

Required Procurement Plan Template for Child and Adult Care Food Program Institutions



**New Jersey Department of Agriculture
Child and Adult Care Food Program Procurement Plan**

Name of CACFP Institution: _____

Agreement Number: _____

This procurement plan contained on the following pages ____ through ____ will be implemented on _____, from that date forward until amended. All procurements for the Child and Adult Care Food Program must adhere to free and open competition. Institutions must retain all documentation for each procurement per 7 CFR 226.22 and 2 CFR 200 regulations.

Each section of the procurement plan must be completed in its entirety, even if not applicable at this time.

Printed Name of Authorized CACFP Representative, Title

Signature of Authorized CACFP Representative

Date

CACFP PROCUREMENT PLAN

will purchase goods, products, and/or services for use in the New Jersey Child and Adult Care Food Program in compliance 2 CFR Part 200 as well as 7 CFR 226. Procurement standards are specifically located in 7 CFR Part 226.22 and 2 CFR Part 200.317-326.

The primary purpose of this procurement plan is to assure open and fair competition, transparency in transactions, comparability, and documentation of all procurement activities. The procurement process practiced by the CACFP Institution must not restrict or eliminate competition. Competition helps assure that goods, products, and/or services will be obtained that best meets your organization's needs.

A new procurement plan does not need to be developed every year. However, an annual review of the approved plan is suggested to assure its relevance to current procedures. All staff conducting purchasing are required to be trained on procurement procedures and abide by the Institution's written procurement standards Code of Conduct.

It will be the responsibility of to evaluate the procurement needs and forecast the amounts to be purchased so the correct method of procurement will be followed.

A CACFP Institution must perform a cost or price analysis when purchases are estimated to exceed the Institution's most restrictive small purchase threshold (Federal simplified acquisition threshold is currently valued at \$250,000) in connection with every procurement action in excess of the simplified acquisition threshold including contract modifications.

Regardless of procurement method, the following factors will be determined regarding the allowability of costs:

- Be necessary and reasonable for proper and efficient administration of the program(s)
- Be allocable to federal awards applicable to the administration of the program(s)
- Be authorized and not prohibited under federal, state, and local laws

A CACFP Institution may set a lower simplified acquisition threshold than the federal simplified acquisition threshold. The most restrictive (lowest) threshold must be used.

Purchasing will be conducted at the most restrictive procurement thresholds:

	Federal Procurement Threshold	CACFP Institution Procurement Threshold
Micro-purchasing	Less than \$10,000/year	
Small/Informal	Less than \$250,000/year	
Formal	Greater than \$250,000/year	

Does the Institution have a lower simplified acquisition threshold? Yes No

List the Dollar Amount \$

A. Micro Purchase Procedures: This method applies to the purchase of supplies or services when the aggregate dollar amount does not exceed \$10,000 per transaction. These purchases may be awarded without soliciting competitive quotes if the entity considers the price reasonable. The Institution must maintain written documentation as evidence of this reasonableness in records of all micro-purchases equitably distributed. Purchases must meet program needs and be priced reasonable.

- 1) The is responsible for contacting a potential vendor/contractor.
- 2) The is responsible for documentation of records of the purchase, name of the vendor/contractor, price, and written specifications.
- 3) The is responsible for documentation that purchases are distributed equitably among qualified suppliers with reasonable prices,
- 4) The is required to sign documentation, confirming a review and the approval of the purchase of the goods, products, and/or services.
- 5) The is responsible for documentation of records to show selection of vendor/contractor, reasons for selection, names of all vendors/contractors contacted, price quotes from each vendor/contractor, and written specifications. This information must be consolidated on your NJDA CACFP Micro Purchase Price Quotation Records.

B. Informal / Small Purchase Procedures: This method applies for purchases of goods products, and/or services when the aggregate dollar amount is less than \$250,000 (current Federal simplified acquisition threshold) or the Institution's simplified acquisition threshold, if lower. Quotes from two (2) or more qualified vendors/contractors will be required.

- 1) In developing the written bid specifications, the same information needs to be provided to all vendors/contractors, you may use prices found online, in catalogs, sale flyers, newspapers, prices obtained from grocery stores, farmer's markets, etc.
- 2) Each vendor/contractor will be contacted and given an opportunity to provide a price quote on the same specifications.
- 3) The is responsible for contacting potential vendors/contractors when price quotes are needed.
- 4) The price quotes are to remain confidential information until the actual purchase has been made.
- 5) Quotes are awarded by . Quotes will be awarded to the lowest bidder that meets all order specifications.
- 6) The is responsible for documentation of records to show selection of vendor/contractor, reasons for selection, names of all vendors/contractors, reasons for selection, name of all vendors/contractors contacted, price quotes from each vendor/contractor, and written specifications. This information must be consolidated on your NJDA CACFP Small Purchase Order Price Quotation Records.
- 7) The is responsible for documentation that the actual product specified is received.
- 8) Any time an accepted item is not available, the will select the acceptable alternate. The will document the reason for accepting an alternate and keep the documentation on file.
- 9) Awarded quotes must meet the requirements of the solicited product or service and must have the lowest price offered.
- 10) The is required to sign documentation, (delivery slips and/or invoices, etc.), confirming a review and the approval of the purchase of the goods, products, and/or services.
- 11) The is the Institution's authorized purchaser.

C. Formal Purchase Procedures: This method applies to purchases of supplies or services when the aggregate cost amount is more than \$250,000 or greater than the Institution's simplified acquisition threshold. The formal procurement method requires the use of an Invitation for Bid (IFB) or a Request for Proposal (RFP).

- 1) The is the Institution's authorized purchaser.
- 2) An announcement of an Invitation for Bid (IFB) or a Request for Proposal (RFP) will be placed in the Newspaper/media, Website, other internet source to publicize the intent of the Child and Adult Care Food Program Institution to purchase needed items. All proposed contracts shall be publicly announced at least once 14 calendar days prior to the opening of bids. The announcement shall include the time and place of the bid opening.
- 3) An advertisement is required for all purchases over the Institution's simplified acquisition threshold of \$. The announcement (advertisement or legal notice) will contain a general description of items to be purchased, the deadline for submission of sealed IFB's and RFP's and the address where complete specifications and other procurement documents may be obtained. (See state required bid advertisement sample).
- 4) In an IFB or RFP, each vendor/contractor will be given an opportunity to bid on the same specifications.
- 5) The developer of written specifications or descriptions for procurements will be prohibited from submitting bids or proposals for such products or services.
- 6) The IFB or RFP will clearly define the purchase conditions.
- 7) The will prepare the sample bid package or sample request for proposal and sample bid advertisement, to submit to the State CACFP Office for State-stamped approval **prior** to placing the bid advertisement with a media outlet and prior to providing to any bidders.
- 8) The same State-stamped bid package or request for approval with specifications will be provided to **ALL** potential vendors/contractors desiring to submit IFB or RFP for the products or services requested. Vendors/contractors will be selected using the Institution's procedures such as:
 - a. Does the vendor's product meet all the required specifications?
 - b. Is the vendor bid or request for proposal the lowest priced?
 - c. Does the vendor's transportation certification meet the institution's needs?
 - d. Other criteria that each Institution determines is of value to them. (RFP Only)

- 9) If any potential vendor/contractor is in doubt as to the true meaning of specifications or purchase conditions, a written interpretation will be provided by .
- 10) Any explanation desired by a bidder regarding the meaning or interpretation of the IFB specifications, etc., must be requested in writing prior to bid opening and with sufficient time allowed for a reply to reach all bidders before bid opening. Oral explanations or instructions given before the award of the contract shall not be binding. Any information given to the perspective bidder concerning an IFB shall be furnished to all prospective bidders as an amendment to the IFB if such information is necessary to bidders as an amendment to the IFB or if the lack of such information would be prejudicial to uniformed bidders.
- 11) Receipt of an amendment to an IFB by a bidder must be acknowledged by signing and returning the amendment. Such acknowledgement must be received prior to the hour and date specified for bid opening.
- 12) The is responsible for securing all IFB or RFP.
- 13) The is responsible to ensure all CACFP Institution procurements are conducted in compliance with applicable Federal regulations, State General Statutes and policies of the Institution.
- 14) The is responsible for preparing and submitting all bid procurement documents received to the State Agency for approval to award the bid contract, **prior** to awarding the contract.
- 15) The following criteria will be used in awarding bid contract. (Examples: quality, delivery, service, etc.)
- a. Lowest Price
 - b. Services
 - c. Quality
 - d. Geographic Preference, etc.
- 16) In awarding a competitive negotiation (RFP), a set of award criterion in the form of a weighted evaluation sheet will be provided to each bidder in the initial bid document materials. Price alone is not the sole basis for award but remains the primary consideration when awarding a contract. Following evaluation and negotiations, a firm fixed price contract is awarded.
- 17) The contracts will be awarded to the responsible bidder/proposer whose bid or proposal is responsive to the invitation and best meets the needs of the CACFP Institution, price and other factors considered. Any and all bids or proposals may be rejected in accordance with law.

- 18) The [] is required to sign on the bid tabulation of competitive sealed bids or the evaluation criterion score sheet of competitive proposals signifying a review and approval of the selections.
- 19) The [] will review the procurement system to check and ensure compliance with Federal, State, any local regulations and laws.
- 20) The [] will ensure all bid procurement documents received by the Institution are reviewed and submitted to the State Agency for approval to award the bid contract, *prior* to awarding the contract. State CACFP Agency must approve procurement prior to awarding the contract.
- 21) The [] is responsible for documentation that the actual product specified is received.
- 22) Any time the accepted item is not available, the [] will select the acceptable alternate.
The contractor must inform the [] by [] when a product is not available.
- 23) Full documentation as to the reason an accepted item was unavailable, and to the procedure used in determining acceptable alternates, will be available for audit and review. The person responsible for this documentation is the [].
- 24) The [] is responsible for maintaining all documentation of the procurement process.
- 25) The [] is responsible for documentation of records to show selection of vendor/contractor, reasons for selection, names of all vendors/contractors contacted, price quotes from each vendor/contractor, and written specifications. This information must be consolidated on the corresponding NJDA CACFP Price Quotation Records.

D. Non-Competitive Negotiation Procedures (Only with State Agency Approval): If items are available **only** from a single source, when the award contract is not feasible under simplified acquisition purchase, IFB or RFB, Non-Competitive Negotiation procedures will be used. **(Must have prior approval from Stage Agency before executing)** (2 CFR 200.320).

- 1) Written Specifications will be prepared and provided to the vendor/contractor.
- 2) The is responsible for the documentation of records to fully explain the decision to use the non-competitive negotiation. The records will be available for audit and review.
- 3) The is responsible for documentation that the actual product or service specified was received.
- 4) The is responsible for reviewing the procedures to be certain all requirements for using single source or non-competitive negotiation are met.

E. Emergency Procurement: If it is necessary to make an emergency procurement to continue service, the purchase shall be made, and a log of all such purchases shall be maintained by the .

- 1) The must contact the State Agency within ten (10) days with the reason why an emergency vendor is being requested. At a minimum, the following emergency procurement procedures shall be documented:
 - a. Item name or Meals provided
 - b. Dollar amount
 - c. Vendor/contractor name and contact information.

F. Applying a Geographical Preference: 7 CFR Part 226.22 (*Only use if applicable*)

- 1) The Institution seeks to increase its purchase of seasonal, minimally processed fresh fruits and raw vegetables as part of the Farm to Preschool Program. Reasons for purchasing local products include the potential cost savings, nutrition education for students, and quality of product.
- 2) The Institution is interested in the following locally grown products:
- 3) The contractors will make every effort to provide the Institution with locally grown products according to the definitions below:

Locally Grown: [i.e. "Grown within 200 miles or New Jersey Grown"].

- a. Minimally Processed: Includes refrigerating, adjusting size (peeling, slicing, dicing, cutting, chopping), washing packaging and adding ascorbic acid or other preservatives to prevent oxidation or produce (as described in USDA's Final Rule of Geographic Preference).
 - 4) All products designated under the geographic preference clause shall be labeled with its designating origin (grower name and address/state or area of production) on each case/invoice delivered.
 - 5) Locally grown products should be generally free from insect damage and decay (flexible on grading for produce only per USDA guidance). Produce items are to be rinsed, cleaned and packed in appropriate commercial produce packaging such as waxed cardboard boxes or sanitary/reusable bins.
- G. Record Keeping:** The contractor shall agree to retain all books, records and other documents to the contract agreement for three (3) years after final payment. The CACFP Institution, its authorized agents, Stage Agency, and/or USDA auditors shall have full access to and the right to examine any of said materials during said period. Specifically, the Institution shall maintain, at a minimum, the following documents:
- 1) Written rationale for the method of procurement;
 - 2) A copy of original solicitation;
 - 3) The selection of contract type;
 - 4) The bidding and negotiation history and working papers;
 - 5) The basis for contractor selection;
 - 6) Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
 - 7) The basis for award cost or price;
 - 8) The terms and conditions of the contract;
 - 9) Any Changes to the contract and negotiation history;
 - 10) Billing and payment records;
 - 11) A history of any contractor claims; and
 - 12) A history of or any vendor/contractor breaches.

H. Code of Standards of Conduct: The Child and Adult Care Food Program Institution must maintain a written code of standards of conduct (2 CFR 200.318 and 7 CFR 226.22) that includes procedures that governs the performance of its officers, employees, or agents who are engaged in the award and administration of contracts supported by CACFP Funds.

The Following conduct will be expected of all persons who are engaged in the award and administration of contracts supported by Child and Adult Care Food Program Funds.

- 1) No employee, officer, or agency of shall participate in selection, or in the award or administration of a contact supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
 - a. The employee, officer or agent;
 - b. Any member of his immediate family;
 - c. His or her partner; or
 - d. an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
 - e. A less-than-arms-length transaction. This is one party's ability to control or influence the other party to the transaction. A less-than-arms-length transaction occurs:
 - i. When a transaction is conducted between related parties, meaning that the integrity of the transaction could be compromised;
 - ii. When one party to the transaction is able to control or influence the actions of the other party.
- 2) The institution's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
- 3) The Institution must stet standards when financial interest is not substantial, or the gift is an unsolicited item of nominal value and may be acceptable.
- 4) Disciplinary actions for violation of the code of conduct of the CACFP Institution will be the following actions (List appropriate actions for your organization):
 - 1) _____
 - 2) _____
 - 3) _____

I. Minority, Women Owned and Small Business: An Institution must take all necessary affirmative steps to assure that minority business, women business enterprise, and labor surplus area firms are used when possible. (2 CFR 200.321, 7 CFR 226.22)

The following affirmative steps must be used in determining if a firm is available:

- 1) Placing qualified small and minority businesses and women's business enterprises on the solicitation lists;
- 2) Assuring that small and minority business and women's business enterprises are solicited whenever they are potential sources;
- 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises.

J. Intergovernmental Agency: The CNP Sponsor is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services (2 CFR 200.318).

K. The CACFP Institution entity alone must be responsible, in accordance with good administrative practice and sound business judgement, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgement for that of the non-Federal entity unless the matter is primarily a federal concern. Violation of law will *be referred to local, State, or Federal authority having proper jurisdiction.* (2 VGT 200.318)