



Procurement Overview

for Centers, At-Risk Afterschool Programs and Emergency Shelters
Participating in CACFP under the Sponsorship of Quality Care for
Children, Inc.

Created: 10/24/2022



Disclaimer

- This is intended to be an overview of the most important aspects of procurement procedures and the creation of written procurement policies for facilities under the administrative sponsorship of Quality Care for Children, Inc.
- In lieu of a formal training, please use this slide deck for informational purposes only.
- A formal online training is being developed.
- For questions on procurement, contact your assigned Program Coordinator (Claims Processor) or the Assistant Director of Claims and Procurement.



Greetings from the Nutrition and Family Well-Being Department



- Turn on your camera.
- Put your name & center in the chat.
- Mute your microphone when you aren't speaking.
- Be mindful of background noise and distractions around you, as much as possible.
- Adjust your camera and lighting so we can see your face well.



Do you know the reason(s) why CACFP operators use procurement?

- A. Promote free & open competition for your business
- B. Get the best services/products to meet your needs at the best prices
- C. Comply with federal, state, & local regulations
- D. All of the above

Answer: D



Follow the Rules

- All Child and Adult Care Food Program (**CACFP**) operators must follow **federal procurement regulations** as well as any state, local, and tribal laws and regulations that may be in place.
- CACFP operators must follow proper procurement procedures to **assure free and open competition**. Competition helps make sure that the best goods or services are purchased at the best price.



Today's Overview

- First, this overview will **define procurement and provide an overview of the types of procurement methods**, strategies for local purchasing, and processes of how to purchase meals from a vendor or Food Service Management Company (FSMC).
- Lastly, participants will understand the requirements regarding **written procurement policies and procedures.**



Which of the following commonly-purchased items through the CACFP must be purchased using proper procurement methods?

- A. Food for reimbursable meals
- B. Utensils and Napkins
- C. Food Service Equipment
- D. All of these

Answer: D





What is procurement?

- Procurement is the process of purchasing goods and services needed to operate your CACFP through practices required by regulation. **Simply put, procurement means buying the items you need to run your program.**
- It is buying items such as food, utensils, napkins or even contracted services through suppliers such as local grocery stores, catering companies, food service management companies, or commercial food service companies.



Who me?

- Procurement **applies to all CACFP operators** regardless of size, number of children, or how much money is spent.
- All program operators must use one or more methods of procurement when purchasing goods and services. We will discuss those later.





You might be asking, “why are there procurement regulations?”

They exist to help you:

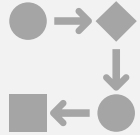
- Obtain goods and services efficiently and economically
- Comply with federal, state, and local regulations
- Prevent fraud, waste, and abuse
- Maximize free and open competition
- Full and open competition means that all potential suppliers are on a level playing field and have the same opportunity to compete. Fairness and integrity in all aspects of the procurement process are critical to achieving full and open competition.





- Competitive procurement simply means that you **request bids** from more than one qualified source.
- Competition is required so that program goods and services can be purchased at **the lowest possible cost**.
- Keep in mind, each level of government can make regulations, laws, rules, and policies about the procurement process. **State and local rules may be more restrictive than federal rules**, and you are required to follow the most restrictive rules. **Sponsors may have additional requirements to ensure compliance.**

Where do I start?



1. Determine what you need.
This can be done by forecasting your needs and creating specifications.



2. Estimate the cost for the goods or services that you wish to purchase.



3. Choose a procurement method based on the amount of your purchase estimate.



4. Follow the requirements for the method of purchase you selected. As always, don't forget to document your steps along the way!



So, what are some questions you can ask yourself when **forecasting**?

- What food items do I need, and how much do I need?
- What did my purchases look like last year? Did I experience a loss or revenue with purchases?
- What's my budget for this year?
- How often do I need to make purchases?
- How many suppliers do I need to purchase from?



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- Once you know (1) what you need to purchase and (2) how much it will cost, you can determine which procurement method to choose.



There are four procurement methods that you can use to purchase goods and services. These include informal and formal procurement methods. They are the:

Micropurchase	Informal	\$10,000 or less (per transaction or pre-determined aggregate cost)
Small purchase	Informal	One-time transaction(s) or pre-determined aggregate cost does not exceed \$250,000
Large purchase	Formal	Individual or aggregate cost that exceeds \$250,000
Non-competitive purchase method		When you need to solicit a proposal to only one source



Informal Procurement

- When the estimated value of a procurement for goods or services is **below the simplified acquisition threshold of \$250,000** informal procurement methods can be used.
- Informal procurement expedites the process and minimizes administrative burden and cost. There are two types of informal procurement:
 1. Micropurchase method
 2. Small purchase method



Microprocurement Method (Informal Procurement)



Micropurchase Method

- The micropurchase method is the informal purchase of products or services **up to \$10,000 per transaction.**
- Micropurchases allow you to purchase goods and services without getting competitive price quotes.
- The micropurchase is used in order **to expedite low-dollar, small purchase transactions and to minimize the administrative burden on CACFP operators.**



- **Another rule of micropurchases is that purchases should be equitably distributed to the extent practical.** “Should” means an expected course of action or policy that is to be followed unless inappropriate for a particular circumstance.
- **Rotating stores** allows multiple vendors to benefit from federal dollars coming into their community.
- The **distribution of transactions among qualified suppliers** can happen either at the time of transaction, or over several transactions.



- For example, a CACFP operator procuring produce may choose one supplier to purchase produce from and then select a different supplier the next time produce needs to be purchased. Each transaction cannot exceed the micropurchase threshold.
- Or a CACFP operator procuring produce can choose to purchase from **various suppliers at the same time** making sure each transaction does not exceed the micropurchase threshold.



To ensure you are in compliance using micropurchasing, you must ensure you are purchasing from a variety of vendors each month.



Is this facility following proper micropurchasing method?

QUALITY CARE FOR CHILDREN

RECEIPTS JOURNAL Claim Month/Year: **September 2022**

Receipt Nbr	Date	Vendor / Description	Invoice #	Verified	Total Amount	APPLICATION OF FUNDS DURING THE MONTH				
						Food	Labor	Supplies	Other	Not Approved *
29	09/01/22	Ingles		Y	\$70.99	\$70.99	\$0.00	\$0.00	\$0.00	\$0.00
30	09/04/22	Kroger		Y	\$15.19	\$15.19	\$0.00	\$0.00	\$0.00	\$0.00
31	09/10/22	Sam's Club		Y	\$36.10	\$36.10	\$0.00	\$0.00	\$0.00	\$0.00
32	09/12/22	Ingles		Y	\$111.75	\$111.75	\$0.00	\$0.00	\$0.00	\$0.00
33	09/12/22	Sam's Club		Y	\$538.66	\$447.36	\$0.00	\$91.30	\$0.00	\$0.00
34	09/16/22	JAX SUPPLY		Y	\$197.56	\$0.00	\$0.00	\$0.00	\$0.00	\$197.56
35	09/21/22	Publix		Y	\$86.39	\$86.39	\$0.00	\$0.00	\$0.00	\$0.00
36	09/22/22	Kroger		Y	\$25.80	\$25.80	\$0.00	\$0.00	\$0.00	\$0.00
37	09/28/22	Kroger		Y	\$36.34	\$36.34	\$0.00	\$0.00	\$0.00	\$0.00
38	09/29/22	Sam's Club		Y	\$196.14	\$196.14	\$0.00	\$0.00	\$0.00	\$0.00
39	09/29/22	Kroger / 24.03		Y	\$24.03	\$0.00	\$0.00	\$0.00	\$0.00	\$24.03
Totals					\$1,338.95	\$1,026.06	\$0.00	\$91.30	\$0.00	\$221.59
						Program Total				\$1,117.36

+ - indicates the receipt total does not balance with it's applied funding categories
 * - Not Approved = Funds are required to be returned to the designated CACFP account

Answer: Yes, the facility is using five different vendors throughout the month.

Is this facility following proper micropurchasing method?

QUALITY CARE FOR CHILDREN

RECEIPTS JOURNAL

Claim Month/Year: September 2022

Receipt Nbr	Date					APPLICATION OF FUNDS DURING THE MONTH				
		Vendor / Description	Invoice #	Verified	Total Amount	Food	Labor	Supplies	Other	Not Approved *
122	09/02/22	Sam's Club		Y	\$281.94	\$281.94	\$0.00	\$0.00	\$0.00	\$0.00
123	09/02/22	UTILITY Electricity Allocation		Y	\$1,094.31	\$0.00	\$0.00	\$0.00	\$54.79	\$1,039.52
124	09/02/22	UTILITY Water Allocation		Y	\$206.10	\$0.00	\$0.00	\$0.00	\$10.32	\$195.78
125	09/09/22	Sam's Club		Y	\$281.35	\$281.35	\$0.00	\$0.00	\$0.00	\$0.00
126	09/09/22	Sam's Club		Y	\$35.01	\$35.01	\$0.00	\$0.00	\$0.00	\$0.00
127	09/16/22	Sam's Club		Y	\$311.34	\$311.34	\$0.00	\$0.00	\$0.00	\$0.00
128	09/23/22	Sam's Club		Y	\$328.02	\$328.02	\$0.00	\$0.00	\$0.00	\$0.00
129	09/26/22	Sam's Club / milk		Y	\$25.96	\$25.96	\$0.00	\$0.00	\$0.00	\$0.00
130	09/30/22	Sam's Club		Y	\$395.50	\$395.50	\$0.00	\$0.00	\$0.00	\$0.00
Totals					\$2,959.53	\$1,659.12	\$0.00	\$0.00	\$65.11	\$1,235.30
									Program Total	\$1,724.23

+ - indicates the receipt total does not balance with it's applied funding categories

* - Not Approved = Funds are required to be returned to the designated CACFP account

Answer: No, the facility is using only one vendor for all CACFP food items.



- It is important to understand that **you cannot split purchases in an effort to avoid the appropriate threshold**. CACFP operators should always forecast how much and what type of goods and services are needed throughout the year prior to making purchases in order to determine the most economical procurement method to use.
- And finally, you still need written documentation for all transactions. The documentation must show the date of purchase, items purchased, supplier name and details, and the total cost of the purchase. **These are submitted with your monthly claims and documented in your online Receipt Journal.**



Small Purchase Method (Informal Procurement)



Small Purchase Method

- The small purchase method can be used when the total purchase amount, or aggregate, of goods or services is less than \$250,000.
- Small purchase procedures are relatively simple and require that you obtain competitive price quotes. That is because this type of procurement must be done in a way that maximizes full and open competition.



- First, **draft your specifications in writing before contacting any potential suppliers.** Then, share those same specifications with each supplier by phone, email, fax, or in person. It is recommended that you contact at least three suppliers who are eligible, able, and willing to provide the product or service.
- **Written communication is preferred, but it is not required.** If verbally communicating with suppliers, it is a good idea to read directly from your specifications.
- You will then obtain and **document price quotes from suppliers.** Quote documentation can be ads used for pricing, online pricing quotes, or written quote documents you created or the supplier provided.



The Form

- Must be completed and submitted to QCC before or when the purchase is made.
- Indicate which vendor is chosen.
- If the lowest price was not chosen, please provide reason.
- www.qualitycareforchildren.org/forms

Small Purchase Documentation Form for Kitchen Equipment, FSMC and Food Distributors

Name of Individual Soliciting Information: _____ Center/ARAS Name: _____

Instructions: Use this form to document purchases of **any kitchen equipment** or **any use of a Food Service Management Company**. Additionally, use this form for individual or grouped transaction(s) that exceed \$10,000 with a **food vendor**. Ensure at least two (2) quotes are used between qualified sources, (3) three are preferred. Attach additional supporting documentation to this form. Circle or note the vendor selected. Complete bottom section if the lowest bidder was not selected.

Vendor Name, Address, Telephone	Individual's Name and Position Providing Price Quote	Item Name/ Description of the goods or services, including quantity, any other pertinent terms or conditions required by the organization and date of service	Date of Contact	Method of Contact	Discussion with Vendor	Price Quote and Duration (annually, monthly, 1 time). Include any warranty and delivery costs.	Final Negotiated ANNUAL Estimate or Price
Vendor 1							
Vendor 2							
Vendor 3							

If the lowest bidder was not selected, document below the reasons the lowest bidder could not meet the specific contract terms sought.

Is the chosen vendor a Less than Arm's Length Transaction? Yes No (If no Less than Arm's Length Transaction Disclosure Form must be attached.)

10/2019



- Make sure to **maintain written documentation of the specifications, terms, and conditions that were shared with potential suppliers and their response, even when contact was made by phone or in-person.** Remember, everyone needs to be on the same playing field. You want to be able to show that all potential suppliers received the same information.
- From there, you **evaluate quotes based on price and any other factors** that were identified in the original request for quotes.
- The purchase is then **awarded to the most responsive and responsible vendor based either on price or on other specified factors identified** in the original solicitation.



More on Small Purchase Method

- Remember, you cannot intentionally split purchases to have them fall below the small purchase threshold (\$250,000) and avoid the formal procurement method.
- However, there may be instances in which a **specific market supports the need to separate certain products from an overall large procurement. For example, these are some categories approved by USDA:**
 - **Milk**
 - **Paper goods/non-foods**
 - **Bread**
- QCC requires its sponsored facilities with equipment costs less than \$250,000 (i.e. anything that can be plugged into an electrical outlet) to follow small purchase method regardless of costs. Micropurchasing for equipment is not allowed.



- If you are not actively rotating vendors and your aggregate amount is over \$10,000 annually, you should initiate **small purchase procurement** method if it less than \$250,000 annually.
- If the aggregate amount is over \$250,000 annually, **formal procurement** must be pursued.
- **These threshold amounts are inclusive of all sites sharing the same FEIN.** (More on this in a second.)



Large Purchase Method (Formal Procurement)



Large Purchase (Formal Procurement)

- Formal procurement, or the large purchase method, must be used when purchasing goods and services over \$250,000. There are different methods of formal procurement:
 - Procurement by Sealed Bids using an Invitation for Bid (IFB)
 - Procurement by Competitive Proposals using a Request for Proposal (RFP)
- Awards are only given after DECAL's approval.
- There are bonding requirements for bidders:
 - Bid bond
 - Performance bond



For IFB or RFP: Announcing the Bid Process

- An announcement of an IFB or RFP will be placed in the newspaper or other media to publicize the intent of a program operator to purchase goods or services. An adequate amount of time should be allowed for vendors to respond. (30 Days)
- **In Georgia, DECAL is required to be notified in advance by QCC before advertisement (10 business days).**





Invitation for Bid (IFB)

- An IFB will be used when the contract is **awarded solely based on price**. RFPs will be used only if a program operator cannot fully specify all the requirements in an IFB and if other criteria, in addition to price, will be evaluated.
- It is important to know that it is **your responsibility to draft specifications**; bidders may not write the solicitation or specifications on behalf of any program operator.
- When using an IFB, the **program operator will award a fixed-price contract to the responsible bidder whose bid is both responsive to the invitation and is the lowest in price.**



Requests for Proposals (RFP)

- When using a RFP, the **program operator will provide a set of award criteria in the form of a weighted evaluation sheet to each bidder.** Price alone will not be the sole basis for award but remains the primary consideration when awarding the contract. Factors such as food quality or transportation costs might be considered in determining which bid is the lowest.
- Following evaluation, a fixed-price contract or cost reimbursable plus fixed fee contract will be awarded to the responsive and responsible bidder whose proposal is **most advantageous considering price and other factors.**

Food and Meal Vendors

Commercial Food Service Companies (Food Vendors)



Food Service Management Companies (Vended Meal Service)





- If a program operator wishes to purchase meals from a non-school organization — such as a vended meal company, caterer, restaurant, or community organization — **they are required to follow procurement procedures and establish a contract.**
- In determining whether to use informal or formal purchasing, you must evaluate whether or not the procurement falls above or below the small purchase threshold.

What type of procurement process is required?



All sites share the same Federal Employer Identification Number

Rey Rey Child Care, Inc.



Rey Rey Child Care #1

\$50,000 paid annually to Pure Fun



Rey Rey Child Care #2

\$75,000 paid annually to Pure Fun



Rey Rey Child Care #3

\$75,000 paid annually to Pure Fun



Rey Rey Child Care #4

\$10,000 paid annually to Pure Fun

Answer: Formal procurement. The entity has a combined projected cost of \$300,000.



What do I do if I have facilities in multiple states?

- For facilities with procurement procedures that benefit institutions in more than one state, the headquarters for the sponsored facilities is responsible and will apply headquartering state's procurement requirements. For states with procurement procedures that benefit institutions in a single state, the given state's procurement procedures will apply.
- QCC must receive the procurement procedures for entities which operate facilities in more than one state.



Agreements with Food/Meal Vendors

- Consult with your Program Coordinator before initiating the procurement process.
- Agreements should be reviewed by QCC before committing to a vendor to ensure procurement procedures were properly followed.
- Agreements cannot last any longer than 12 months.
- **You may renew an existing contract during each of the **four consecutive years** following the base year of the contract if the scope and purpose of the contract do not change. This renewal may be done without conducting a new procurement.** Adding or subtracting sites is a scope change.
- You should prepare procurement no later than 2 months before the end of a 12-month agreement



The Form

- Must be completed and submitted to QCC before it is returned to the vendor.
- A more detailed form may be completed but all of the elements of the QCC version must be in it.
- www.qualitycareforchildren.org/forms

AGREEMENT TO FURNISH FOOD SERVICE FOR THE CHILD AND ADULT CARE FOOD PROGRAM (LESS THAN 12 MONTHS ONLY)

The contract period should not extend beyond one year. Therefore, the number of operating days should equal the total number of days the center will be open and provide food service for the year (240 workdays in average calendar). If the Total Estimated Cost of Food Service for Contract Period (12 months or less) exceeds \$150,000, a formal procurement bid process must be completed instead of a 3-quote system.

This agreement is made and entered into between _____ (Vendor) and _____ (Child Care Business). WHEREAS the _____ (Vendor) agrees to provide daily unitized or congregate meals either (a) include or (b) exclusive (circle one) of milk to _____ (Child Care Business) for the rates herein listed:

Price Per Meal	Meal Type	X	# of 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		=	\$	
\$	Evening Snack	X		X		=	\$	
Total Estimated Cost of Food Service for Contract Period							=	\$

MEAL PATTERN REQUIREMENTS

It is further agreed that _____ (Vendor), pursuant to the provisions of the Child and Adult Care Food Program regulations, 7 CFR Part 226**, attached copy of which is part of this agreement, will assure that the said meals/snacks meet the minimum meal pattern requirements, including creditable components and accurate portion sizes, and will maintain complete and accurate records that at a minimum include details regarding the preparation and delivery of meals/snacks ordered. Said records will be provided to _____ (Child Care Business) promptly by the last calendar day of each month to meet its responsibility.

RECORDKEEPING REQUIREMENTS

It is further understood that both the Child Care Business and Vendor are responsible for meeting accurate recordkeeping requirements; agrees to maintain all required records for three year, or longer until all reviews and/or audits are closed, and submission of all monthly claims for reimbursement in accordance with 7 CFR 226.

- The Vendor will maintain full and accurate records including daily production records, receipts, labels for commercially prepared foods, receipts for meals costs and billing statements which will be available to the child care business and any state or federal official



List of Vendors on DECAL Website

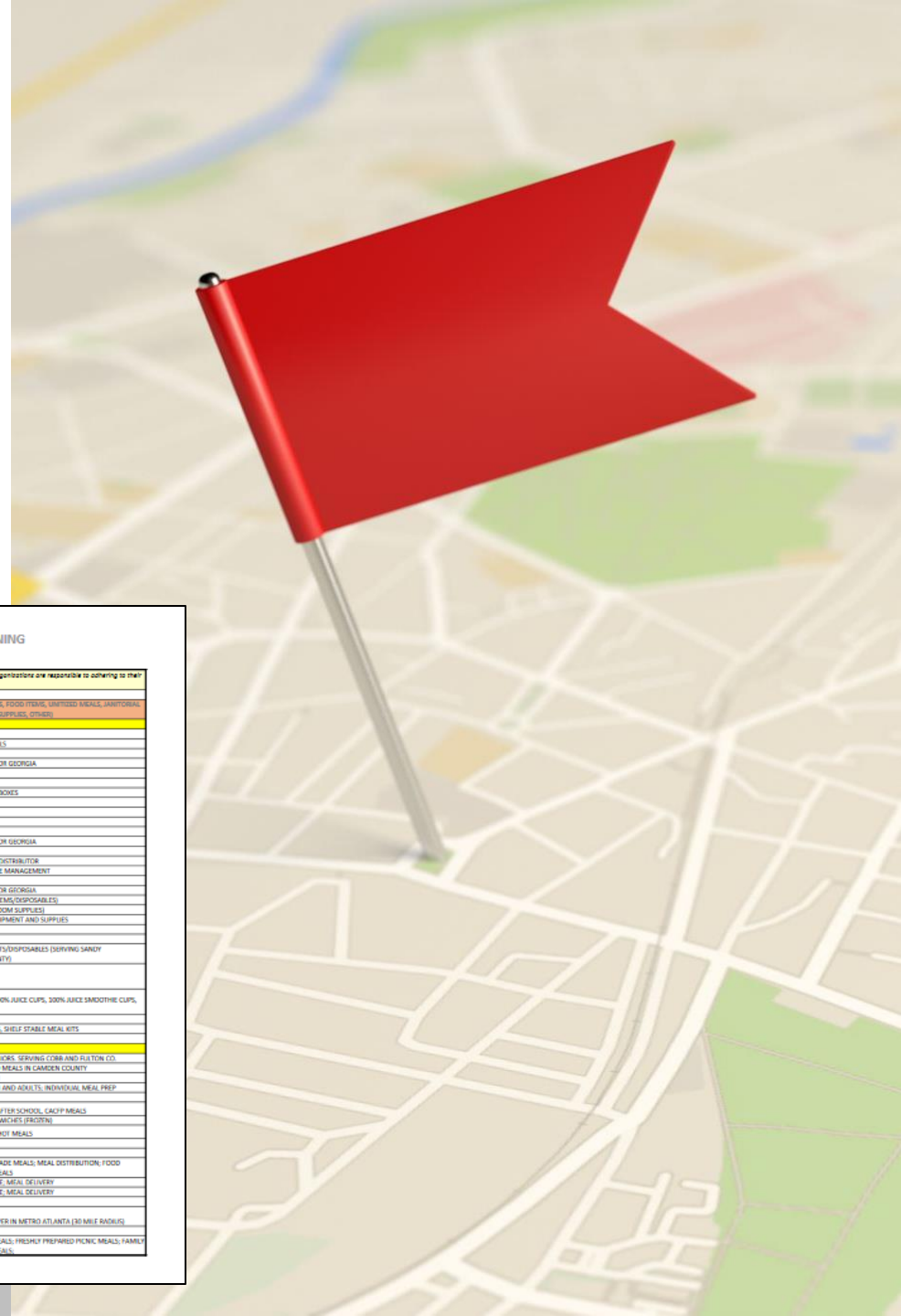
- https://www.decal.ga.gov/documents/attachments/CACFP_SFSP_SFSP_WebVendorList.pdf



BRIGHT FROM THE START: GEORGIA DEPT. OF EARLY CARE AND LEARNING
NUTRITION SERVICES VENDOR LIST

The CACFP/SFSP vendor list is used as a resource for participating organizations to allow maximum free, open, and fair competition when soliciting quotes or bids to procure products and/or services. Organizations are responsible to adhering to their own policies when posting (2 CFR 200.228(c)(1)). *The agency from the State is not endorsing any company on the vendor list.*

VENDOR NAME	CONTACT NAME	TELEPHONE NUMBER	EMAIL ADDRESS	PRODUCT TYPE (DISPOSABLE, FOOD ITEMS, UNITIZED MEALS, JANITORIAL SUPPLIES, OTHER)
FOOD VENDORS				
ABC DISTRIBUTORS	BERNIE WAHRS	(229) 452-2542 EXT. 252	twahrs@abcfoodistributors.com	FOOD ITEMS
BILL THINGS EARLY	WANDA LEE	978-641-7129	billingsworthw@gmail.com	FRESH PRODUCE, VENDOR MEALS
BE YOUR BEST NUTRITION	BILL LOCKWOOD	(813) 380-7129	bill.lockwood@yourbestnutrition.com	K-12 SNACK FOODS
BROCKEN DAIRY	JIMMY YOUNG	(844) 525-7292	Jimmy_young@brockendairy.com	MILK AND DAIRY PROCESSOR FOR GEORGIA
CHEF AQUARIUS	JAMES CLARK	(770) 422-2925	clarkj@chefaquarius.com	FOODSERVICE
CHENEY BROTHERS	TAMARA WALLACE	(767) 761-7800 x9863	tmw@cheneybrothers.com	DISPOSABLES/FOOD ITEMS
THE COMMON MARKET	ABBY TENNENBAUM	(678) 345-9525	abby@thecommonmarket.org	FRESH PRODUCE, FRESH FOOD BOXES
DEAR FOODS/MAYFIELD DAIRY	BERTY GIBBS	(678) 202-2129	berty_gibbs@dearfoods.com	DAIRY FOODS DISTRIBUTOR
DAZ FOODS	(804) 444-5471			INTERNATIONAL FOOD ITEMS
DIVERSIFIED FOODS, INC.	SU GAFFER	(717) 521-6579	suaff@diverfood.com	FOOD ITEMS
DI MILK DISTRIBUTORS	DAVE DEBY	(678) 790-5424		
KROGER (DAIRY DEPT.)	PHILIP PENDERGRAST	(804) 515-4803	philip.pendergrast@kroger.com	MILK AND DAIRY PROCESSOR FOR GEORGIA
LANSLAND	DAVID RUSTER	(478) 284-0562	druster@lansland.com	SHIELD STABLE MILK
MERCHANT FOODSERVICE	DALE FLOWERS	(770) 600-5820	dflowers@merchantfoodservice.com	FRESH PRODUCE, BULK FOODS DISTRIBUTOR
PERFORMANCE FOOD GROUP	DEREK JOHNSON	(770) 532-7779	djohnson@pfg.com	FRESH PRODUCE, FOOD SERVICE MANAGEMENT
PEI DAIRY	TERRY R. SUNBER	(864)288-4200 EXT. 336		
PUBLIC (DAIRY DEPT.)	DOUG HARRIS	(864) 688-7407 x88827	Doug.Harris@public.com	MILK AND DAIRY PROCESSOR FOR GEORGIA
PURE SUN FOODS	MITCHELL ALSTIN	(770) 687-8880	mitchell@purefoods.com	FOODSERVICE GROUP (FOOD ITEMS, DISPOSABLES)
RAJLAND	KAYLEE DAVIS	(770) 682-8880	kaylee@rajland.com	FOODSERVICE GROUP (CLASSROOM SUPPLIES)
RENAULT FOODSERVICE GROUP	DAVID ZINE	(404) 500-8055	dzine@renault.com	FRESH PRODUCE, KITCHEN EQUIPMENT AND SUPPLIES
ROYAL FOODSERVICE	KATIE WINTERHURST	(804) 500-8055	KTWinterhurst@royalfoodservice.com	FRESH PRODUCE (K-12)
SUTHERLANDS	DAVID ZINE	(404) 500-8055	dzine@rethard.com	FOOD ITEMS
SYSCO	DANIEL JACKSON	(801) 297-8814	djackson_daniel@atp.sysco.com	INDIVIDUAL FOOD COMPONENTS/DISPOSABLES (SERVING SANDY SPRINGS/NORTH FULTON COUNTY)
CRYSTAL ANDERSON	(804) 765-9900		Anderson.Crystal@atp.sysco.com	DISPOSABLES/FOOD ITEMS
FREDDY BEVERAGE	SHAWN KITCHEN	(803) 890-0425	shawnkitchen@cupcake.net	100% JUICE CONCENTRATES, 100% JUICE CUPS, 100% JUICE SMOOTHIE CUPS,
IS FOODS, INC.	KYLE CRAVEN	(912) 695-1903	kyle.craven@isfoods.com	100% JUICE POUCHES
VALLEY FOODS	JEFF VALLEY	(336) 718-9625	jeffvalley@valleyfoods.com	FROZEN MEAT KITS, SNACK KITS, SHIELD STABLE MEAT KITS
WILLIAMS INSTITUTIONAL FOODS	DANNY JOHNSON	(888) 542-5200 EXT. 280	djohnson@williamsfoods.com	FOOD ITEMS
DISPOSABLE PREPARED MEALS				
A TASTE OF ELEGANCE CATERING	BEVERLY STEPHENS	(843) 528-3836	bstevenstasteofelegance@yahoo.com	MEALS FOR CHILDREN AND SENIORS, SERVING COBB AND RUTTON CO.
ANGEL'S CAFE	DANIEL BLACK	(770) 576-2827	daniel@angelscafe.com	RESTAURANT SERVING VENDOR MEALS IN GADSDEN COUNTY
ALL FAMILY MEALS	MICHAEL LINDOR	(844) 501-0243	michael@allfamilymeals.com	FOOD AND MEAL PRODUCTION
BLISS VENUE STYLING & CATERING	BRIANNE CLAYBORNE CHERRY	(844) 551-7877	briannecherry@blissoc.com	HEALTHY MEALS FOR CHILDREN AND ADULTS, INDIVIDUAL MEAL PREP
CAROLYN'S CUPCAKES	CLYDE BURN	(770) 488-2020		PREPARED MEALS
CHARISSE'S FOODS	CHRIS WILLIAMS	(706) 705-5388	cmw22@charisses.com	K-12 SCHOOL LUNCH AS WELL AS AFTER SCHOOL, CACFP MEALS
CLASSIC DELIGHT, INC.	JERRY LANE	(678) 368-7955	delight@classicdelight.com	INDIVIDUALLY WRAPPED SANDWICHES (FROZEN)
THE SCHOOL GOURMET	GARY MATHIENS	(844) 373-4866	gary@theschoolgourmet.com	SCRATCH MADE ALL NATURAL HOT MEALS
GEORGIA EXPRESS MEALS	WANDA SCOTT	(770) 422-2925	wanda@georgiaexpressmeals.com	UNITIZED MEALS
GOOD EATS HEALTHY LIVING	ANTONIA WALKER	(770) 880-3811	antoniawalker@goodeats.com	PREPARED MEALS
HANNA BROTHERS	SHARON TURNER	(678) 888-6672	sharon@hannabrothers.com	LOCALLY SOURCED SCRATCH MADE MEALS; MEAL DISTRIBUTION; FOOD SOURCING; DISASTER RELIEF MEALS
HUNGRY	ROY SHAMKATZKO	(771) 778-8205	roy@hungry.com	MEAL PREP AND KITCHEN SPACE, MEAL DELIVERY
DMAN PAULAUANE	EMANUELE HUNGRY		eman@hungry.com	MEAL PREP AND KITCHEN SPACE, MEAL DELIVERY
JA FOODSERVICE	ALEXANDRA ABBOT-LEITZ	(269) 695-5600		FOODSERVICE DISTRIBUTOR
JUS TONGUE AND PALATE LLC	DEONA CLAYTON	(678) 927-1882	claytondeona@palateandtongue.com	MEAL PREPARATION AND DELIVER IN METRO ATLANTA (30 MILE RADIUS)
TRACYE POWELL	(678) 927-1882		tracyepowell11@gmail.com	
MELISSA ON WHEELS/LA TANTA	LYSON TUCKER	(678)513-3888 ext. 308	lyson@melissaonwheels.com	FRESHLY PREPARED FROZEN MEALS; FRESHLY PREPARED PICNIC MEALS; FAMILY KITS (MEALS); SHIELD STABLE MEALS





Market Basket Analysis Approach

- Market basket analysis allows a program operator to review bids using an established, representative sample of goods (food and supplies) and use this subset of prices to award a contract.
- In determining the goods to be used for evaluating an award, the Program operator must select a representative sample; USDA-FNS recommends the aggregate value be **75% or more of the estimated value** of the contract to be awarded.





Non-Competitive Proposal



Non-Competitive Proposal

- There may be certain situations when you need to solicit a proposal to only one source. This is called a non-competitive proposal and can be used if:
 - The item is available from a single source
 - Emergencies
 - After multiple bidding attempts, competition is deemed inadequate
 - Industrial mobilization, engineering, developmental, research capability, or expert or professional services
- Many times, this is a result of a lack of competition in the area. Because there is no competition taking place, non-competitive proposals are limited to the four situations we just discussed and should only be a short-term solution.




More on Formal Procurement

- There are more details to the formal procurement process that is not specified in this presentation/document.
- QCC asks that all facilities that need to use a formal procurement method to contact its assigned Program Manager (Claims Processor) or the Assistant Director of Claims and Procurement for further assistance and resources.



What type of business transaction is this called?



The child care center director or owner

Her cousin who owns or manages a local catering company that prepares and delivers meals to the center



Less-than-Arm's-Length Transaction

- **A related party is a person, place, or thing related to or closely held by another person, place, or thing.** A transaction between the two is a less than arm's length transaction. DECAL requires that related party transactions be disclosed, when federal funds are planned for the execution of such transactions.
- Failure to disclose these relationships inhibits the State agency's ability to make informed decisions regarding the allowability of the costs.
- According to FNS 796-2 Rev. 4 VIII B this will result in the disallowance of the cost and may subject the institution, its principals, employees, consultants or others to the administrative and legal remedies available to the State agency and USDA-FNS.



Follow Proper Procurement Method First

- **You must complete the proper procurement method and ensure the process was followed before using CACFP funds with an entity in which there is a less-than-arm's-length transaction.**



The Form

- Must be completed and submitted to QCC annually if this applies.
- www.qualitycareforchildren.org/forms

Less Than Arm's Length Transaction Disclosure Form

Complete this form and submit annually or as information changes. This form must be used to disclose any and all transactions with related parties.

Center Name: _____

A related party is a person, place, or thing related to or closely held by another person, place, or thing. A transaction between the two is a less than arm's length transaction. DECAL requires that related party transactions be disclosed, when federal funds are planned for the execution of such transactions. Failure to disclose these relationships inhibits the State agency's ability to make informed decisions regarding the allowability of the costs. According to PMS 706-2 Rev. 4 VIII B this will result in the disallowance of the cost and may subject the institution, its principals, employees, consultants or others to the administrative and legal remedies available to the State agency and PMS.

Delegated Principal (DP):	
Board Chairman:	
Board Members:	

	Cost Category (Food, Supplies, Labor, Other)	Person, Place, Thing/Function or Usage	Principals/ Board Members	Relationship	Projected Cost (ANNUAL)	QCC Internal Use Only
Example	Food, supplies	ABC Food Store	Jac Doe	Owner of property	\$70,000	

Reason for Less Than Arm's Length Transaction/Additional Information:

I certify that the information I have provided above is complete, true and correct.

Signature: _____ Title: _____ Date: _____

Return to QCC:
 Attn: Vice-President, Nutrition and Health
 Email: healthykids@qualitycareforchildren.org
 Fax: 404-941-2939

OFFICE ONLY – QCC OFFICIAL: _____ DATE: _____ Revised 11/4/2016



Onsite Written Procurement Policy

- QCC is required to review a center's non-profit food service and procurement practices annually.
- CACFP operators **MUST have a written procurement procedure or purchasing policy** that is consistent with federal and/or state requirements and enforced by organizational personnel. You may use your organization's own policy, or DECAL's Procurement and Purchasing Policy template located at www.qualitycareforchildren.org/forms.
- You should have a uniformed procurement policy among all your owned sites.

PROCUREMENT AND PURCHASING POLICY FOR
ENTER COMPLETE CHILD CARE, AFTERSCHOOL OR SHELTER SITE NAME

The standards and guidelines set forth in this template outline criteria necessary for compliance of procurement standards established according to Federal Regulation 7 CFR 226.22 (Child and Adult Food Care Program), 7 CFR 225.17 (Summer Food Service Program) and those policies outlined in the Georgia DECAL Procurement Guidance Manual.

Physical address of child care, afterschool or shelter site: **Enter Program Address Here**

This site is a (check one): Private For Profit Private Non-Profit Public Non-Profit Government School

I. Purpose

The purpose of this policy is to establish the procedures necessary to ensure all procurement measures undertaken by **Enter Business Name Here** are completed in a full, fair and open market. The goal of this policy is to ensure goods and services are purchased in accordance to federal procurement regulations as participants of the Child and Adult Food Care Program and/or Summer Food Service Program. **Enter Business Name Here** attests that the policies and procedures eliminate and avoid acquisition of unnecessary and duplicative items.

II. Conflict of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract with federal funds if a conflict of interest, real or apparent is present. Conflict of interest, real and/or apparent is present if the transaction is not at arms-length or one or more of the parties below has any financial gain, favor or personal tangible interest as a result of the award:

- o Officer, Agent or Employee
- o Any member of the immediate family
- o Spouse, Partner, Significant Other, etc.
- o The organization employs or is entering into a compensation agreement with awarded vendor.

III. Code of Conduct

Enter Business Name Here's employees, agents and officers are prohibited from accepting gifts and/or gratuities of any kind in exchange for a contractual award. However, **Enter Business Name Here** may set reasonable standards for the acceptance of gifts and gratuities which are not substantial in nature or an unsolicited item of nominal value.

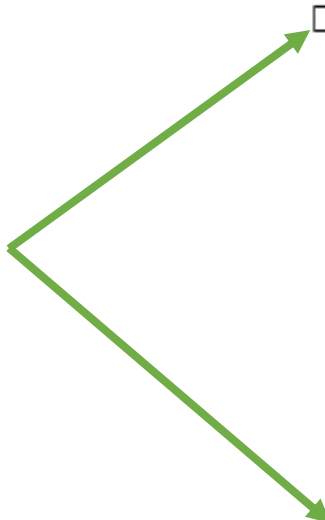
Enter Business Name Here agrees no employee, officer, or agent may participate in the selection, award, or administration of a contract with federal funds.

Violation of this code of conduct may result in the following:

- o Reprimand by **Enter Business Name Here**
- o Dismissal by **Enter Business Name Here**
- o Additional conditions imposed by DECAL per 2 CFR 200.207
- o Any necessary legal action

Please select applicable procurement method utilized by organization:

- School Food Authority: Purchase of meals using School Food Authority (SFA).
 - Sponsors and Institutions must enter into a written agreement with the SFA.
 - Competitive bid process is not required when utilizing SFA for the purchase of meals.
 - Written agreement must contain all the pertinent parts of the meal arrangement. Sponsors and Institutions may use the DECAL Agreement to Furnish Meals document.
- Formal Procurement: Purchase of goods and services which exceed the Simplified Acquisition Threshold of \$250,000
- Informal Procurement: Purchase of goods and services which do not exceed the Simplified Acquisition Threshold of \$250,000
- Small Purchase Option: Transactions, purchases and aggregate category costs under \$250,000, but more than \$10,000.
 - Aggregate Cost Categories Include:
 - Milk and Dairy
 - Protein/Frozen Meats
 - Fresh Fruits and Vegetables
 - Frozen Foods
 - Bread, Pasta and Bakery Products
 - Grains and Dry Goods
 - Canned Fruits and Vegetables
 - Condiments and Spices
 - Kitchen Supplies/Disposables
- Micro Purchase Option: Each Transaction and/or Aggregate Purchase \$10,000 or less.



XIII. Procurement Policy Agreement

Principal/Program Contact as well as all Authorized Representative(s) of **Enter Business Name Here** agree to implement and enforce the terms specified in this Procurement Procedure as noted by the signatures below.

Principal/Program Primary Contact Name

Signature

Date

Owner or Board President

Signature

Date

Acknowledgement:

initials	
	This policy must be updated as federal and state guidelines on procurement change. QCC will provide you guidance on resubmitting revisions.
	A physical copy of this Procurement Policy must be stored in section 6 of program's white <i>CACFP Administrative</i> binder. It must be completed, signed and dated.
	If this document is unavailable upon a review visit, the site might be subject to a noncompliance finding.
	A completed copy of this policy must be sent by email to forms@qccga.org and your assigned office Program Coordinator upon initial implementation and any updates.
	This template can be found on our website: www.qualitycareforchildren.org/forms
	For assistance on completing this form, contact the Assistant Director of Claims and Procurement at 404-479-4254.



Failure to Comply

- Failure to comply with procurement policies may result in one of more of the following:
 - Technical assistance
 - Noncompliance finding
 - Serious deficiency
 - Termination from CACFP
 - Disallowance of costs



More Procurement Resources

- CFR Procurement Standards 2 CFR 200.317-326:
<https://www.dec.state.ga.us/documents/attachments/CFRProcurementStandards.pdf>
- USDA Procurement Regulations <https://www.fns.usda.gov/cfs/usda-procurement-regulations>
- DECAL: <https://www.dec.state.ga.us/CACFP/Procurement.aspx>

Contact

Sharon Ginn

Assistant Director, Claims and Procurement

sharon.ginn@qccga.org

404-479-4254



AND JUSTICE FOR ALL

In accordance with Federal law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), age, disability, and reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, and American Sign Language) should contact the responsible State or local Agency that administers the program or USDA's TARGET Center at **(202) 720-2600** (voice and TTY) or contact USDA through the Federal Relay Service at **(800) 877-8339**.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online, at www.usda.gov/sites/default/files/documents/usda-program-discrimination-complaint-form.pdf, from any USDA office, by calling **(866) 632-9992**, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

mail:

U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or

fax:

(833) 256-1665 or (202) 690-7442; or

email:

program.intake@usda.gov.

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