

A blue-tinted background image showing a group of diverse students in a school cafeteria. In the foreground, a boy in a red hoodie is looking down at a food tray. Behind him, several girls are smiling and talking. The scene is brightly lit, suggesting a healthy and active school environment.

MAINE DEPARTMENT
OF EDUCATION

Procurement 101: For School Nutrition Programs

Presented by: Sarah Platt, Child Nutrition



Learning Objectives



- Identify the different types of procurement methods
- Apply appropriate procurement method when making purchases
- Learn about required procurement policies

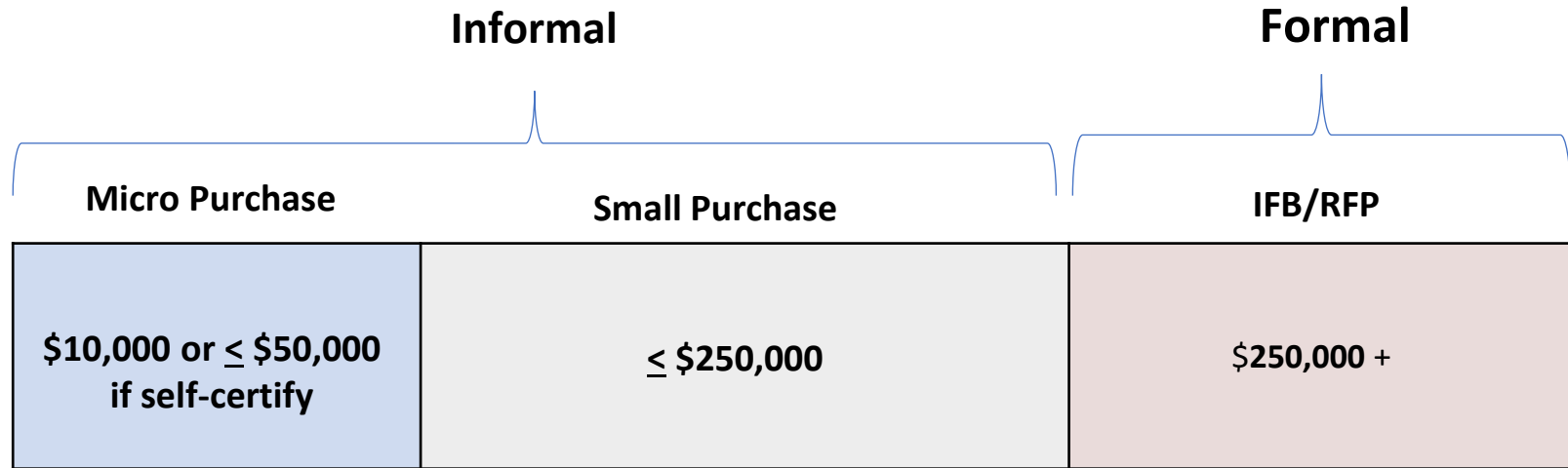
What Is Procurement?

- Shopping!
- The process of purchasing goods and services from a vendor
- Procurement rules & regulations apply to all SFAs regardless of size, number of students, how much money is spent
- School meals programs are funded by the federal & state government



How Do School Nutrition Programs Procure Goods & Services?

Purchasing Thresholds*



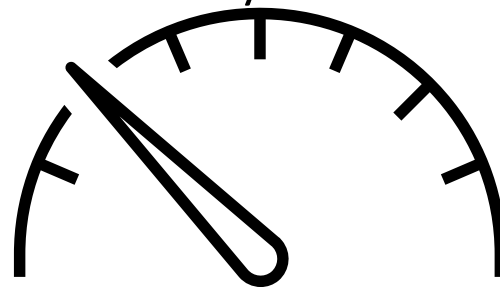
*Local thresholds may be more restrictive. Check with your business office. This presentation uses federal thresholds

Micro-purchase

- Great for one-time purchases
 - “Spread the wealth” among multiple vendors
 - Emergencies, shortages, small dollar, seasonal purchases
 - Example: local produce
- ✓ **Rules to follow:**
- Aggregate dollar amount may not exceed threshold of \$10,000
 - \$50,000 if self-certified
 - No price comparisons, but prices must be reasonable
 - Try to distribute purchases “equitably” (optional)

How to Self-certify for Micro-Purchase

1. Have documentation of being a low-risk auditee
 - Single audit shows to federal program, audit findings
2. Update procurement procedures stating you self-certify
3. Write a self-certification statement
 - Low risk
 - Why you want to self-certify
 - Sign & date
4. Repeat annually



Informal: Small Purchase

- Required when value of purchase is \leq \$250,000
- Must attempt to get multiple quotes - “three bids and a buy”
- **Price** is the determining factor
- Requires written specifications
- Less rigorous than the formal method

Formal Procurement

- Required when the value of purchase is >\$250,000
- Two options:
 - Invitation for Bid (IFB)
 - Request for Proposals (RFP)
- Documentation required:
 - Advertisements
 - Written solicitations
 - Scoring criteria
- Formal process that takes time & effort but usually results in the best pricing.
- Can be written to renew for multiple years

Which procurement method is right for my program?

Think About...

How much are you going to spend?

- Less than \$10K...micro-purchase
- More than \$10k but less than \$250K...small purchase
- Above \$250k ...formal

What is the driving factor?

- Price...small purchase
- Other criteria...formal procurement

Will this be a single purchase or a series of purchases?

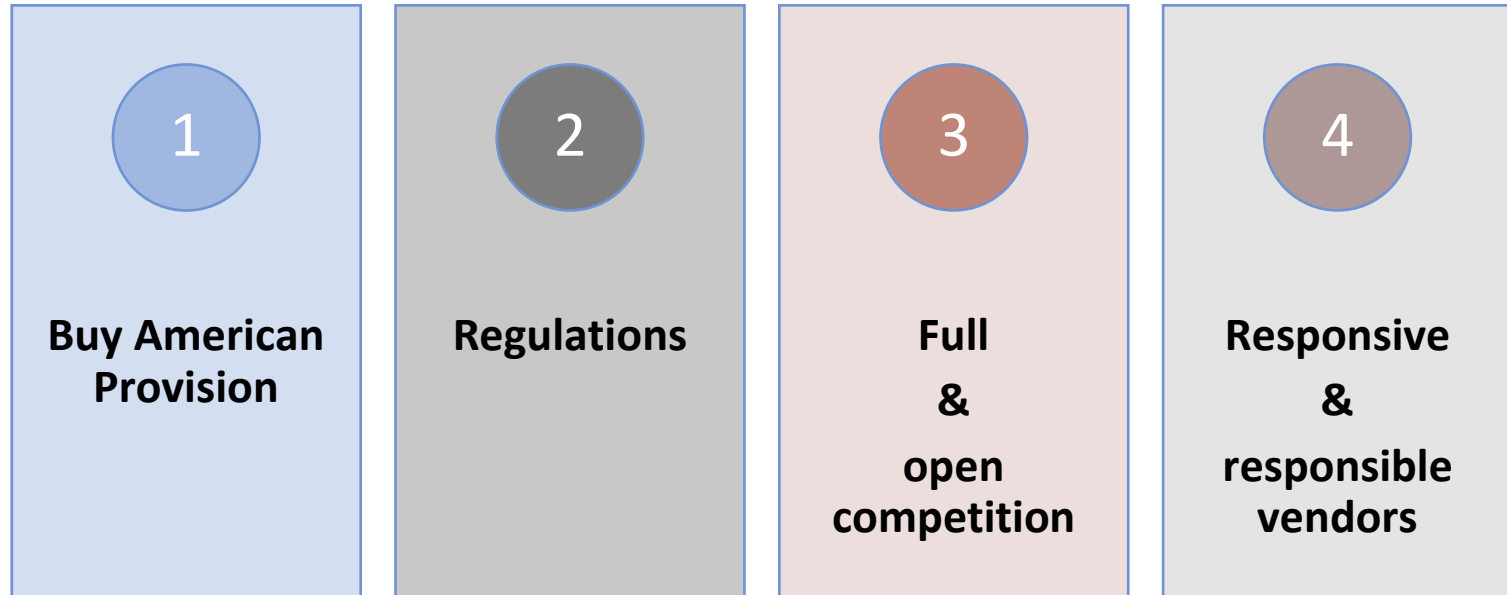
- Single...micro-purchase

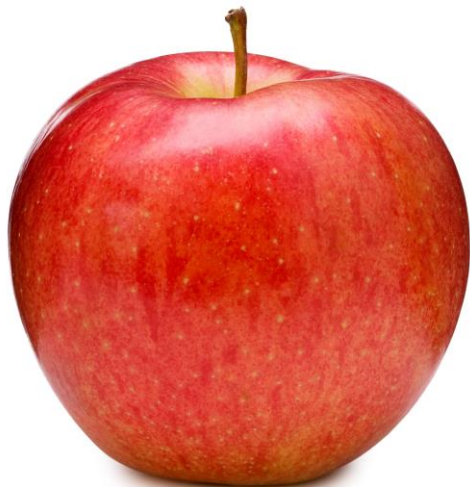
Documentation

- Maintain documentation to support the procurement
 - Receipts
 - Written solicitation document & quotes from multiple vendors
 - Public advertisement, IFB/RFP document, evaluation criteria, final contract



Principals of Procurement





Applies to ALL food items, including spices, oil, flavorings, etc...

Buy American Provision

- Purchase, to the maximum extent possible:
 - *Unprocessed agricultural commodities* (food) grown in the US
 - *Processed food products* that contain over 51% agricultural commodities grown in the US AND processed in the U.S.



Buy American - Exceptions

- Availability
 - Product is not produced in the U.S. in sufficient quantities
ex. Bananas, mandarin oranges, pineapple
- Cost
 - Competitive bid reveals the cost of the U.S. product is significantly higher than the non-domestic product.
- Maintain documentation



Buy American - Compliance

Include *Buy American* requirement in procurement documents.

Request domestic product

Check labels:

- Packaging information
- Invoices/receipts
- Ask manufacturer for country-of-origin information

Buy American Provision Updates SY26



- The limit on the percent of **total** commercial food costs from non- domestic foods will be phased in over 7 school years.
- Beginning in SY 2025-26, the non- domestic food purchases cap will be 10 percent.
- Beginning in SY 2028-29, the non- domestic food purchases cap will be 8 percent.
- Beginning in SY 2031-32, the non- domestic food purchases cap will be 5 percent.

Buy American Provision Updates SY26



- Buy American Exceptions Tracking Standard Form
 - Optional
 - Available on our website with Buy American resources
- Spending cap does not include Fresh Fruit & Vegetable Program (FFVP)

Buy American Provision Compliance



- Communicate with your vendors
- Identify non-domestic products
 - Monthly inventory
 - Velocity report from vendor
- Compare amount spent on non-domestic items with total amount spend on commercial food
- Review menus & maximize USDA foods

Buy American Provision Updates SY26

SP 09-2025: Buy American Accommodation Process for School Year 2025-2026

- SFAs that demonstrate they can't meet the spending cap may apply for flexibility
 - Submit tracking form showing domestic and non-domestic purchases for SY 2025
 - If approved, you will receive a link to the accommodation request form



2. Federal Procurement Regulations



2 CFR 200

All programs receiving federal funds

7 CFR 225.17

SFSP

7 CFR 210.21/7 CFR 220.16

NSLP/SBP

<https://www.ecfr.gov/>

3. Full and Open Competition

- Level playing field for all possible vendors
 - Equal opportunity to compete
- Being overly restrictive is not allowed
- Fairness, integrity and transparency is critical
- Essential for purchasing quality goods at the lowest possible price

4. Responsive and Responsible Vendors

- Purchase must be made from a vendor who is both *responsive AND responsible*.
- **Responsive:** Vendor provided the information that was requested
 - Ex. Submitted response after due date, not following directions
- **Responsible:** Vendor is capable of performing successfully under the terms and conditions of the contract
 - Ex. Can't meet delivery requirements or ordering requirements

Required Policies/Procedures

1. Procurement Code of Conduct

- Prevent conflicts of interest in procurement
- Govern the actions of employees

2. Procurement Procedures

Procurement Code of Conduct

1. Prohibit real, or apparent conflicts of interest for employees engaged in selection, award, and administration of contracts
2. Indicate that employees are prohibited from accepting and soliciting gifts/incentives
3. Include disciplinary actions for violations

You or someone close to you cannot benefit personally from your program's purchases.

Procurement Procedures

- Required procedures that are followed to ensure compliance with procurement regulations
- Reference Federal, State and local regulations and required language
- Should also be customized to reflect your actual practices
 - Ex. Buy American

Template for School Nutrition Programs Procurement Procedures and Code of Conduct

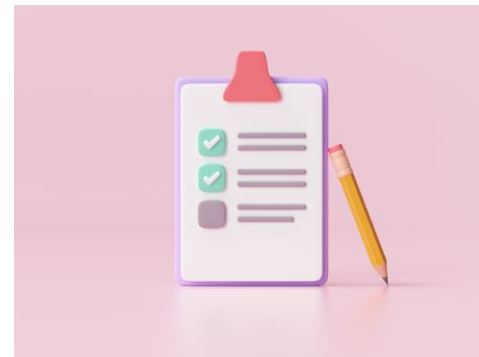
School Food Authorities (SFAs) may use this template to identify their procurement plan for USDA School Nutrition Programs. Each SFA is responsible for customizing these procedures and ensuring compliance with Federal, State, and Local procurement regulations. Federal purchase thresholds are used in this template: \$0-\$10,000 micro-purchase; \$10,001 - \$250,000 small purchase; and over \$250,000 formal procedures. However, if a District's purchase thresholds are more restrictive, the more restrictive thresholds must be followed and be reflected in this plan.

A. General Procurement

1. The **NAME** plan for procuring items for use in the School Nutrition Programs is as follows. The procurement procedures maximize full and open competition, transparency in transactions, comparability, and documentation of all procurement activities.
2. When purchasing an item or items with an aggregate total of \$10,000 or less *insert local*

Procurement Reviews

- Same review cycle as Administrative Reviews
- Review the prior school year:
 - Procurement Procedures
 - Code of Conduct
 - Vendor paid list
 - Supporting documentation – Show how you made the decision to purchase from this vendor
 - ✓ Invoices
 - ✓ Solicitation
 - ✓ RFP/IFB
 - ✓ Advertisement
 - ✓ Signed contracts



Procurement Training

- Annual training is required for Food Service Directors
- Available on our Webpage

Child Nutrition Home

Programs

CNPWeb/NEO

Student Eligibility &
Applications

Financial

Legal References

Webinars and Training

Contact Us

Child Nutrition



A hungry child cannot learn. The Maine Department of Education Child Nutrition is proud to support several federal programs for the health and well-being of Maine's children and youth. Each of these programs helps fight hunger and obesity by reimbursing

Resources



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If you have questions, please

Training

- [Procurement 101](#)
- [Buy American](#) (The ICN)
- [Contracting with FSMC: Developing Solicitations and Contracts](#) (USDA)

Memos

- Federal Micro-purchase and Simplified Acquisition Threshold in the NSLP [SP 20-2019](#)
- Guidance on Competitive Procurement Standards for Program Operators [SP 12-2016](#)
- Updates to the Federal Micro-Purchase Threshold [SP 02-2022](#)
- Market Basket Analysis [SP 04-2018](#)
- Procurement Reviews [SP 04-2016](#)

Buy American

The Buy American provision requires School Food Authorities (SFAs) to purchase, to the maximum extent practicable, domestic commodities or products. SFAs must comply with this standard when purchasing commercial food products served in the school meals programs by including Buy American provision language in procurement procedures, solicitations, and contracts in addition to tracking non-domestic product(s) purchased.

Buy American Exceptions

SFAs must maintain documentation to justify the use of non-domestic exceptions. There are two limited exceptions when non-domestic foods may be purchased.

- 1) Availability - The product is listed on the Federal Acquisitions Regulations Nonavailable articles list found at [48 CFR 25.104](#) and/or is not produced or manufactured in the U.S. in sufficient and reasonably available quantities of a satisfactory quality.
- 2) Price - Competitive bids reveal the costs of a U.S. product are significantly higher than the non-domestic product

USDA established in regulations a new threshold for school food authorities that use exceptions. The limit on the percent of total commercial food costs from non-domestic foods will be phased in over 7 school years.

- Beginning in SY 2025-26, the non-domestic food purchases cap will be 10 percent.
- Beginning in SY 2028-29, the non-domestic food purchases cap will be 8 percent.
- Beginning in SY 2031-32, the non-domestic food purchases cap will be 5 percent.

USDA has made available a **Buy American Exceptions Tracking Standard Form** which is an optional tool that SFAs can use to document the use of exceptions to purchase non-domestic foods under the Buy American provision.

Buy American Resources & Memos

- [Fact Sheet](#) (USDA)
- [USDA Memo SP 09-2025](#) - Buy American Accommodation Process for School Year 2025-2026
- [USDA Memo SP 23-2024](#) - Buy American Provisions Related to the Final Rule
- [USDA Memo SP 32-2019](#) - The Buy American & Agriculture Improvement Act
- [USDA Memo SP 38-2017](#) - Compliance with and Enforcement of the Buy American Provision in the National School Lunch Program
- [USDA Memo SP 29-2006](#) - Buy American Reminders



Questions

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Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible State or local Agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form* which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) mail:

U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or

(2) fax:

(833) 256-1665 or (202) 690-7442; or

(3) email:

program.intake@usda.gov

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