

NEW MEXICO CYFD/ECS – FAMILY NUTRITION BUREAU

Procurement Procedures for CACFP Vended Meal Service

Procurement standards were developed to ensure that institutions that utilize public funds in their programs assure that open and free competition exists to the maximum extent possible. The following guidelines will assist Institutions in meeting the program requirements. To ensure Federal or State funds are used properly, procurement standards outline specific steps to compare costs and to seek bids from interested vendors prior to making expenditures.

Be Alert to Internal and External Conflicts of Interest -- AVOID:

- The exchange of anything of monetary value between the contractor and center that might influence the award or prohibit free and open competition; and
- Contracting with family of board members for procurement or to perform services such as outreach or monitoring.

Note: Meals may be purchased from a School Food Authority (SFA). The competitive bid process is not required when purchasing from a SFA. Institutions that contract for meals from a school food authority (SFA) are exempt from these procedures to the extent that contracts with SFAs may be procured noncompetitively. This means you may contract with a school that participates in the National School Lunch Program without soliciting or advertising for bids. **Although signing an agreement with a school to provide meals does not relieve the Center/Sponsor of its Program responsibilities for monitoring and recordkeeping. The school should provide a copy of the menus served and meal service records required by the State agency [7 CFR 226.19a (b) (7)].**

Method of Procurement

For a single contract procurement with a total value \$10,000 or less, the Small Purchase Procedure method may be used. For contract procurement with a total dollar value more than \$10,000, you must use the competitive bidding method (and formally advertise) for a contract in accordance with regulations. Noncompetitive contracts, this method may apply if special circumstances exist.

Competitive Bidding

Institutions are required to follow the formal bid process below for any contracts that are expected to exceed \$10,000 per year.

- Advertise the Invitation to Bid in the newspaper
- Send the Invitation to Bid to interested parties
- Open the bids as required
- Submit the bids and proposed contract to the CYFD-Family Nutrition Bureau **prior** to notifying the vendors or signing the contract

Competitive Bids are publicly solicited by advertising in a newspaper of general circulation. For a fixed-price contract the unit price is fixed even though the total amount may fluctuate based on the number of meals served. A contract is awarded to the bidder whose bid conforms to all the terms and conditions of the Invitation to bid, and is lowest in price. Sponsors must submit the bids to CYFD-Family Nutrition Bureau with the Vended Meal Service Contract for approval. Please contact the State Agency for any specific requirements and/or additional guidance.

Small Purchase Procedures: *Can be used for contracts under \$10,000.*

For small purchases the vendor contractor is identified without formal advertising or publication. However, informal price quotes must be obtained from an adequate number of qualified sources (complete “*Form 051 - Vended Meal Contact Documentation*”). Institutions should seek a minimum solicitation of 3 (three) written quotes. These price or rate quotations must be documented and attached with the CACFP Vended Meal Service Contract Agreement. The State agency must be formally informed which bid will be chosen. If the lowest bid is not accepted, a justification for awarding the contract to a higher bidder must be provided.

Noncompetitive Procurement

This may be used to secure a proposal from only one source, after solicitation of a number of sources indicates there are no additional sources. The following apply to this method of procurement:

- The item is available only from a single source; or
- A public emergency will not allow for the time needed for the competitive bid process; or
- Public institutions (Governmental, Colleges, Air Force Bases, etc.) may, with the approval of the State agency (SA), use their customary form of contract if it incorporates the provisions of 226.6(i). A copy of the contract between the institution and Food Service Management Company (FSMC) shall be submitted to that SA prior to the beginning of program operations under the contract. Each proposed additional provision to the standard form of the contract shall be submitted to the SA.
- After solicitation of a number of sources (minimum of three), competition is determined to be inadequate.

Frequency

Institutions must bid competitively every three years. Contracts may not exceed one year in duration. After the first year, contracts may be extended, an extension of your contract allows you to decide if you want to extend the existing contract, up to four times, one year at a time. If your organization elects not to extend the contract, please follow the procedures for developing a new contract as outlined. Renewals must be documented each year as part of the CACFP renewal process using the **Renewal of Contract form**.

Contracts for Food Service

The Family Nutrition Bureau has developed a *Contract Agreement* to Furnish Food Service Meals (**Form 050 - Food Service Vending Contract Agreement**). The use of this agreement is required for all meals purchased from food service management companies or private vendors. Institutions who wish to use an alternate agreement must receive written prior approval from the State Agency.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal and, where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or if all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136.

The Children, Youth and Families Department/Family Nutrition Bureau is the State Agency administering the Child and Adult Care Food Program in New Mexico, for any program assistance or information concerning the administration of the program, write to CYFD/Family Nutrition Bureau, P.O. Drawer 5160, 1920 Fifth Street, Santa Fe, New Mexico 87502-5160 or call (505) 827-9961, 1-(800) EAT-COOL