

Child Nutrition Program At-A-Glance

Topic: Procurement Reference Sheet

Overview:

Procurement is another word for purchasing. All sponsors using Federal non-profit food service funds must follow applicable procurement regulations. Conducting proper procurement helps to ensure that sponsors receive the best product possible for the best price. It also helps to ensure there is free and open competition and that taxpayer funds are being spent wisely.

General Procurement Standards

- Sponsors must have documented procurement procedures.
- Sponsors must maintain written standards of conduct.
- Sponsors must maintain oversight over contractors.
- Group purchasing methods are encouraged.
- Procurements must provide for full and open competition.
- Sponsors must maintain records that sufficiently detail the history of the procurement.
- Procurements must be conducted at the most restrictive threshold.
- Sponsors must take all necessary affirmative steps to assure that minority businesses, women's business enterprises and labor surplus firms are used when possible.

Procurement Thresholds:

Procurement Method	Federal Threshold	State of Oregon Threshold	CNP Sponsor Procurement Threshold
Federal Micro-Purchasing / Oregon Small Procurements	Less than \$15,000	Less than \$25,000	Review internal procurement policies
Federal Small Purchase / Oregon Intermediate Procurement	Less than \$350,000	Less than \$250,000	Review internal procurement policies
Formal (IFB/RFP)	Greater than \$350,00 (Simplified Acquisition Threshold)	Greater than \$250,000 (Simplified Acquisition Threshold)	Review internal procurement policies
Capital Equipment	Over \$10,000	Over \$10,000	Review internal procurement policies

Five Basic Steps in the Procurement Process:

1. **Planning** - Needs assessment, forecasting, budgeting, and cost analysis.
2. **Drafting specifications** – Descriptions, requirements, and specifications of goods or services.
3. **Advertising a solicitation** – Provide information to potential vendors who may fulfill your needs.
4. **Award a contract** – Award to most responsive and responsible vendor.
5. **Manage the contract** – Monitor vendor to ensure they are meeting terms of contract.

Additional Resources: [ODE CNP Nutrition Procurement Resources Webpage](#)

Procurement Methods:

- Informal Methods – Purchases below simplified acquisition threshold
 - **Federal Micro-Purchase / Oregon Small Procurement**
 - Should be distributed equitably among qualified suppliers.
 - May be awarded without quotes in purchaser considers the price to be reasonable based on research, experience, and purchase history.
 - **Federal Small Purchase / Oregon Intermediate Procurement**
 - Price or rate quotations must be obtained from three qualified sources.
 - Documentation must show technical descriptions of goods or services, quotes received, and quotes evaluated.
- Formal Methods – Purchases above simplified acquisition threshold
 - **Invitation for Bids**
 - Bids are publicly solicited, and a firm fixed-price contract is awarded to the responsible bidder whose bid is the lowest price.
 - Must be publicly advertised for no less than 14 days.
 - **Request for Proposals**
 - Proposals are publicly solicited where either a fixed-price or cost-reimbursement type contract is awarded.
 - Request for Proposals must be publicly solicited no less than 30 days.
 - Contracts must be awarded to the responsible offeror whose proposal is most advantageous with price and other factors considered.
- **Noncompetitive Procurement / Oregon Emergency Procurement**
 - Only available when situations meet below criteria:
 - The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.
 - The item is available only from a single source.
 - The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation.
 - The state agency expressly authorizes a noncompetitive procurement in response to a written request from the program sponsor.
 - After solicitation of a number of sources, competition is determined inadequate.
 - Noncompetitive procurements only eliminate the requirement for full and open competition. All other procurement requirements must be met.

Regulatory References:

- ✓ [2 CFR 200.318 – 327](#) Procurement Standards for all Federal Awards
- ✓ [7 CFR 210.21](#) National School Lunch Program Procurement
- ✓ [7 CFR 225.17](#) Summer Foods Service Program Procurement standards
- ✓ [7 CFR 226.22](#) Child and Adult Care Food Program Procurement standards
- ✓ [7 CFR 250.31](#) USDA Foods Procurement requirements
- ✓ [7 CFR 250.50](#) USDA Foods Contract requirements and procurement
- ✓ [ORS 279B](#) Public Contracting – Public Procurements

This document is meant to be an informational resource only, it is not considered official guidance in any way. Other requirements may apply.

If you have any questions, please reach out to your assigned Child Nutrition Specialist or Child Nutrition Procurement Compliance.

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