

# Vending and Procurement

## Summer Food Service Program

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**Charles Crawford**

Division Director II

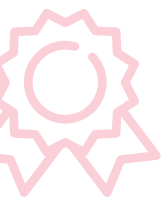
[mdek12.org](https://mdek12.org)



MISSISSIPPI  
DEPARTMENT OF  
EDUCATION

March 23, 2021





1

ALL Students Proficient and Showing Growth in All Assessed Areas



2

EVERY Student Graduates from High School and is Ready for College and Career



3

EVERY Child Has Access to a High-Quality Early Childhood Program

EVERY School Has Effective Teachers and Leaders

4



EVERY Community Effectively Uses a World-Class Data System to Improve Student Outcomes

5



EVERY School and District is Rated "C" or Higher

6



## VISION

To create a world-class educational system that gives students the knowledge and skills to be successful in college and the workforce, and to flourish as parents and citizens



## MISSION

To provide leadership through the development of policy and accountability systems so that all students are prepared to compete in the global community

# Vending Options

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**Prepare their own  
meals**

**Purchase Meals  
From Schools**

**Purchase Meals  
From a FSMC**

- Sponsors receive higher administrative reimbursement rates.
- Can deliver to different sites.
- Must keep production records and delivery logs



## Purchasing meals from schools 7

### 7 CFR 225.15(b), 16 (f)

- Contact the local superintendent of the school or the principal of local non-profit schools
- Organization may enter into a non-competitive agreement to purchase meals
- Schools participating in NSLP or SBP are accustomed to preparing meals that meet federal requirements.

## 7 CFR 225.15(b), 16 (f)

- Sponsors that use local SFA facilities must enter into a written agreement with the school, but are not required to utilize the competitive bid procedures.
- Generally, sponsors may not contract with a school using a FSMC unless the contract included the provision of SFSP meals.



## FSMC - 7 CFR 225.15 (m)

- FSMC defined as any commercial enterprise for non-profit organization with which a sponsors may contract for preparing unitized meals, with or without milk, for use in the Program, or for managing a sponsor's food service operation in accordance with limitations set forth in the Program regulations on management responsibilities of sponsors.



FSMC may be:

- public agencies or entities
- private non-profit organizations
- private for-profit companies

Meals must be unitized - meal components (except milk or juice) must be packaged, delivered and served as a unit.





- Template Wavier for unitized meals
- FSMC or School Sponsor Must provide unitized meals unless MDE grants a waiver
- For outside School Hours Care Centers Only (CACFP)
- Must have a reason



Office of Child Nutrition  
Scott Clements  
Director

## Waiver for Unitized Meals "For Outside School Hours Care Centers Only"

Food Service Management Company (FSMC) or school sponsor that contracts to prepare CACFP meals must provide unitized meals for the CACFP site(s) unless the Mississippi Department of Education (MDE) has approved a waiver of the unitized meal requirement. The unitized meal requirement specifies that the meal components (except the milk) must be portioned, packaged, delivered and served as a unit. Milk, which may be packaged and provided separately, must be served with the meal unit and only such complete meals are reimbursable (7CFR 226.20)

\_\_\_\_\_(Name of Institution) requests a waiver to the unitized meals requirement.

**Reason waiver is necessary (how does the unitized meal requirement impair food service operations)?**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_(Name of Institution) has entered into a Food Service Agreement with \_\_\_\_\_(Name of FSMC/School).

Address of FSMC/School: \_\_\_\_\_  
City, State, Zip Code: \_\_\_\_\_  
Area Code/Phone: \_\_\_\_\_

This FSMC/School will provide food for the following site(s). If more than one site, attach a separate sheet if more space is needed.

500 Greymont Avenue, Suite F Phone (601) 576-5000  
P.O. Box 771 Fax (601) 354-7505  
Jackson, MS 39205-0771 [www.mde.k12.ms.us](http://www.mde.k12.ms.us)

Specific management responsibilities that sponsors MAY \_contract out:

- monitoring
- staff training
- enforcing corrective action
- preparing program applications and claims for reimbursement

**Sponsors remain legally responsible**



### Agreement to Furnish Food Service for CACFP

This agreement is made and entered into between \_\_\_\_\_  
Name of FSMC/School Providing Meals

and \_\_\_\_\_ WHEREAS the \_\_\_\_\_  
Name of CACFP Institution Name of FSMC/School Providing Meals

agrees to provide daily unitized/bulk meals/snacks (inclusive/exclusive) of milk to  
circle one option circle one option

\_\_\_\_\_ for the rates herein listed:  
Name of CACFP Institution

Price per Meal	Meal Type	X	# Meals Needed Per Day	X	# of Operating Days for Contract Period*	=	Estimated Total Cost of Food Service Contract
\$	Breakfast	X		X		=	\$
\$	AM Snack	X		X		=	\$
\$	Lunch	X		X		=	\$
\$	PM Snack	X		X		=	\$
\$	Supper	X		X		=	\$
					Total Estimated Cost of Food Service for Contract Period		\$

The contract period should not extend beyond one year. Therefore, the number of operation days should equal the total number of days the center(s) will be open for food service during the Fiscal Year.

(1) \_\_\_\_\_ (Name of Institution) shall provide the food service management company with a list of the State agency approved child care centers, day care homes, adult day care centers, and outside-school-hours care centers to be furnished meals by the food

# Agreement to Furnish Foods

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## Regulation 225.6 (h) 2

- Each State Agency shall develop a standard form of contract for use by sponsor in contracting with food service management companies.
- Please refer to the “Agreement to Furnish Foods for the SFSP”

# PROCUREMENT

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- Procurement is the act of acquiring, buying goods, services or works from an external source.
- It is favorable that the goods, services, or works are appropriate and that they are obtained at the best possible price to meet the needs of the purchaser in terms of quality, quantity, time, and location.



**CFR  
200.317**  
Procurement  
by states

**CFR  
200.318**  
General  
procurement  
standards



**CFR  
200.319**  
Competition

**CFR  
200.320**  
Methods of  
procurement  
to be  
followed



**CFR  
200.321**  
Contracting  
with small  
and minority  
business,  
women's  
business  
enterprises,  
and labor  
surplus area  
firms



**CFR  
200.323**  
Contract cost  
and price

**CFR  
200.324**  
Federal  
awarding  
agency or  
pass-through  
entity review



**CFR  
200.325**  
Bonding  
requirement

**CFR  
200.326**  
Contract  
provision



## 7 CFR 225.17: Procurement Standards

- State agencies and sponsors shall comply with requirements of 2 CFR Part 200, subpart D concerning the procurement of supplies, food, equipment and other services with Program Funds
- The State agency shall make available to sponsor information on 2 CFR part 200, subpart D and USDA implementing regulations 2 CFR part 400 and part 415, as applicable
- Sponsors may use their own procurement procedures which reflect applicable State and local laws and regulations, provided that procurements made with Program funds conform with this provision

- The State Agency shall ensure that each sponsor is aware of the minority business enterprises
  - Minority Business Enterprises on solicitation list
  - Soliciting Monitoring Business enterprises whenever they are potential sources
  - Dividing Total Requirements, when economically feasible into smaller tasks or quantities
  - Establish delivery schedule
  - Using the services and assistance of the Small Business Adm. And the Office of Minority Business Enterprise

- Geographic preference
  - Sponsor may apply a geographic preference when procuring unprocessed locally grown or locally raised agriculture products
  - “Unprocessed locally grown or locally raised agricultural products”, means only those agricultural products that retain their inherent character.



## Minority Businesses

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Mississippi Development Authority  
[Minority & Small Business | Mississippi Development Authority](#)

- (601) 359 3448
- <https://mississippi.org/services/minority/>



## Mississippi District Office

- 210 E. Capitol Street Suite 900  
Jackson, MS
- <https://www.sba.gov/offices/district/ms/jackson>
- Phone: 601-965-4378
- Fax: 601-965-4378 or 601-965-4294

**Shop Local!**

**Micro Purchases**  
\$0-\$10,000

**Small Purchases (informal)**  
\$10,000-\$250,000

**Large Purchase-Formal Bid Procedures (formal)**  
\$250,000 and up

**Non-Competitive Bid Procedures**  
one quote/bid, only one vendor can supply the product (rare) or emergency purchase.



## Defined by CFR 200.320 and 200.67

- Micro-purchase may be awarded without soliciting any quotes if the price is considered reasonable
- Federal Guidelines for a Micro-Purchase is \$10,000 and under (Federal)
- Any purchase below \$5,000 (goods) or \$10,000 (services/food) is considered a micro purchase. (Combined Federal/State)
- Aggregate amount, per transaction, does not exceed micro threshold
- **Must** distribute micro purchased equitably among qualified suppliers (**share your wealth!**)



## Formal or Informal procedures



- Between \$10,000 and \$250,000, or most restrictive threshold
- Comparison Shopping
  - Store advertisement may be considered as documentation
- Must ensure free and open competition.
  - Price or rate quotations must be obtained from an adequate number of vendors
  - Use the same specification for all price or rate quotations
- Document the date, vendors consulted, and quotes received
- Store advertisement may be considered as documentation
- Utilize the “Small Purchase Documentation Form”

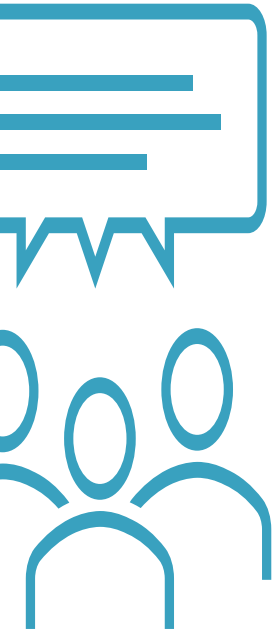


- Typically, more than \$250,000 or most restrictive threshold.
- A purchase is estimated to exceed the most restrictive small purchase threshold
- Contact State Agency
- Know the solicitation procedures-(Refer to pages 87 of the Administrative Guidance Manual- “Competitive Sealed Bid Procedures for FSMC exceeding \$250,000.)
- Sponsors must conduct a cost or price analysis ( 2 CFR Part 200.323)

## Types of Formal Bid Procedures

- **Invitation for Bid**

- Fixed price contract only
- Lowest-priced, responsive, responsible bidder
- Price is the **ONLY** factor
- Bids publicly opened and awarded
- Must have more than one qualified source willing and able to compete.



## Types of Formal Bid Procedures

- **Request for Proposal**
  - Fixed-price or Cost Reimbursement Contract
  - Must have an evaluation criteria (Score Card)
  - Contract is awarded to the proposal that is most advantageous to the program
  - Cost must still be the primary factor (highest weighted)
  - Proposal received, evaluated, then awarded



## 3016.36(b)(12)

- Required for all federal programs.
- Explains the procedures for a vendor to protest the bidding process.
- DFA has sample language on their web site.
- Should get with your board attorney and business manager to make sure you have one in file



- Expenditures for food that may not be served as part of the reimbursable meal based on the SFSP meal patterns are not allowable costs. **Sites wishing to serve additional foods that do not meet SFSP meal pattern standards must use non-Program funds.**
- Condiments that go along with a reimbursable meal are exempt.
- Sites with additional funds available are encouraged to use the funds to improve the reimbursable meals served by using fresher, healthier, more nutritious products, such as fresh fruits and vegetables, lean meats, and unprocessed cheeses. Foods such as turkey wraps, fresh watermelon, grapes, and carrots with hummus are nutritious options that children enjoy.

- is the state of being excluded from enjoying certain possessions, rights, privileges, or practices and the act of prevention by legal means. For example, companies/individuals can be debarred from contracts due to allegations of fraud, mismanagement, and similar improprieties.
- Part 417-Nonprocurement Debarment and Suspension
- CFR 180.700 (G) Suspension
- CFR 180.800 (H) Debarment

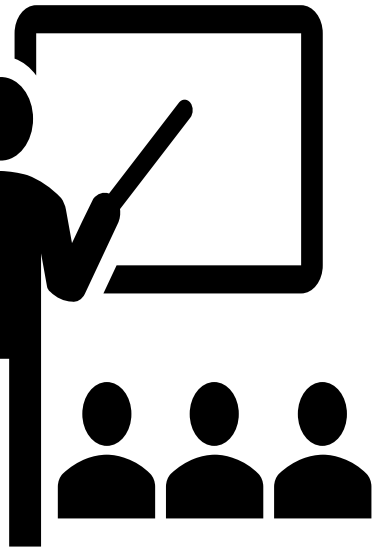


Prior to entering into an agreement with a contractor, the organization must ensure that the contractor has not been debarred or suspended.

The organization may do the following:

- Request that the contractor signs a certification statement indicating that they have not been debarred or suspended.
- May go to <https://uscontractorregistration.com/>
- Or go to <https://www.sam.gov/SAM/pages/public/index.jsf>

## Code of Conduct



- Participating organizations are **required** to have a **written** Code of Conduct to direct the performance of all employees engaging in procurement.
- The standards **must** prohibit employees from soliciting gifts and other incentives from potential contractors.
- The standards **must** prohibit employees from participating in the selection, award, or administration of any contract if they have a personal or financial connection.
- The Code of Conduct **must** contain methods of disciplinary action if the standards are violated.



This institution is an equal opportunity provider.

Full Non-Discrimination Statement link:

<https://mdek12.org/sites/default/files/documents/ocn/usda-nondiscrimination-statement-2016.pdf>





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