competitive Negotiation
Appendix A and B for SECTION III
Appendix A, B, C, and D for SECTION IV
**PROCUREMENT TEMPLATE**

**SECTION I – PROCUREMENT PLAN REQUIREMENTS**

<table>
<thead>
<tr>
<th></th>
<th>Federal Procurement Threshold</th>
<th>SFA/LEA Procurement Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Micro-Purchase</strong></td>
<td>Less than $10,000</td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Small Purchase</strong></td>
<td>Less than $250,000</td>
<td>Up to $250,000</td>
</tr>
<tr>
<td><strong>Formal Purchase</strong></td>
<td>$250,000 or greater</td>
<td>Up to $250,000</td>
</tr>
<tr>
<td><strong>Formal Purchase/Services and Supplies</strong></td>
<td>$25,000 or greater</td>
<td>Up to $25,000</td>
</tr>
<tr>
<td><strong>Capital Equipment/Not on Pre-Approved List (ADD LINK FOR PREAPPROVAL)</strong></td>
<td>$5,000 or greater</td>
<td>Up to $5,000</td>
</tr>
</tbody>
</table>
G. Minority and Women’s Business
H. Code of Conduct/Conflict of Interest
I. Taste testing, samples procedures
J. Emergency Planning
K. Geographic Preference
L. Protest Procedures
M. Monitor Monitor Monitor Monitor
*Name and Title of those responsible for Micro-Purchase Procedures: (list the names and titles of all those who are responsible for Micro-purchases at the SFA.)

If the amount of purchases for items is less than $10,000 or less than the LEA’s micro-purchase threshold, the following procedure will be used.

Select one:

☐ Purchases below $10,000
☐ Purchases below $__________ (LEA threshold if it is below $10,000, must use most restrictive)

• The aggregate dollar value of each transaction shall be less than the micro-purchase threshold above.
• Purchases will not be separated into 2 or more purchases to meet or be below the threshold.
• Purchase prices shall be reasonable.
• Micro-purchases shall be spread equitably among qualified suppliers to the extent practicable. If the SFA is unable to spread purchases equitably, it shall document the reason why (example: the next grocery store is located 50 miles away from the school LEA).
## Micro - Purchase Procedures Table

<table>
<thead>
<tr>
<th>Vendor &amp; Category</th>
<th>Justification</th>
<th>Duration/Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>One and Done – Fresh Produce</td>
<td>Fresh Produce is available in desired quantities</td>
<td>Weekly</td>
</tr>
<tr>
<td>Rabbit’s Dream - Fresh Produce</td>
<td>Fresh Produce is available in desired quantities</td>
<td>Weekly</td>
</tr>
<tr>
<td>Garden Patch - Fresh Produce</td>
<td>Fresh Produce is available in desired quantities</td>
<td>Weekly</td>
</tr>
</tbody>
</table>
Name and Title of those responsible for Small Purchase Procedures: (list the names and titles of all those who are responsible for Small Purchase at the SFA.)

If the amount of purchases for items less than $250,000 or the SFA’s small purchase threshold, Small Purchase Procedures must be followed. Quotes documented from an adequate number of qualified sources will be required.

Select one:
- ☐ Perishable purchases below $250,000, purchases below $25,000 for services or supplies.
- ☐ Purchases below ___________ (LEA threshold if it is below $250,000 for perishables, or $25,000 for services and supplies must use most restrictive)

Written specifications will be prepared and given to a minimum of two vendors. is received at the documented price.

Any time an accepted item is not available, the person stated in Section IV will select the acceptable alternate. Full documentation will be made available as to the selection of the acceptable item. Substituted items will not be made at the vendor’s discretion.

*See Appendix B for a Small Purchase Checklist and Appendix C for an Informal Purchasing Log.
## Informal Purchase Procedures Table

<table>
<thead>
<tr>
<th>Category</th>
<th>Vendors</th>
<th>Evaluation Used</th>
<th>Award Type</th>
<th>Duration/ Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frozen Foods (Meats, Fruits, Veg); Canned Foods (Meats, Fruits, Veg); Pasta</td>
<td>Walmart, Local Grocery Store, Hy-Vee</td>
<td>Bottom line (All or none)</td>
<td>Fixed price agreement</td>
<td>3 Months (August 1 - October 31)</td>
</tr>
</tbody>
</table>
PROCURSMENT TEMPLATE
SECTION IV - FORMAL PROCUREMENT

Perishable purchases over $250,000
Services and supplies over $25,000

RFP (Request for Proposal)
FSMC

IFB (Invitation for Bid)
Termination Clause
Davis-Bacon Act
Cost or Price Analysis
Specifications
Evaluation
Contract Work Hours Safety Standards Act
Clean Air Act
1 + 1 = [(27/3)/3] - 1
LOOKING AT THE BIG PICTURE

- Cycle menu
- Production Records
- Recipes
- Advisory Committee
- Estimating Quantities
- Expected Participation
- Specification
- USDA Foods impact
## Vendor Paid List

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy Foods</td>
<td>$132.13</td>
<td>$231.23</td>
<td>$309.85</td>
<td>$433.79</td>
</tr>
<tr>
<td>Dairy Foods</td>
<td>$76.88</td>
<td>$134.54</td>
<td>$180.28</td>
<td>$252.40</td>
</tr>
<tr>
<td>Store &amp; Category (List what vendor is being used and what product, services or supplies will be purchased)</td>
<td>Justification (Justification for using this vendor)</td>
<td>Duration/ Frequency (Weekly, Monthly, Yearly, Per Purchase)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small Town Grocery Store – Fresh Produce</td>
<td>We can buy what we need, when we need it and product is fresh. Can’t order small enough quantities from vendors who deliver. Only grocery store in town. Next closest is 31 miles away.</td>
<td>Weekly</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Micro - Purchase Procedures Table

<table>
<thead>
<tr>
<th>Category</th>
<th>Vendors</th>
<th>Evaluation Used</th>
<th>Award Type</th>
<th>Duration/Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frozen Foods (Meats, Fruits, Veg); Canned Foods (Meats, Fruits, Veg); Pasta</td>
<td>Kessler, Local Grocery Store, Hy-Vee</td>
<td>Bottom line (All or none)</td>
<td>Fixed fee per case plus cost per case agreement</td>
<td>3 Months (August 1 - October 31)</td>
</tr>
<tr>
<td>Vendor Name</td>
<td>Amount</td>
<td>Purchase Date</td>
<td>Invoice Description</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>---------</td>
<td>---------------</td>
<td>---------------------</td>
<td></td>
</tr>
<tr>
<td>Dairy Foods</td>
<td>$231.23</td>
<td>08/16/2018</td>
<td>Milk</td>
<td></td>
</tr>
</tbody>
</table>
Food Away From Home Inflation Calculator

Start year
2019

End year
2022

Calculate Inflation

Prices for Food Away From Home, 2019-2022 ($10,000)

According to the U.S. Bureau of Labor Statistics, prices for food away from home are 12.33% higher in 2022 versus 2019 (a $1,232.77 difference in value).

Between 2019 and 2022: Food away from home experienced an average inflation rate of 3.95% per year. This rate of change indicates significant inflation. In other words, food away from home costing $10,000 in the year 2019 would cost $11,232.77 in 2022 for an equivalent purchase. Compared to the overall inflation rate of 3.22% during this same period, inflation for food away from home was higher.

In the year 2019: Pricing changed by 3.09%, which is below the average yearly change for food away from home during the 2019-2022 time period. Compared to inflation for all items in 2019 (1.81%), inflation for food away from home was higher.
Consider Participation – Waivers not renewed
Transitional Nutrition Standards
Reduce Delivery Frequencies/Increase Storage
Consolidate Orders
Check for Threshold Changes
Specifications address fixed fee aspect of contract
Fixed fee plus cost instead of fixed price
Contract should address substitutions on order
Frank Discussion with Vendor Representative
Be aware of verbiage on price increases
- I think a diagram will help you understand.

CANS
DOE.SchoolLunch@state.sd.us
605-773-3413
or
Quanna.Keyser@state.sd.us
605-773-4718