

White River School District 47-1

Procurement Plan for
Child and Nutrition Programs

White River School District 47-1

The procurement plan listed on the following pages will be implemented on and continue until amended.

Blake Lehman

7-10-23

Printed Name Chairman, Board of Education/Governing Board

Date

Blake Lehman

7/10/23

Signature Chairman, Board of Education/Governing Board

Louie Krogman

7-10-23

Printed Name Superintendent of Schools

Date

Louie Krogman

Signature Superintendent of Schools

Penney Ivey

7-10-23

Printed Name Food Service Director/Manager

Date

Penney Ivey

Signature Food Service Director/Manager

SECTION I – PROCUREMENT PLAN REQUIREMENTS

The plan for White River school District is to procure items for use in the Child Nutrition Programs and is as follows:

PROCEDURES: The White River School District 47-1 will purchase food and other items for use in the Child and Adult Nutrition Program in compliance with Federal regulations in Code of Federal Regulations Volume 7 state and local laws and regulations, using the procedures outlined on this and attached pages.

REGULATIONS: CFR 7; STATE AND LOCAL LAWS AND REGULATIONS

- A. The procurement plan provides for free and open competition, transparency in transactions, comparability and documentation of all procurement activities.
- B. Regardless of procurement method, the following factors will be determined regarding the allowability of costs:
 - a. Be necessary and reasonable for proper and efficient administration of the program
 - b. Be allocable to federal awards applicable to the administration of the program
 - c. Be authorized and not prohibited under state and local law.

	Federal Procurement Threshold	SFA/LEA Procurement Threshold
Micro – Purchase	Less than \$10,000	Less than \$10,000
Small Purchase	Less than \$250,000	Less than \$250,000
Formal Purchase	Greater than \$ 250,000	Greater than \$250,000
Formal Purchase/Services and Supplies	Greater than \$25,000	Greater than \$25,000
Capital Equipment/Not on Pre – Approved List	Greater than \$5,000	Greater than \$5,000

C. Purchasing will be conducted at the most restrictive procurement threshold. If the total amount of purchases for equipment is greater than \$5,000, the following procedure will be used.

1. The Food Service Director will determine if the equipment purchase is allowable and if the equipment is on the South Dakota Child Nutrition Program Approved Equipment List.
 - a. <https://doe.sd.gov/cans/documents/CNPEquipment-Memo2.pdf>
 - b. If the equipment is less than the \$5,000 capitalization threshold **and** on the South Dakota Child Nutrition Program Equipment List, White River School may purchase the equipment and **does not** Food Service Director will mail descriptions, instructions, need further approval. The price quotes will receive appropriate confidentiality before award.
2. If the equipment is over the \$5,000 threshold, or is **not** the Approved Equipment List, Child and Adult Nutrition Services must approve the equipment before it can be purchased. **SFA/LEA will contact CANS for approval.**
3. SFA shall keep documentation of approval and all documentation related to the procurement of capital equipment.

Capital Equipment is defined by Federal regulations as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization by the SFA for financial statement purposes, or \$5,000.

D. **Training** – All staff conducting purchasing will be trained on the procurement procedures. The Food Service Director will be the to make the purchases. The training is provided by the State, and will follow up with any and all new classes as available to keep up to date with any and all changes. This will include in services, webinars, and any other training available.

E. **Documentation Retention**

All purchasing records will be maintained no less than three years plus the current year.

SNP only – CACFP and SFSP may delete the following Buy America Provision if desired.

F. Buy American Provision

Section 104(d) amended section 12(n) of the National School Lunch act (NSLA) (42 U.S. 1760) to require SFAs participation in the NSP and SBP in the United States to purchase for those programs, to the maximum extent practicable, domestic USDA Foods or products. For purposes of this provision, the term domestic food commodity or product means an agricultural commodity produced in the United States, including Guam, American Samoa, the Virgin Islands, Puerto Rico, and the Northern Mariana Islands, and products produced in the United States SUBSTANTIALLY using agricultural USDA Foods that are produced in the United States. For products procured by White River School for use in the Child Nutrition Programs, the food component of the product is the agricultural commodity. FNS defines food component as one of the food groups which comprise reimbursable meals. The food components are meats/meat alternates, grains, vegetables, fruits and fluid milk.

All solicitations that involve the purchasing of a food component shall include a requirement that the White River School purchase domestic commodities to the maximum extent practicable and shall include procedures for limited exceptions. The White River School shall include following language in solicitations:

The White River School District participates in the National School Breakfast and Lunch Programs and is required to use the nonprofit food service funds to the maximum extent practicable to buy domestic commodities or products for program meals. A domestic commodity or product is defined as one either produced in the U.S. or is processed in the U.S. as provided in 7 CFR 210.21(D).

Exceptions to the Buy American provision are very limited, however, an alternative or exception may be approved upon request. To be considered for an alternative or exception, the request must be submitted in writing to a designated official, a minimum of 7 days in advance of delivery. The request must include:

1. Alternative substitute(s) that are domestic and meet the required specifications:
 - a. Price of the domestic food alternative substitute(s)
 - b. Availability of the domestic alternative substitute(s) in relation to the quantity ordered.
2. Reason for exception: limited or lack of availability or price (include price):
 - a. Price of the domestic food product
 - b. Price of the non – domestic product that meets the require
 - c. specification of the domestic product.

G. Minority and Women's Businesses

White River School District 47-1 will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps shall include:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. 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;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

H. Taste Testing and Sample Procedures

Sample products may be given to the White River School by a vendor or distributor for taste testing in order to determine student product acceptance and meal quality. White River School will limit samples to a reasonable amount based on the type of product and number of students participating in the taste test. White River School will conduct taste testing that allows for a representative sample of students to try new or existing products or recipes. For example, White River School will taste test with all students at one representative school or hold smaller taste testing when a product has a student acceptance rate of 80% or higher. White River school will limit the monetary value of samples to 1-3% of the total or estimated agreement/contract value annually. White River School shall outline taste testing and sample procedures in solicitation and contract language when appropriate.

I. Emergency Planning

1. If it is necessary to make a one-time emergency procurement to continue service or obtain goods, the purchase shall be made, and a log of all such purchases shall be maintained by the White River School. The following emergency procedures shall be followed. All emergency procurements shall be approved by Penney Ivey, Food Service Director. At a minimum, the following emergency procurement procedures shall be documented:

- Item name
- Dollar amount
- Vendor
- Reason for emergency

- a. If it is necessary to make an emergency purchase to continue uninterrupted service, the purchase shall be made using micro purchasing, as long as one aggregate transaction does not exceed \$10,000. The SFA will use the store in White River only, due to it is not feasible to go to other local stores which are over 20 miles away and able to keep services from being interrupted.
- b. If the emergency purchasing need requires a contract, all books, records and other documents relative to the award of the contract must be retained for 3 years (or until a procurement audit has been completed) after final payment. Specifically, the White River School shall maintain, at a minimum, the following documents:

- Written rationale for award cost or price;
- A copy of the original solicitation;
- The bidding and negotiation history and working papers;
- The basis for contractor selection;
- Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
- The terms and conditions of the contract;
- Any changes to the contract and negotiation history;
- Billing and payment records;
- A history of any contractor claims;
- A history of any contractor breaches

J. Geographic Preference

The use of statutorily or administratively imposed in-state or local geographic preferences for procurements under USDA entitlement programs is prohibited, except for unprocessed locally grown or locally raised agricultural products. The Food, Conservation, and Energy Act of 2008 (Public Law 110-246, Section 4302) amended Section 9(j) of the NSLA to allow institutions receiving funds through CNP to apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products. When geographic preference is used, the SFA must still get quotes from several suppliers when procuring unprocessed locally grown or locally raised agricultural products so that competitors have an opportunity to compete for the bid.

K. Protest Procedures

White River School District 47-1 will have protest procedures to handle and resolve any and all disputes relating to their procurement and shall disclose all information regarding the protest to the awarding agency. A protester must exhaust all administrative remedies with the White River School District before pursuing a protest with a federal agency. Reviews by the federal agency will be limited to

- a. Violations of federal law or regulations and the standard of 2 CFR 200.318(k) violations of state or local law will be under the jurisdiction of state or local authorities.
- b. Violations of the SFA's protest procedures for failure to review a complaint or protest. Protests received by the federal agency other than those specified previously will be referred to the SFA.

The SFA shall include the following written protest procedures in all solicitations:

1. Any bidder or person may file a bid protest with the SFA. The protest must include and specify the reasons and facts for which the protest is based on.
2. Protest shall be in writing and filed to the SFA within 10 business days after the date the bid was awarded, or notice of an unsuccessful bid.
3. SFA will investigate and analyze all facts.
4. The SFA will notify the bidder who protest all evidence found and give the bidder an opportunity to rebut the evidence and permit the bidder to present any evidence that the bid or contract awarded was done unfairly or in a biased manner.
5. All bidders involved will beware of the protest.

6. The SFA will issue a written decision within 15 days following receipt of the protest, unless factors beyond the SFA, reasonably, prevent a resolution in the timely manner. Therefore, the decision will be issued when permitted.
7. A copy of the decision will be furnished to the protestor and any other parties affected.
8. Failure in the bidder to fully comply with these procedures shall and will constitute a waiver of any right to further pursue the bid protest.

L. Monitor the Agreement or Contract

SFA/LEA will monitor the Contracts and Agreements: Describe what steps will be taken and how often this will occur to ensure the specifications of the awarded Contract are sustained.

Section 2 – Micro-purchasing

Name and Title of those responsible for Micro-Purchasing Procedures: Penney Ivey, Food Service Director

The White River School District's Food Service Director is responsible for all and any Micro-purchases. In the case the Food Service Director is unavailable, one of the Food Service Staff Members may have to help out.

According to the 2 CFR 200.67, micro-purchases can be utilized to minimize the administrative burden and cost of completing an informal or formal procurement process for very small purchases. Micro-purchases make it possible to make purchases in emergency situations to continue uninterrupted service. No informal quotes are required in micro-purchasing.

Micro-purchasing will be used if and when:

1. The purchase is below \$10,000
2. The aggregate dollar value of each transaction shall be less than the micro-purchase threshold is less than the \$10,000 threshold. Purchases will not be separated into 2 or more purchases to meet or be below the threshold.
3. Purchase shall be reasonable.
4. Micro-purchase shall be spread equitable among qualified suppliers if and when able to do so. 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 for the school).

5. White River School District will document why **and** use of the local grocery store for micro-purchases when needed due to only store in town and nearest stores are over 20 miles away which a round trip will could take at least 1 hour, and the cost of time and travel is not justifiable.

Micro-Purchase Procedures Table

Store &Category (list what vendor is being used and what product, services or supplies will be purchased)	Justification (justification for using this vendor)	Duration/Frequency (weekly, monthly, yearly, per purchase)
<i>Small town grocery store – Wig Wam for some fresh produce</i>	<i>Sometimes we may need to order fresh produce when unable to get from other vendor, or if other vendor does not supply the produce we need. Only grocery store in town. Next closest is 20 miles away.</i>	<i>Per Purchase as needed</i>
<i>Wig Wam for “emergency” purchases</i>	<i>With any other grocery store is 20 miles away, which could take at least 1 hour round trip, this store will be used for “emergency” purchases</i>	<i>Per Purchase</i>
<i>Wig Wam for Certain Dry Goods</i>	<i>Sometimes our vendors do not carry certain items, for instance certain hot cereals like Malt -o – Meal. To be able to serve to the students, we are able to order it from Wig Wa.</i>	<i>Per Purchase as needed</i>
<i>Bake Mark used for Respondo, also known as Bun Base</i>	<i>White River School makes their own bread and buns from scratch. Bake Mark has been the only vendor found so far who makes the bun base needed to prepare the bread.</i>	<i>Yearly</i>
<i>Quill</i>	<i>The White River School District does the ordering for office supplies. When needed, Food Service Department will inform the Central Office of the School for what is needed of supplies.</i>	<i>Per Purchase</i>

Section 3 – Small Purchase Procurement

The White School District's Food Service Director will be responsible for small purchase procedures.

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

1. Perishable purchases below \$250,000, purchases below \$25,000 for services or supplies.
2. Written specifications will be prepared and given to a minimum of three vendors.
3. The Food Service Director will be responsible for contacting potential vendors when price quotes are needed.
 - a. Clear and accurate descriptions of the technical requirements provided for the product, or service being procured shall be provided.
 - b. The White River School District shall not restrict competition in any way, including unreasonable requirements, excessive bonding, or specifying a brand name without allowing an equal product to be bid.
 - c. Buy American requirements shall be included when applicable.
4. Price quotes will receive appropriate confidentiality before award.
5. Quotes will be awarded by the Food Service Director. An award will be made to the responsive and responsible vendor, and whose quote is lower in overall price.
6. The Food Service Director will sign all quote tabulations signifying a review and approval of the selections. All vendors that submitted a response must be notified that they were either selected or not selected.
7. The Food Service Director will be responsible for documentation of records to show selection of vendor, reasons for selection, names of all vendors contacted, price quotes from each vendor, and written specifications.
8. The Food Service Director will be responsible for documentation that the actual product specified is received at the documented price.
9. Any time an accepted item is not available, the Food Service Director 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.

Informal Purchase Procedures Table

Category (List what product, services or supplies will be purchased)	Vendors (List vendors you are getting quotes from)	Evaluation Used (Bottom line, or Line Item)	Award Type (Fixed Price agreement, Fixed Price Agreement based on public CPI)	Duration/Frequency (Weekly, Monthly, Yearly, Per Purchase)
<i>Frozen Foods (Meats, Fruits, Veg); Canned Foods (Meats, Fruits, Veg); Pasta</i>	<i>Walmart, Local Grocery Store, Hy-Vee</i>	<i>Bottom line (All or none)</i>	<i>Fixed price agreement</i>	<i>5 Months (August 1 – December 31)</i>
<i>Dairy</i>	<i>Prairie Farms</i>		<i>Fixed Price Agreement</i>	<i>Weekly</i>
<i>Frozen Foods</i>	<i>Performance Foods, Cash-Wa, US Foods</i>		<i>Fixed Price Agreement</i>	<i>1-2 times weekly</i>
<i>Dry goods</i>	<i>Performance Foods, Cash-Wa, US Foods</i>		<i>Fixed Price Agreement</i>	<i>1-2 times weekly</i>
<i>Refrigerated Foods</i>	<i>Performance Foods, Cash-Wa, US Foods</i>		<i>Fixed Price Agreement</i>	<i>1-2 times weekly</i>

Section 5 – Non – Competitive Negotiation

Non – competitive (sole source) procurement are purchases of a specific item which is available from only one contractor who is the sole manufacturer and distributor of the item. The school food service department must document its justification for needing the item and why only this specific item will meet this need.

The White River School Food Director, Penney Ivey, will be responsible for Non-Competitive Negotiations.

When faced with a sole source procurement, the White River School District must obtain CANS approval, and then go directly to the one source to negotiate terms, conditions, and price.

If the White River School receives an inadequate number of responses to its solicitation and it is determined the procurement resulted in a lack of competition, the White River School District must review the solicitation document to ensure no overly restrictive requirements or specification were used, an inadequate number of contractors were solicited, or not enough time was provided for contractors to respond to the solicitation document.

If items are available, only from a single source **when the award of a contract is not feasible under small purchase, sealed bid or competitive negotiation, NON-COMPETITIVE NEGOTIATION** procedures will be used:

1. 2CFR 200.323 Contract cost and price.
The non-Federal entity must perform a **cost or price** analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. Contract and item amount that are under this threshold will ensure the negotiated price is reasonable.
2. Written specifications will be prepared and provided to the vendor.
3. The Food Service Director will be 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.
4. The Food Service Director will be responsible for reviewing the procedures to be certain all requirements for using single source or non- competitive negotiation are met.
5. Non-competitive negotiations shall be used for one-time purchases of a new food item in order to determine food acceptance by students and for samples for testing purposes. A record of non-competitive negotiation purchase shall be maintained by the Food Service Director. The record of non-competitive purchases shall include, at a minimum, the following:
 - a. Item name
 - b. Dollar amount
 - c. Vendor
 - d. Reason for non-competitive procurement

Section 6 – Emergency Purchasing

1. If it is necessary to make a one-time emergency procurement to continue service or obtain goods, the purchase shall be made, and a log of all such purchases shall be maintained by the Food Service Director. The following emergency procedures shall be followed. All emergency procurements shall be approved by the Food Service Director. At a minimum, the following emergency procurement procedures shall be documented;
 - a. Item name
 - b. Dollar amount
 - c. Vendor
 - d. Reason for emergency
2. If the emergency purchasing need requires a contract, all books, record and other documents relative to the award of the contract must be retained for three (3) years (or until a procurement audit has been completed) after final payment. Specifically, the SFA/Sponsor shall maintain, at a minimum, the following documents:
 - a. Written rationale for award cost or price;
 - b. A copy of the original solicitation;
 - c. The bidding and negotiation history and working papers;
 - d. The basis for contractor selection;
 - e. Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
 - f. The terms and conditions of the contract;
 - g. Any changes to the contract and negotiation history;
 - h. Billing and payment records;
 - i. A history of any contractor claims;
 - j. A history of any contractor breaches