

_____ School District

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NONINSTRUCTIONAL OPERATIONS

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Procurement Policy for School Food Purchases and Use of Federal Funds

The School District will adhere to the following requirements for any procurement related to food service:

Below are samples only and other language can be used, adjusted, or utilized. Please feel free to make changes, additions or add any other necessary items to meet the needs of your district.

Purchase Procedures & Thresholds:

Definition/Instructions

Micro-Purchase: *Micro-purchases may be awarded without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable. To the maximum extent practicable, the non-Federal entity should distribute micro-purchases equitably among qualified suppliers. The school district is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures.*

School districts may use the Federal micro-purchase threshold of up to \$10,000 or may establish a higher threshold, up to \$50,000 on an annual basis if the district self-certifies (CFR 200.320 (a)(1)(iv)) and maintains documentation of self-certification justification and supporting documentation on file.

School District's Established Micro-Purchase threshold (choose one):

☐ The School District's Micro Purchase Threshold is: \$_____ (up to \$10,000).

OR

☐ The School District self-certifies a threshold of \$_____ (up to \$50,000 according to CFR 200.320 (a)(1)(iv)) and maintains documentation to be made available to the Federal awarding agency and auditors in accordance with § 200.334. The self-certification must include a justification, clear identification of the threshold, and supporting documentation of any of the following:

- A qualification as a low-risk auditee, in accordance with the criteria in § 200.520 for the most recent audit;
- An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or,
- For public institutions, a higher threshold consistent with State law.

Definition/Instructions

Small Purchase: *Informal purchase method for open competitive purchases. For purchases higher than the micro-purchase threshold (\$10,000 or SFA's higher amount if self-certified) but does not exceed the simplified acquisition threshold (\$80,000).*

- *If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the non-Federal entity. Documentation of the procurement process (vendor name, contact method, name of person providing price quote, price quoted, date price quote obtained, duration of price quote).*

- ☐ **Small Purchases greater than \$ _____** (*Instructions: SFA may select up to \$10,000 or up to \$50,000 if self-certified*) up to \$ _____ (*Instructions: SFA may select up to \$80,000*). \$80,000 is the small purchase threshold for the state of Montana per Section 20-9-204, MCA.

- Small purchases will be handled in a fair and equitable manner consistent with district policy on purchasing.
- The District will obtain two or more quotes from qualified sources.
- The District may enter into a cooperative purchasing contract for procurement of supplies with one or more districts or a Cooperative Services Program. This allows the District to participate in a cooperative purchasing group to purchases supplies through the group without bidding if the cooperative purchasing group has a publicly available master list of items available with pricing included and provides an opportunity at least twice yearly for any vendor, including a Montana vendor, to compete, based on a lowest responsible bidder standard.

Definition/Instructions

Formal Purchase: If the aggregate amount exceeds eighty thousand dollars (\$80,000), the contract must be awarded through a formal bid process and a call for bids or request for proposals shall be published according to 20-9-204, MCA. No contract shall be divided for the purpose of avoiding the formal procurement process.

- ☐ **Formal Purchases greater than \$ _____** (*SFA may select up to \$80,000*):

- If the aggregate amount exceeds eighty thousand dollars (\$80,000), the contract must be awarded through a formal bid process and a call for bids or request for proposals shall be published according to 20-9-204, MCA. No contract shall be divided for the purpose of avoiding the formal procurement process.
- The District may enter into a cooperative purchasing contract for procurement of supplies with one or more districts or a Cooperative Services Program. This allows the District to participate in a cooperative purchasing group to purchases supplies through the group without bidding if the cooperative purchasing group has a publicly available master list of items available with pricing included and provides an opportunity at least twice yearly for any vendor, including a Montana vendor, to compete, based on a lowest responsible bidder standard.

Bid Specifications: (OPTIONAL)

The School District contracts will not be awarded to any potential vendors who write any of the bid specifications, the solicitation documents, or any of the contract language. The district must take care that any bids for services and supplies are written in the broadest possible terms to allow for participation by the largest number of potential vendors.

Identical bid specifications and/or request for proposals will be provided to all potential vendors.

Geographic Preference: (OPTIONAL)

No Geographic Preference (advantage based on location) is allowed with federal funds except for documented Farm to School (Farm to Plate) efforts. Therefore, as part of Farm to School may choose to apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products only.

Buy American:

1 The District will adhere to “Buy American” for the food service program 7 CFR 210.21(d). Therefore,
2 Food Service is required to purchase, to the maximum extent possible, domestic products for use in meals
3 served in our Child Nutrition Program. There are two limited exceptions when non-domestic foods
4 may be purchased. These exceptions are determined by the SFA:

- 5 • The food or food product is not produced or manufactured in the United States in sufficient and
6 reasonably available quantities of a satisfactory quality; or
- 7 • Competitive bids reveal the cost of a United States food or food product is significantly higher
8 than the nondomestic product--Food preferences can only be met with foreign goods.
- 9 • SFA must document exceptions and keep records.

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11 **Contracting with small and minority businesses, women's business enterprises, and labor surplus**
12 **area firms. 2 CFR 200.321(a):**

- 13 • The non-Federal entity must take all necessary affirmative steps to assure that minority
14 businesses, women's business enterprises, and labor surplus area firms are used when possible.

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16 **Standards of Conduct for District Employees:**

- 17 • The School District maintains the following code of conduct for any employees engaged in award
18 and administration of contracts supported by Federal Funds:
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20 • No District employee will engage in any procurement when there is a conflict of interest, real or
21 perceived, and District employees cannot solicit or accept any gratuities, favors or anything of
22 monetary value from prospective vendors. This shall not preclude district personnel from serving
23 on boards or participating in organizations that support the district's need to obtain quality
24 services and supplies.
25
26 • No District employee shall participate in the selection, award or administration of a contract when
27 any of the following persons have a financial interest in the firm selected for award:
 - 28 ○ The employee
 - 29 ○ Any member of his/her immediate family
 - 30 ○ People with whom there is an intimate personal relationship
 - 31 ○ An organization which employs or is about to employ any of the above
32
33 • The District would like all employees to behave with the utmost integrity and never be self-
34 serving, be fair in all aspects of the procurement process, be alert to conflicts of interest, and
35 avoid any compromising situations.
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37 • Employees found to be in violation of this policy are subject to disciplinary action, up to and
38 including termination.

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42 Policy History

43 Adopted on:

44 Reviewed on:

45 Revised on: