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| North Carolina Department of Health and Human ServicesDivision of Public Health, Women’s & Children’s Health SectionNutrition Services Branch**Child and Adult Care Food Program****Procurement Policy and Procedure** **TEMPLATE** |
| ***Delete Instructions Prior to Submission for Approval*** **Instructions: Institutions participating in NC CACFP may adapt this template to reflect their institution’s policies and procedures or use an existing Procurement Policy that incorporates the elements listed below under “Policy.” Highlighted items should be modified to reflect your Institution’s procedures.** |
|  |       |  |       |  |
|  | (Institution Name) |  | (CACFP Agreement Number) |  |
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| **PURPOSE** |
| Institutions must adhere to the procurement provisions set forth in 7 CFR §226.22 and 2 CFR §200.317 for purchases of food, supplies, equipment, and other goods and services for use in the Child and Adult Care Food program (CACFP). All meal procurements with food service management companies must be in conformance with bid and contractual requirements of 7 CFR §226.22.  |
| **POLICY** |
| * INSTITUTION will purchase food, supplies, equipment, and other items goods and services for use in the Child and Adult Care Food Program (CACFP) in compliance with the provisions of this policy and all applicable Federal Regulations and State Law, using the procedures outlined as follows.
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| **PROCEDURES** |
| * INSTITUTION will review proposed purchases to avoid the purchase of unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease versus purchase alternatives, and any other appropriate analysis to determine which approach is the most economical.
* Affirmative steps will be taken to assure that small and minority businesses are utilized when possible, in accordance with 7 CFR §226.22 (f).
* All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition consistent with this section. Procurement procedures shall not restrict or eliminate competition. Examples of what is considered to be restrictive of competition include, but are not limited to (1) placing unreasonable requirements on firms in order for them to qualify to do business, (2) noncompetitive practices between firms, (3) organizational conflicts of interest, and (4) unnecessary experience and bonding requirements.
* Prior to solicitation of offers, whether by competitive sealed bids or competitive negotiation, INSTITUTION will provide include the following written criteria:
	+ A clear and accurate description of the technical requirements for the material, produce or service to be procured,
	+ All requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals
	+ Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of a proposed procurement.
	+ Award consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
	+ **DESCRIBE OTHER PROCEDURES, IF APPLICABLE**
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| * Program procurements will be made by one of the following methods:
	+ **Micropurchasing**: ***For purchases less than $10,000, multiple vendors***

This method will be used for the purchase of supplies or services when the aggregate dollar amount does not exceed **$10,000** per transaction**.** To the extent practicable, micro-purchases must be distributed equitably among qualified suppliers. These purchases may be awarded without soliciting competitive quotes if the entity considers the price reasonable.* + - The **TITLE OF POSITION** will be responsible for contacting potential vendors/contractors.
		- The **TITLE OF POSITION** will be responsible for documentation of the purchase, name of vendor/contractor, price, and written specifications.
		- The **TITLE OF POSITION** will be responsible for documentation that the actual product was received and approved.

 * + **Small purchase procedures**: ***For purchases $10,000 - $250,00 or single vendor***

This method will be used for the procurement of services, supplies or other property, costing in the aggregate **more than $10,000 but less than $250,000** (the current Federal simplified acquisition threshold). Price or rate quotations will be obtained from an adequate number of qualified sources. A minimum of three price or rate quotes will be solicited. If less than three quotes are solicited, a justification will be written by the **TITLE OF POSITION.** Quotations for small purchase will be obtained in writing (hard copy or email), orally, by letter, or through electronic means, e.g., the Internet. Other methods to determine price reasonableness include comparison of catalog prices; comparison of regulated prices (such as utility purchases); comparison of recent prices for similar goods and services. Whenever a low bid is not awarded, a written justification supporting the decision will be included on the purchasing documents. * + - The **TITLE OF POSITION** will be responsible for contacting potential vendors/contractors when price quotes are needed.
		- Quotes will be awarded by **TITLE OF POSITION.** Quotes awarded will be to the lowest price and best quote meeting the requirements of the specified product/service.
		- The **TITLE OF POSITION** will be 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.
		- The **TITLE OF POSITION** will be responsible for documentation that the actual product specified is received.
		- The **TITLE OF POSITION** will sign documentation, confirming a review and the approval of the purchase of the goods, products, and/or services.
		- Prices quotes are to remain confidential information until the actual purchase has been made.
	+ **Competitive sealed bids (formal advertising) - *For purchases over $250,000*:**

 This method will be used when sealed bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is lowest in price. Sealed bids will be solicited for purchases over $250,000.* + INSTITUTION will use the CAC 17A (Invitation to Bid) or a similar contracting document approved by the Nutrition Services Branch prior to its use.
	+ Bids will be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids. For local, and tribal governments, the Invitation for Bids (IFB) will be publicly advertised
	+ The (IFB) will define the items or services in order for the bidder to properly respond.
	+ The ITB will include any specifications and pertinent attachments.
	+ All bids will be opened at the time and place prescribed in the IFB, and for local and tribal governments, the bids will be opened publicly.
	+ A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid.
	+ **Procurement by competitive proposals:**

 This method will be used when conditions for sealed bids are not appropriate. Examples include contracts where more than one source submits an offer and either a fixed price or cost reimbursement type of contract is awarded. When this method is used:* + - Request for Proposals (RFPs) will be publicized and identify all evaluation factors and their relative importance. Any response to a publicized RFP must be considered to the maximum extent practical.
		- Proposals will be solicited from an adequate number of qualified sources.
		- A written record will be available for conducting technical evaluations of the proposals received and for selecting recipients.
		- Contracts will be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.
	+ **Procurement by non-competitive proposals:**

This method will be only be used when ***one or more*** of the following conditions apply:* + - The item is available only from a single source;
		- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
		- North Carolina Department of Health and Human Services, Nutrition Services Branch, expressly authorizes noncompetitive proposals in response to a written request from the Institution; or
		- After solicitation of a number of sources, competition is determined inadequate.
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| **INSTITUTION INFORMATION** |
|  |  |  |  |  |
|  | (Print Name of Authorized Representative) |  | (Title of Authorized Representative) |  |
|  |  |  |  |  |
|  | (Signature of Authorized Representative) |  | (Date) |  |
|  |  |  |  |  |
|  | **Date(s) of annual policy review:**      |  |