# COLORADO DEPARTMENT OF EDUCATION

201 East Colfax Avenue • Denver, Colorado 80203-1799
303.866.6600 • www.cde.state.co.us

**Dwight D. Jones**
Commissioner of Education

**Robert K. Hammond**
Deputy Commissioner

**Kenneth R. Turner**
Deputy Commissioner

**CN09-G-019**

TO:           Superintendents, Nutrition Directors and Sponsor Representatives

FROM:         Herminia J. Vigil, Director – Nutrition and Transportation Unit

DATE:         February 17, 2009

SUBJECT:      Competitive Procurement and Private Grants for School Food Programs

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It has been brought to the attention of the U.S. Department of Agriculture (USDA) that some school districts may be applying for or participating in grant programs aimed at assisting schools with start-up and/or expansion costs, especially of the School Breakfast (SBP) and Summer Food Service Program (SFSP).   Many of the grant sponsors are associated with companies that provide goods and services to the school meal programs. Review of these grant programs revealed that at least some contain a mandatory purchasing component, requiring recipients to purchase and use a vendor's specified product for a stipulated amount of time.

This memorandum serves to remind school food authorities (SFAs) that they must comply with the requirements in 7 CFR 210.21, 220.16, and 225.17, as well as the requirements of 7 CFR 3016.36 and 3019.40-48 requiring that procurements are conducted in a competitive manner.

Due to the proprietary purchasing requirements imposed by these grant programs, an SFA would be unable to participate in the grant while adhering to all required program regulations, specifically those addressing procurement activities.  SFAs that have already received such a grant must take immediate steps to either curtail the grant or to ensure that all purchases made as a result of the grant requirements come <u>only</u> from non-program funding sources.   The SFA may <u>not</u> go forward with the grant purchasing requirements using nonprofit school foodservice account funds.

Please contact this office at 303.866.6661 or 800.245.6092 (toll free) if you have further questions.

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