

PROCUREMENT PROCEDURES

Procurement Plan for School Nutrition Program

Procurement is the multistep process for acquiring the best possible goods and services at the lowest possible price. The District will purchase food and other items for use in the School Nutrition Programs (SNP) in compliance with 2 CFR Part 200, State and District regulations, using the procedures outlined below.

The primary purpose of this procurement plan is to ensure that open and free competition exists to the maximum extent possible. The Board of Education believes that competition helps ensure that goods, equipment, and services will be obtained at the lowest possible cost. The procurement procedures used by the District will not unduly restrict or eliminate competition.

When making procurement decisions for the SNP, the District will follow the following four fundamentals:

1. Follow the Buy American provision and purchase food to the maximum extent possible grown and processed in the US.
2. Follow the more restrictive bid threshold, whether it be the federal, state or local threshold
3. Ensure that full and open competition exists to the maximum extent possible.
4. Award contracts to the most responsible and responsive bidders.

Prior to beginning the procurement procedures outlined in this document, the District will:

1. Complete a needs assessment and an accurate forecast – to the best ability of the District.
2. Determine that the items are necessary and do not duplicate items and/or bid(s) the District already has in place.
3. With equipment, the District will determine the most economical approach – lease vs. buy – prior to preparing a solicitation.
4. Determine the bid threshold in order to determine what method of procurement will be used for the goods or services.
5. Develop specifications for products needed including details such as product descriptions and requirements for goods or services. Descriptions must not unduly restrict competition. The description must describe the minimum essential characteristics and standards to which the product must conform.
6. Develop evaluation criteria if using a Request for Proposal (RFP) prior to releasing the bid document.

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Micro Purchase Procedures

Micro Purchase procedures will be used to purchase goods and services that are needed on an emergency basis, for special or last minute catering events or for items needed only occasionally.

Micro purchasing procedures shall be used under the following conditions:

- a. The aggregate value of the *single* transaction is under \$50,000.
- b. The District considers the price to be reasonable.
- c. The determination that the price is reasonable is documented and included in the procurement file. Prices found on the internet can be used to verify that the price the District is paying is reasonable.
- d. Micro purchases are equally distributed among qualified suppliers. For emergency equipment repair, repair work will be distributed amongst those vendors who are familiar with the brand of equipment the District uses, are authorized to work on that brand by the manufacturer, and can respond within 24 hours.

Small Purchase Procedures

Small Purchase procedures will be used to purchase goods, equipment, office supplies, and services where the aggregate cost is less than the more restrictive bid threshold whether it be the federal, state, or local threshold and greater than \$50,000.

When small purchase procedures are used, the following conditions must be met:

1. The goods, equipment, or services to be purchased will be adequately and consistently described for each prospective vendor so that each one can provide price quotes on the same merchandise or service. These specifications may be either verbal or written. It is not necessary to send price quotes in writing, but it is the preferred method. Both written and verbal methods must be documented.
2. Specifications/food descriptions must be sent by fax or e-mail or communicated by telephone or in person to an adequate number of vendors. A list of potential vendors will be developed, maintained, and added to throughout the course of the school year. During the summer, the District will solicit their interest level in being added to the small purchase procurement list. The District will network with other School District Food Service Department personnel to obtain vendor contact information, as well as to obtain feedback regarding service and product quality. The list developed will be used to contact interested vendors throughout the school year. Vendors will be added to this list upon request.

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3. Responses from vendors can be either in the written or verbal form. Verbal quotes must be documented.
4. Price quotation responses will be retained by the District in the Purchasing or Child Nutrition Services Department with other program documentation and records for a period of three (3) years after the end of the fiscal year to which they pertain or until the findings of audits are resolved.

Competitive Formal Procurement

Competitive Formal Procurement, Information for Bid (IFB) or Request for Proposal (RFP), will be used to purchase goods, equipment, and services where the aggregate cost is greater than the more restrictive bid threshold whether it be the federal, state, or local threshold. When competitive formal procurement procedures are used, the following conditions, stipulations, and terms must be met:

1. The bid must be free of actions that might inhibit competition and allow the vendor adequate time to complete the bid.
2. The bid must be advertised and include the general nature of the goods or services to be procured; method of procurement that will be used; how the vendor can obtain more information; and the due date for responses to the bid. The bid must be publically advertised once a week for 2 weeks in a newspaper of general circulation per California Public Contract Code section 20112. The bid may also be advertised on the District website.
3. Bids shall be solicited from an adequate number of known suppliers in sufficient time prior to the date set for the opening of the bids. Bids will be mailed or emailed to those vendors who have previously requested to do business with the District.
4. The date that all addenda, changes, or answers to questions will be posted regarding the bid must be included in the original bid document as well as the website where the answers will be posted.
5. The invitations for bid will clearly define the items or services needed in order for the bidders to be able to properly respond. This includes product specifications and general purchasing conditions.
6. Vendors wishing to bid on the contract may not assist the District in the development of the bid or the specifications for product/goods.
7. The bid document must contain the following written requirement: "All rebates, discounts, and other applicable credits must be returned to the District".

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8. Any and all bids may be rejected when there is sound documented reasons in the best interest of the District.
9. Bid award will be based on low bid after verifying that the vendor with the low bid is responsive and responsible, meets the product specifications, and after performing a cost analysis.
10. When using a Request for Proposal (RFP) in compliance with federal and state guidelines, the evaluation criteria must be included in the bid package and price must be the highest weighted factor. In addition to price, the evaluation criteria may include categories such as: Flavor & Quality, Past Performance, Minimums, Delivery Days and Times. A description of the Scoring System must be included in the RFP which will explain the scoring criteria for each category.
11. During the evaluation phase, evaluation criteria other than price must first be evaluated prior to evaluating price. There should be a committee of at least 2 persons who did not write the bid to evaluate the technical criteria of the RFP. The RFP is to be awarded to the most responsive, responsible vendor who submitted the lowest price as determined by the evaluation criteria.
12. Responses from vendors must be in writing; signed by the authorized authority to submit the bid, and be returned in a sealed envelope on or before the date and time specified and to the place specified in the bid documents.
13. Bids not received on time shall be returned to the vendor unopened.
14. Bid proposals shall be retained by the District with other program documentation and records for a period of three (3) years after the end of the fiscal year to which they pertain or until the findings of audits are resolved.
15. The recommendation for bid award must be submitted to the District's Board for the award of the bid.
16. When the District chooses, purchases may be made through a cooperative agreement or piggybacking with other school districts when all legal procurement procedures are followed as required.
17. For cooperative purchasing, the District must maintain on file for the current year plus three (3) additional years, a copy of the bid; proof of advertising; and bid award documents from the District's Board.

For piggybacking, the District must obtain documentation from the district awarding the bid of the vendor awarded the bid and proof that the bid is piggybackable. A copy of the bid, including the

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piggyback clause, proof of advertising, and proof of award from the awarding district's Board must be kept on file for the current year plus three (3) additional years.

Emergency Non-Competitive Procurement

An emergency non-competitive solicitation may be utilized pursuant to Title 2CFR200.320© during a public emergency.

Non-Competitive Proposal (Sole Source)

Non-Competitive proposals shall be used only when procurement is not feasible under the Small Purchase procedures and the Competitive Formal Procurement methods. The decision to use a non-competitive proposal shall be justified in writing, approved by CDE, and be available for audit and review.

Circumstances under which procurement may be conducted by non-competitive proposal shall be limited to one of the following:

1. The merchandise or service is available only from a single source.
2. An emergency exists, and the urgency for the requirement will not permit the delay involved with sealed bids (formal advertising) or competitive proposal.
3. After solicitation from a number of sources, competition is found to be lacking.

Geographic Preference

The 2008 USDA Farm Bill encourages purchase of locally grown and raised agricultural products, to the maximum extent practical and appropriate, and allows School Food Authorities to apply a geographic preference option in solicitations for such products. The District will include the following language in bid documents to encourage local purchases without being so restrictive as to limit the number of qualified firms that may compete for a contract: *The District will purchase to the maximum extent possible, local produce sourced within the state of California and within a 350-mile radius of the county of San Diego.*

Protest Procedures

Refer to Administrative Regulation 3311(a) Bids

Brand Name or Equivalents

- A. When a brand name and code is used in the product description, the description will always include an "or equal" clause

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- B. A copy of the specified brand/code will be posted on the District website at www.santeesd.net so vendors can verify the product they are bidding is actually an equal.
- C. Vendors bidding an item as “equal” product may be required to furnish to the District a product specification sheet and a sample case for testing and verification as an “or equal” product.

Contract Management

Vendors shall be monitored to ensure compliance with contract requirements. This can include:

- 1. PRODUCT INSPECTION: All items are subject to inspection by the District. Defective items must be made good by the successful vendor, and unsuitable items may be rejected. Any item found to be defective must be corrected to the District’s satisfaction prior to payment.**
- 2. RIGHT TO AUDIT: For contracts with fixed cost plus delivery fee, the District shall audit a minimum of 10 awarded items at a minimum of twice yearly to verify vendor is charging the correct fixed pricing.**
- 3. PRICING DISCREPANCY PENALTY: The District shall verify all pricing on invoices with awarded bid pricing prior to payment. Should a vendor overcharge the District for any item, the District will request full reimbursement for the overcharge. The second time the vendor is notified of an overcharge, the District will assess an additional two hundred percent (200%) penalty.**

Contractor Involvement

Potential vendors shall not be allowed to assist the District in developing the specifications, bid documents or contracts.

When possible, small and minority businesses, Women’s business enterprises and labor surplus area firms may be given preference as outlined in board policy.

Successful bidders must certify that they practice equal employment opportunity and that they do not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. The successful bidder shall take affirmative actions to insure that applicants are employed, and that employees are treated fairly during their employment, without regard to their race, religion, color, sex or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising, lay-off, termination; rates of pay or other form of compensation; and selection for training, including apprenticeship.

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The District shall require the successful bidder to provide proof of having and maintaining during the life of any contract with the District, Public Liability and Property Damage Insurance to protect the successful bidder and the District from all claims for personal injury, including accidental death, as well as from all claims for Property Damage arising from the operations of any contract into which the District enters. The minimum amounts of such insurance shall be:

- Bodily Injury and Accidental Death Liability Insurance including auto (both owned and non-owned): Not Less Than \$1,000,000/\$1,000,000 Aggregate
- Property Damage Liability Insurance including auto (both owned and non-owned): Not Less Than \$1,000,000 Aggregate.
- Insurance certificate must name the District as additional insured.
- The Insurance Certificate must be submitted by the successful bidder to the District prior to start of deliveries.

The District shall not enter into a contract with any company or individual that has been debarred or suspended.

Vendors awarded contracts are required to submit a completed Affidavit of Noncollusion, Debarment and Suspension Certificate, Certification of Lobbying, and Disclosure of Lobbying activities. These forms will be included in the proposal package and must be completed prior to commencement of work.