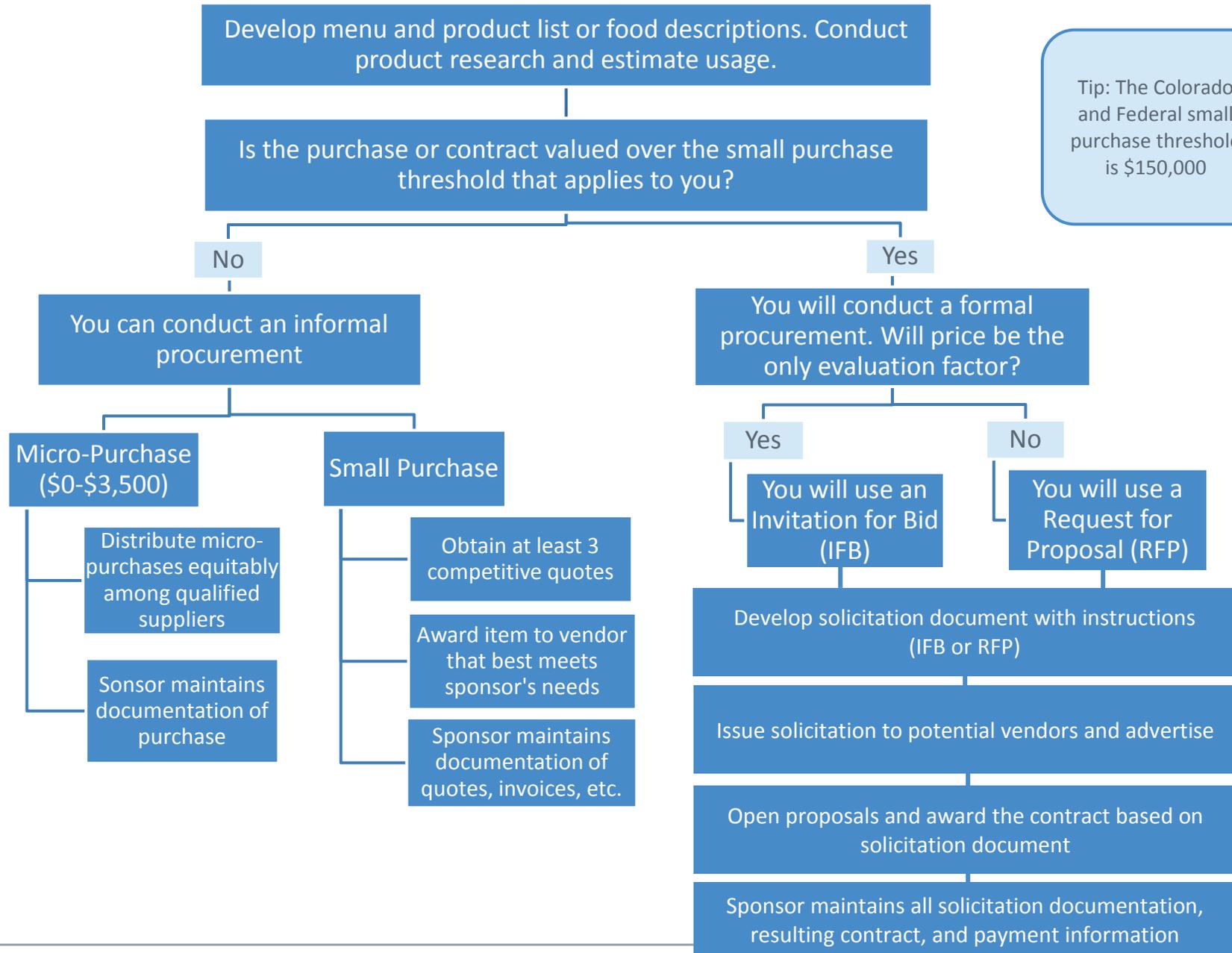


Procurement Decision Tree

Child Nutrition Programs



COLORADO
Department of Education



Tip: The Colorado and Federal small purchase threshold is \$150,000



A Little More About...

Informal Procurement

The primary difference between formal and informal procurement is that a formal procurement must be publicly advertised. This means that when conducting an informal procurement, you are in control of who you request quotes from. When conducting an informal procurement, you can collect quotes over the phone, via email, or online. Just be sure to document your requirements, specifications, and quotes in writing.

Micro-purchase is a noncompetitive purchase method that equitably distributes among qualified suppliers with an aggregate cost* not exceeding \$3,500.

*Aggregate Cost: the total amount the sponsor has determined for a single item or related group of items for a period of time; i.e. one year, one quarter, weekly, monthly or other period of time as determined by the sponsor.

Small purchase procurement requires price or rate quotations from at least three qualified sources. Price quotes can be verbal or written but either way documentation of quotes must be maintained.

Formal Procurement

There are two types of formal procurement:

An Invitation for Bid (IFB) is a type of solicitation document used in competitive sealed bidding in which the primary consideration is cost and the expectation is that competitive bids will be received and an award will be made to the responsive and responsible respondent whose publicly opened bid is lowest in price. An IFB is used when there is no substantive difference among the products or services that meet specifications and the key difference among responsive bids is price. The IFB does not allow for negotiations and while it does contain criteria to assess quality it does so in a pass/fail approach to obtain the best value for the price.

A Request for Proposal (RFP) is a type of solicitation document used for the formal procurement method of competitive proposals. In an RFP, you are not just evaluating price but the whole package of services and/or products the vendor is offering. Therefore RFPs allow you to give weight to factors in addition to price. RFPs should describe all evaluation criteria, their relative importance, and how they will be used to assess the proposals. The weight of each evaluation factor distinguishes which elements are most important, but elements included as evaluation criteria are not requirements.

Learn More

The CDE OSN's webpage is full of resources to help you procure goods/services for your child nutrition programs:

- ❖ OSN Procurement webpage: <http://www.cde.state.co.us/nutrition/osnprocurement>
- ❖ SFSP Resources webpage: <http://www.cde.state.co.us/nutrition/osnfsppresources>
- ❖ SFSP Administrative Guide for Sponsors: <http://www.fns.usda.gov/sites/default/files/sfsp/AdminGuideSponsors.pdf>