

Procurement and the 2020-21 School Year

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What we know:

During the 2020-21 school year, School Food Authorities (SFAs) may need goods or services that are not typically purchased or may have an increased need for certain products. Applicable federal, state, and local procurement regulations and policies still apply in the 2020-21 school year. However, federal procurement regulations do currently allow for some flexibility when purchasing goods and services, as described in this resource.

General Tips

- Work with your purchasing department or cooperative purchasing group to add new products to existing contracts if possible. New products can be added if adding those products is not a material change to the contract.
- If existing contracts included language that allows the contract to be extended, the contract may be extended for the 2020-21 school year.
- Keep open lines of communication with vendors, even if you don't have all the answers yet.
- For some items such as produce or other food items, consider purchasing locally to shorten the supply chain.
- Consider purchasing new products on a different timeframe, such as monthly or quarterly, rather than for the whole year. This will let you evaluate needs more than once throughout the school year and adjust as needed.
 - For example, purchase enough paper bags to use for the first three months of school instead of ordering weekly. The estimated cost of the paper bags for those three months will tell you what procurement method to use (see examples below)

How to procure new items

1. Look at what new food items and supplies might be needed for the year based on menu changes, new meal service models, etc.
2. Once there is a list of goods or supplies that will be needed, determine if each item will be a one-time purchase, or if it will need to be purchased throughout the year.
3. Based on how often you will purchase each item, estimate how much that item or group of items will cost over the time you need it.

Examples:

 - 5 rolling carts- one-time purchase of \$150 per cart= \$750
 - Individually wrapped (IW) burritos - need about 5,000 per month at \$1.25 each= \$6,250 x 10 months= \$62,500 per year
4. Once you have the estimated cost for an item or group of items, determine the best procurement method to use. Reference your procurement policies to follow the appropriate procurement threshold.

Examples:

- Rolling carts: Micro-purchases are allowed for any single purchase that is \$10,000 or less (Federal threshold). Use micro-purchase method to buy rolling carts online.
- IW Burritos: Small purchase method can be used for purchases \$250,000 or less (Federal threshold). Obtain three quotes and choose the lowest price for burritos.

Non-competitive Procurement

Procurement without a competitive process may be used when a public emergency will not permit a delay resulting from a competitive solicitation (when you need the goods or services immediately). For non-competitive procurement, the district can negotiate directly with one vendor instead of soliciting multiple quotes, bids, or proposals.

- Non-competitive contracts cannot be longer than one year in length
- Non-competitive procurement is encouraged for contracts that expire during summer 2020.
- Keep the proposal and/or contract, as well as documentation why non-competitive procurement was used

Resources

- [CDE School Nutrition Unit: Procurement Web Page](#)
- [School Nutrition Association: Chain Reaction](#)
- [School Nutrition Association: Procurement Q & A](#)
- [School Nutrition Association: Thought Starters](#)

What we don't know:

We do not know how the supply chain will be affected from the pandemic and if certain items will be difficult to procure.

We also do not know the impact of alternative meal service models and how it will affect school food operations. We do not know if participation increase or decrease. It is important to consider how the fluctuation in participation might affect weekly ordering and overall procurement. SFAs may need to procure specialized equipment specific to your adopted meal service models.

How to Plan: Questions and Considerations

What items are not part of your current contract and need to be procured for next year?

- I.E. grab and go items, PPE, coolers/insulated bags, carts for transporting meals.
- Staff will need access to a wide range of PPE (Personal Protective Equipment), check with your district's business office to see if federal Coronavirus Relief Funds are available to purchase.

How will you procure new items? Can they be added to a current contract or will it be a new purchase?

- New products may be purchased on a different timeframe, such as monthly or quarterly, rather than for the whole year.
- Consider reaching out to local producers to shorten the supply chain and support Colorado businesses. Producers are looking for alternative markets to sell to.

How will you deal with supply chain issues, for example shortages of popular items? Have you been able to procure back up items?

- IW items, packaged baby carrots, other grab n go items may not be available on a consistent basis.
- Consider purchasing versatile products that can be used in a variety of menu components.

How often are you in communication with your distributors, manufacturers, local growers?

- How are your vendors and distributors dealing with the unknown? It is okay to give them your best guess and be honest about your unknowns.
- Communicate with your food reps on your short and long term purchasing needs

How will you handle procurement for contracts that expire within the next couple of months?

- Consider extending current contracts if allowed at a local level or using non-competitive procurement for a new one-year contract.

THREE KEY THINGS TO REMEMBER



COMMUNICATION

- Be upfront with your distributors, vendors, and brokers about your upcoming needs.
- Use emergency meal participation, SFSP participation, and your best guess to estimate quantities needed for the fall.
- For questions, please reach out to CDE's procurement team- Megan Johnson johnson_m@cde.state.co.us or Becca Boone boone_r@cde.state.co.us



VERSATILITY

- Procure basic food items that can be used for multiple days in multiple meals.
- While your menu typically drives procurement, it might be the unique serving models that drive procurement this year. Have versatile products that can meet the needs to changing service models (such as grab and go).
- Plan menus that can be prepped in a variety of spaces and served in a variety of places (classrooms, hallways, cafeterias).



FLEXIBILITY

- Have back up menu components that can easily be added to a meal if there are supply chain issues. Sometimes the food does not show up, this is not a new challenge of food service.
- Whenever possible, write flexibilities into bid specifications, contracts and amendments.