Seguin ISD

Child Nutrition Department

PROCUREMENT PROCEDURES MANUAL

Seguin ISD

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Seguin ISD – Child Nutrition Food Service Department
Procurement Procedures Manual

This Procurement Procedures Manual (2 CFR 200.318) has been created to ensure that all purchases made with the Child Nutrition (CN) Federal Funds comply with all Federal, State, and Local written policies.

Seguin ISD uses the following resources for all procurement methods:
Super Circular 2 CFR part 200
Texas Department of Agriculture's (TDA) "Administrative Review Manual," Sections 16 and 17 (including 17A), and the Education Department Guidelines and Regulations (EDGAR)

The following standards will be applied to all procurement methods.

Solicitations will:

1. Allow for "full and open" competition
2. Be handled with integrity and fairness to all potential bidders
3. Award responsive and responsible contractors
4. Be fully documented to allow for complete transparency and follow the 5-year record retention requirement

Seguin ISD allows the Child Nutrition Department to participate in the following:

1. Agreements
    a. Intergovernmental agreements (operator-only/ESC)
    b. Third-Party Cooperatives
    c. Agents
2. Informal Purchases
    a. Micro-Purchase: any purchase that does not exceed the federally allowable micro-purchase threshold, currently $15,000, as per the ARM. (See bullet *c* below.)
    b. Simplified Acquisition (Small Purchase): any purchase above the micro-purchase threshold of $15,000 and up to $99,999, as per the ARM. (See bullet *d* below.)
    c. Seguin ISD has adopted the federally allowable micro-purchase threshold of $49,999 through TDA self-certification and does not impose any lower or more restrictive local micro-purchase threshold.
3. Formal Purchases
    a. Competitive Bid (IFB-Invitation For Bid)
    b. Competitive Proposal (RFP-Request For Proposal)
    c. Non-Competitive Proposal. TDA "pre-award approval" required
4. Other Purchases
    a. Sole Source – determined through a failed procurement method due to no competition. Requires TDA approval before awarding the vendor or purchasing from the vendor.
    b. Capital Expenditures – any single piece of equipment that equals or exceeds $10,000 in cost must be approved by TDA before purchase.
5. Cost Plus Percentage of Cost Contracts
    a. Seguin ISD strictly prohibits the use of cost-plus-percentage-of-cost and cost-plus-percentage-of-income contracts, in accordance with 2 CFR 200.324(d).

Seguin ISD will use the following phases of procurement:

1. **Planning**. Below is a list of the first steps to be taken before any purchase.
    a. What is needed regarding product/products and/or services?
        i. All specifications referencing a brand must include 'brand name or equal' language and clearly identify essential product characteristics to avoid unduly restrictive competition.
    b. When are the products or services needed?
    c. What is the estimated cost of the products or services needed?
        i. Multiple resources will be used to determine an estimate of cost. As required by 2 CFR 200.324, Seguin ISD shall perform a cost or price analysis for every procurement action above the micro-purchase threshold, including contract modifications, to determine the most appropriate procurement method.
            1. **Price analysis** is used when competitive quotes or bids are received and consists of comparing vendor prices to determine price reasonableness.
            2. **Cost analysis** is used when price competition is inadequate, only one source is available, or when a contract modification changes the scope or price. It consists of reviewing the vendor's cost elements to ensure the total cost is reasonable.
            3. **Documentation** of each analysis shall be maintained in the procurement file for all procurements exceeding the micro-purchase threshold.
    d. How will we pay for the products and/or services?

2. **Forecasting**. Below is a list of the resources for forecasting our needs.
    a. We will review our past program to determine if the products or services were used in the previous program year.
    b. Current program needs will be assessed, and product amounts and/or service needs will be determined.
    i. Upcoming program years will be considered regarding future needs and possible renewal or extension of contracts if necessary.

3. **Soliciting**. The following general steps will be taken to start the solicitation process. Each procurement method is more specifically outlined later in this manual.
    a. The most appropriate procurement method will be determined based on the cost/price analysis during our planning phase.
    b. A general specification with details will be written to document the product or service needed.
    c. Terms and conditions of the contract will be outlined and reviewed to ensure the solicitation clearly describes our needs and deliverables required.
    d. Each solicitation will include the following information:
        i. Deadline (date and time) for the quotes or responses to be received.
        ii. The method by which the quotes or responses are to be submitted and to whom.
        iii. Evaluation criteria, if any, are used and clearly outlined, including a scoring rubric.
        iv. Date and time by which the solicitation will be awarded.
        v. Terms and conditions of the contract and whether any renewals or extensions will be allowed.

vi. All USDA Federal and State-required certifications and affidavits, if applicable to the procurement method used.

e. Research will be done to identify potential suppliers.

4. **Awarding**. Based on the procurement method, the following general processes will be used:
    a. A winner will be selected using the following methods.
        i. Equitable distribution for all Micro-Purchases.
        ii. Low bid winner for Simplified Acquisition Purchases and IFBs.
        iii. A single winner through evaluation criteria for Simplified Acquisition Purchases and RFPs.
        iv. Pre-award approvals must be obtained from TDA for any solicitation that is deemed non-competitive or sole source.
        v. Multiple winners are selected for RFP's when a "line-item" award approach is taken to procure the best price for each product specified in the solicitation.
        vi. Before the award of any contract, Seguin ISD will verify that the vendor is not suspended or debarred from Federal assistance programs by checking the **System for Award Management (SAM.gov)** or other State Agency-approved sources. Documentation of verification will be maintained in the procurement file and reviewed annually for multi-year contracts.

5. **Contract Management**. Seguin ISD shall maintain active oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts. Instances of nonperformance will be addressed promptly through corrective action, contract termination, or other remedies as permitted under Appendix II to 2 CFR 200. Oversight shall include:
    a. Quantities specified are made available and delivered.
    b. Delivery times and schedules are being met per contract terms.
    c. Product deliveries and/or services occur at the correct location if multiple locations are part of the awarded contract.
    d. Products and/or services meet the specifications described in the solicitation.
    e. Substitutions of products are handled as outlined in the Terms and Conditions and are adequate for the specified product.
    f. Vendor response time to product or service issues is appropriate regarding each situation, if any.
    g. Seguin ISD maintains a contract administration system to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts. This includes monitoring delivery accuracy, pricing compliance, Buy American adherence, review of substitutions, verification of invoicing against contract pricing, management of performance issues, and ensuring that discounts, rebates, and credits are returned to the nonprofit school food service account.
    h. If a material change occurs in any contract, including quantity, scope, pricing, or service requirements, Seguin ISD will resolicit the procurement.
    i. A material change is defined as any change significant enough that additional vendors may have bid differently had the change been part of the original solicitation.

6. **Billing and Payment.**

    a. Upon receipt of invoices, the child nutrition department will verify the invoice items and/or services, and that the amount billed matches the approved items and amounts.
    b. The invoice and purchase order will then be forwarded to the district accounts payable department for approval to pay the invoice.
    c. Purchase orders are issued according to quotes or expected costs and approved by the child nutrition director, with final approval from the district business office.

7. Internal Controls

The EDGAR federal regulations [2 CFR 200.303] require grantees to implement internal controls for administering federal grants. Grantees must establish and maintain effective internal control over federal grants and provide reasonable assurance that they comply with all laws, regulations, and requirements related to the grants they receive. Additionally, grantees must:

    a. Evaluate and monitor their own compliance with grant requirements.
    b. Quickly address any noncompliance identified, including any found in audit or monitoring findings.
    c. Take reasonable measures to protect sensitive or personally identifiable information (in accordance with laws regarding privacy and confidentiality).
    d. Perform a cost/price analysis for every procurement (including contract modifications or material changes).
        a. This includes the determination of which contract clauses and certifications are required. The district uses counsel for this when necessary.
    e. The child nutrition department consults the business office in cases where other purchases or services are added to a contract to determine if there is a material change. If a material change (including quantity and scope) occurs, the district will re-bid or procure the items and/or services.

The district has developed internal control procedures to ensure that adequate controls exist in the areas of purchasing, cash management, investments, payroll, personnel, fixed assets, and other business areas included herein. The Business Office's primary goal is to protect the district's assets and ensure that all financial transactions are performed per generally accepted accounting practices.

Procurement and contract records shall be retained for five years after final payment and closeout of the Federal award. If any litigation, claim, or audit is started before the expiration of this period, records shall be retained until all actions are resolved.

8. **Standards of Conduct and Conflict of Interest (2 CFR 200.318(c)(1) & TDA ARM Section 15)**

Seguin ISD employees, officers, or agents engaged in the selection, award, or administration of contracts shall adhere to the following standards of conduct:

    a. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved.

b. A conflict of interest arises when the employee, officer, agent, their immediate family member, partner, or organization has a financial or other interest in the firm selected for award.
c. No employee, officer, or agent of Seguin ISD Child Nutrition shall solicit or accept gratuities, favors, or anything of monetary value from current or prospective contractors. contractors. Employees participating in contract selection or administration may only accept unsolicited promotional items or meals of nominal value not to exceed $20.00 (or the cost of a routine meal/beverage).
d. Financial incentives, vendor sponsored trips, cash, or discounts not extended to the general public are strictly prohibited and constitute an unallowable conflict of interest.
e. All violations of federal criminal law involving fraud, bribery, or gratuity violations must be reported in writing immediately to TDA and the Federal Awarding Agency.
f. Violations of district standards may result in disciplinary action up to and including termination.
g. The District shall also avoid organizational conflicts of interest in which relationships with parent, affiliate, or subsidiary organizations may interfere with procurement objectivity or integrity.

Procurement Methods: Informal and Formal (2 CFR 200.320(a)(1) & TDA ARM Section 17)

Seguin ISD will follow the steps below for each procurement method.

1. **Micro-Purchases.**
   The micro-purchase method is an informal procurement method for purchases of supplies or services where the total transaction amount is at or below $49,999.

   Pursuant to TDA ARM Section 17, Seguin ISD self-certifies an expanded micro-purchase threshold of $49,999.99 annually by October 31 via TX-UNPS, maintaining internal risk assessment and low-risk auditee documentation on file.

   Competitive quotes are not required if the price is determined to be reasonable based on research, experience, or market history.

   To the maximum extent practicable, micro-purchases must be equitably distributed among all qualified proximity-appropriate suppliers to prevent vendor favoritism. Routine purchases shall never be split into smaller amounts to evade competitive quote limits.

   a. All **unplanned**, **non-routine** purchases with an aggregate total that does not exceed the threshold of $49,999 are allowed (2 CFR 200.67) and will include:
      i. Documentation that explains the reason for the purchase and the vendor name.
      ii. List of items or services purchased.
      iii. Receipt.
      iv. Seguin ISD will not intentionally divide purchases or split invoices to avoid competitive procurement requirements. Purchases will be aggregated annually by type, category, and intended use to determine the correct procurement method.
   b. Types of Micro-Purchases allowed:
      i. Emergency and/or equipment repair parts

ii. Small to medium catering events
iii. Emergency food shortages
iv. Staff training and travel expenses
v. Kitchen equipment purchases

c. The following employee positions have permission to make a Micro-Purchase:
i. Child Nutrition Director
ii. Child Nutrition and Operations Administrator
iii. Child Nutrition Program Administrator
iv. Purchasing Coordinator
v. Chief Financial Officer

d. Eligible vendors.
i. Equitable distribution of purchases will be made to all suppliers within appropriate proximity to the district's school sites

e. Payment for Micro-Purchases.
i. Check processed through the accounts payable department after a purchase order is processed
ii. Credit card to be picked up from the Business Office/CFO
iii. Personnel cash, credit card, or debit card to be reimbursed by the Business Office

2. Simplified Acquisition Purchases.

The simplified acquisition purchase method is an *informal procurement method* for purchases that exceed the micro-purchase threshold of $49,999 but do not exceed the Simplified Acquisition threshold of $100,000. The District must contact at least three potential suppliers and attempt to obtain a minimum of two quotes.

Board Approval Requirement for Child Nutrition Purchases (Board Policy CH(LOCAL)): While TDA and federal rules allow informal small purchase quote procedures up to $100,000, any single budgeting Child Nutrition purchase or contract commitment of $50,000 or more requires prior authorization by the Board of Trustees pursuant to Board Policy CH(LOCAL) before an authorized signatory may execute the agreement or issue a purchase order.

Prior Board approval is not required for budgeted purchased made through Board-approved interlocal agreements/cooperatives, continuing bids, or produce/fuel purchases, but such transactions shall be reported subsequently to the Board.

a. Based on the determination through a cost/price analysis, a purchase will follow the simplified acquisition method when it exceeds the micro-purchase threshold but does not exceed the State/District Simplified Acquisition threshold of $100,000, consistent with Seguin ISD's Local Policy.
b. Seguin ISD will not intentionally divide purchases or split invoices to avoid competitive procurement requirements. Purchases will be aggregated annually by type, category, and intended use to determine the correct procurement method.
c. Allowable types of Simplified Acquisition Purchases:
i. Single or one-time purchases with an aggregate amount that is below $100,000 but for which the District elects to use a more structured quote process.

ii. Multiple purchases of the same or comparable products and/or services from a vendor during the fiscal year when the District elects to use the simplified acquisition method rather than the micro-purchase method.

d. Seguin ISD will use the following steps to make a Simplified Acquisition Purchase (2 CFR 200.320 [b])
    i. Identify potential suppliers, who to contact for bids, and what is available on the market.
    ii. Write the product and/or service specification to include details, but not be so restrictive as to exclude competition.
    iii. Draft the solicitation to include contract terms and conditions, invoice methods, delivery and/or service requirements, duration of the contract, and evaluation criteria, if any, used with the scoring rubric.
    iv. Contact a minimum of two vendors (if possible) and provide each one with the same information to include all details of the solicitation. Emailed or faxed documents are the preferred method, but verbal delivery of solicitation details is allowed.
    v. Document vendor responses to include:
        1. Vendor name, contact with email address, and phone number
        2. Contact method
        3. Price quoted to include the date received
        4. Duration of the price quote
        5. If fewer than two quotes are received, an explanation of why this occurred will be included in the documentation
    vi. The award will go to the most responsive and responsible vendor with the lowest price or the highest evaluation score if used. A responsive vendor is one whose response conforms to all the material terms and conditions of the solicitation. A responsible vendor is one whose financial, technical, and other resources indicate an ability to perform the services required.
e. The following employee positions have permission to make a Simplified Acquisition Purchase:
    i. Child Nutrition Director
    ii. Child Nutrition and Operations Administrator
    iii. Child Nutrition Program Administrator
    iv. Purchasing Coordinator
    v. Chief Financial Officer
f. Eligible vendors.
    i. All suppliers that have been identified as potential bidders
g. Payment for Simplified Acquisition Purchases.
    i. Credit card to be picked up from the Business Office/CFO
    ii. PO to be created before the invoice payment. This is handled through the Business Office.

3. Capital Expenditures.

Pursuant to TDA ARM Section 16 and federal rules, any single item of food service equipment or facility renovation with a per-unit cost of $10,000 or more is classified as a capital expenditure and requires prior written approval from TDA before entering into a contract or executing a purchase order.

Cost-plus-a-percentage-of-cost and cost-plus-a-percentage-of-income contract pricing structures are strictly prohibited for all Child Nutrition procurements. All awards must be firm-fixed-price or cost-reimbursable with a fixed fee (2 CFR 200.320 & TDA ARM Section 17).

a. Seguin ISD will submit a request for approval before purchasing the item via email to TDA, including:
    i. District Name, CE ID, and contact information (phone and email address)
    ii. Description of the equipment, including the purpose and how it supports the operation or maintenance of the District
    iii. Provide an estimated cost and whether or not we have sought bid pricing
    iv. Describe how the old equipment (if any) will be disposed of and acknowledge that any proceeds from the disposal will be used to offset the cost of the replacement
    v. Acknowledge that any equipment purchased will be used exclusively (100%) by the district

4. **Competitive Sealed Bidding (IFB – Invitation For Bid).**
The competitive sealed bidding method is a "Formal Procurement Method" used when the contract value is at or above the Simplified Acquisition (Small) threshold, which is $100,000 in Texas. The formal procurement method requires a District to post a public advertisement in a newspaper of general circulation for two consecutive weeks upon release of the solicitation. It is recommended that the District post the advertisement on its website or a trade website, as well as email or make phone calls, as a means of advertising to potential bidders.
    a. Seguin ISD will ensure the following conditions:
        i. A complete, adequate, and realistic specification or purchase description will be made available
        ii. The procurement lends itself to a firm fixed price contract, and the selection of the successful bidder can be made principally based on price
        iii. Evaluation criteria will be included in the solicitation regarding determining a winner if the same price has been received from two or more different vendors
    b. Seguin ISD will adhere to the following requirements:
        i. All formal procurements (IFB/RFP) will be publicly advertised for two consecutive weeks in accordance with Texas law.
        ii. Provide detailed information such as response time, date and time responses are to be received, how responses must be submitted, date and time of public opening, and any other pertinent details
        iii. Provide product and/or service specifications that allow multiple responses
        iv. Award the contract to the most responsive and responsible bidder. Factors such as discounts, transportation, and life cycle costs shall be considered when determining the lowest bid.
        v. Any or all bids may be rejected if there is a sound, documented reason
    c. The following employee positions will participate in the IFB Procurement Method:
        i. Child Nutrition Director, Child Nutrition and Operations Administrator, Purchasing Coordinator, Chief Financial Officer
            1. Write product or service specifications
            2. Write the solicitation document
            3. Send the IFB to potential suppliers

4. Participate in the opening of the submitted bid quotes and determine a winner

d. Eligible vendors.
    i. All suppliers that have been identified as potential bidders
    ii. Only district-approved and qualified suppliers
e. Payment for IFB Purchases.
    i. PO to be created before the invoice payment. This is handled through the Business Office
f. All Child Nutrition contracts awarded through IFB or RFP procurement methods shall be for a base term of one (1) year. Seguin ISD may include the option to renew the contract for up to four (4) additional one-year periods, not to exceed a total contract term of five (5) years, in accordance with USDA and TDA requirements.
    i. Annual renewals are not automatic. Before exercising a renewal option, Seguin ISD will:
    ii. Conduct a price or cost analysis,
    iii. Confirm that the renewal is advantageous to the program,
    iv. Confirm that terms and conditions remain unchanged, and
    v. Verify that the vendor has performed satisfactorily.
    vi. After the maximum five-year period, the contract must be resolicited, and no additional extensions or renewals are permitted.
    vii. If a material change occurs in any contract, including quantity, scope, pricing, or service requirements, Seguin ISD will resolicit the procurement.
        1. A material change is defined as any change significant enough that additional vendors may have bid differently had the change been part of the original solicitation.

5. **Competitive Proposals (RFP – Request For Proposal)**
A request for proposal is a "Formal Procurement Method" used for purchases when an IFB is not appropriate. An RFP describes in a general way what is needed and requests that vendors submit a proposal for servicing the needs of the district. RFPs can be used for either goods or services and require the prospective vendor to submit a technical proposal that explains how they will meet the objectives of the solicitation document and a cost element that identifies the costs to accomplish their proposal. Price is to remain the major consideration but can be one of many evaluation factors used to determine the most advantageous winner. The RFP also allows for negotiation as a means to obtain the best value or price.
    a. Seguin ISD will ensure the following conditions:
        i. A complete, adequate, and realistic specification or purchase description will be made available.
        ii. The procurement lends itself to a firm fixed price contract or cost-reimbursable price.
        iii. The selection of the successful bidder will be made after an evaluation of criteria, with price being the "heaviest weighted factor."
        iv. Negotiation of price or best value will be overseen with complete fairness and integrity.
    b. Seguin ISD will adhere to the following requirements and required documents (2 CFR 200.318 - 326):
        i. The solicitation will be publicly advertised.

ii. The solicitation document will include a cover sheet with the RFP description, contact information, issue date, closing date, and opening date
iii. Written instructions and a bidder information sheet to be completed by the proposer
iv. Clear product and/or service specifications
v. Clear description of district demographics and product usage (as relevant)
vi. Clearly stated evaluation criteria to include a scoring rubric
vii. Standard and/or Special Terms and Conditions of the contract
viii. Discounts, Rebates, and/or credit provisions where applicable
ix. Questionnaires as appropriate
x. Reference Sheet
xi. Certifications per ARM Section 17 and Appendix II to Part 200 of 2 CFR 200:

Intangible Property	2 CFR 200.315
Procurement of Recovered Materials/Solid Waste Disposal	2 CFR § 200.322
Profit as a Separate Element of Price	2 CFR 200.323(b)
Record Retention Requirements	2 CFR § 200.334
Rights to Inventions	37 CFR §401.2 (a)
Anti-trust Certification	Section 2155.005
Certification of Residency	Chapter 2252, Subchapter A
Companies Engaged in Business with Iran, Sudan, or a Foreign Terrorist Organization	Chapter 2252, Subchapter F
Compliance with the Energy Policy and Conservation Act	Pub. L. 94-163, 89 Stat. 871
Compliance with the Texas Family Code	Section 231.006
Food/Product Recall and HACCP Procedures	
Form 1295	Section 2252.908
Health & Safety Certificates, Licensing and Regulation	ARM 17.62
No Israel Boycott	Section 2270.002
Prohibited Employment Assistance	20 USC 7926
Non-Collusion Declaration	Section 15.01
Non-Collusion Affidavit	Section 15.01
Signature and Declaration of Compliance	Notary Public Required
Proposal Form	200.326 Appendix I To Part 200
Breach of Contract Terms, Sanctions, and Penalties	200.326 Appendix II to Part 200 (A)
Termination for Cause or Convenience	200.326 Appendix II to Part 200 (B)
Certificate of Insurance	2 CFR 200.447
Cooperative Agreements	2 CFR 200.24
Byrd Anti-Lobbying	2 CFR 200.450; 200.326 Appendix II Part 200 Sec. "I"
Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion for Covered Contracts	200.326 Appendix II To Part 200 Sec. H
Clean Air and Water Certificate	200.326 Appendix II Part 200 Sec. "G"
Equal Opportunity Employment	200.326 Appendix II Part 200 Sec. "C"
Contracting with Small, Minority, Women Business Enterprises, and Labor Surplus Area Firms	2 CFR 200.321

Conflict of Interest Questionnaire	24 CFR § 3282.359
Disclosure of Lobbying Activities	Appendix B To Part 418, 2 CFR
Felony Conviction Notification (Exhibit Only)	21 CFR 1301.90
Nutrition Services Certification For “Buy American” Provision	7 CFR 210.21 Sec. D
Nutrition Services “Buy American Waiver Exception List	7 CFR 210.21 Sec. D
Certificate Regarding Worker's Compensation	48 CFR 970.2803-1
Certificate Regarding Drug-Free Workplace	38 CFR § 48.635

Certificate Regarding Alcoholic Beverage And Tobacco-Free Campus Policy	21 CFR § 1140.1
E-Verify	48 CFR 52.222-54
Iran Contracting	48 CFR 25.703-3
Civil Rights/Discrimination	FNS Instruction 113-1
W9	Most Current Version Required

xii. Required Federal Contract Provisions (2 CFR 200.327 & Appendix II)
All contracts and subcontracts supported by Federal funds shall contain the applicable clauses listed below:

Provision	Citation	Applies To
Equal Employment Opportunity	Appendix II (A)	All construction contracts > $10,000
Davis-Bacon Act	Appendix II (D)	Construction > $2,000
Contract Work Hours and Safety Standards	Appendix II (E)	Construction > $100,000
Rights to Inventions	Appendix II (F)	R&D projects
Byrd Anti-Lobbying	Appendix II (I)	> $100,000
Debarment and Suspension	Appendix II (H)	All contracts
Clean Air & Water Act	Appendix II (G)	> $150,000
Termination for Cause or Convenience	Appendix II (B)	All contracts
Breach of Contract	Appendix II (A)	All contracts
Record Retention and Access	2 CFR 200.334	All contracts
Buy American Provision	7 CFR 210.21(d)	All food contracts
Recovered Material Requirement	2 CFR 200.323	For purchases exceeding $10,000 in EPA-designated product categories, Seguin ISD will procure recovered materials to the maximum extent practicable. All solicitations and contracts for these designated products will include the required recovered materials clause.

xiii. Awarding of the contract:
1. Evaluation will consist of product quality, services, or past performance, but not limited to, along with price as the heaviest weighted factor
2. Cost-plus percentage of cost will not be allowed as a basis for award (2 CFR 200.320)

xiv. Any or all bids may be rejected if there is a sound, documented reason

c. The following employee positions will participate in the RFP Procurement Method:
    i. Child Nutrition Director; Child Nutrition Nutrition and Operations Administrator; Purchasing Coordinator; Chief Financial Officer
    ii. Their responsibilities include:
        1. Writing product or service specifications
        2. Writing the solicitation document (RFP)
        3. Sending the RFP to potential suppliers
        4. Participating in the evaluation and scoring of proposals
        5. Determining the most advantageous proposer based on evaluation criteria
d. Eligible vendors.
    i. All suppliers that have been identified as potential bidders
    ii. Only district-approved and qualified suppliers may be awarded
e. Payment for RFP Purchases.
    i. A purchase order (PO) must be created before invoice payment in accordance with Business Office procedures. This is handled through the Business Office
f. All Child Nutrition contracts awarded through IFB or RFP procurement methods shall be for a base term of one (1) year. Seguin ISD may include the option to renew the contract for up to four (4) additional one-year periods, not to exceed a total contract term of five (5) years, in accordance with USDA and TDA requirements.
    i. Annual renewals are not automatic. Before exercising a renewal option, Seguin ISD will:
    ii. Conduct a price or cost analysis,
    iii. Confirm that the renewal is advantageous to the program,
    iv. Confirm that terms and conditions remain unchanged, and
    v. Verify that the vendor has performed satisfactorily.
    vi. After the maximum five-year period, the contract must be resolicited, and no additional extensions or renewals are permitted.
    vii. If a material change occurs in any contract, including quantity, scope, pricing, or service requirements, Seguin ISD will resolicit the procurement.
        1. A material change is defined as any change significant enough that additional vendors may have bid differently had the change been part of the original solicitation.

6. Non-Competitive Negotiation and Sole Source Procurements.

These types of procurement methods are used to compensate for the lack of competition. This lack of competition may result from overly restrictive solicitation documents, an inadequate number of suppliers in the area, or the procurement environment may have been compromised by inappropriate supplier actions (i.e., market allocation schemes). Non-competitive negotiation occurs after the solicitation (sealed bid, competitive negotiation, or small purchase) has been issued, but competition on that solicitation has been deemed inadequate.

a. Non-competitive negotiations or sole source procurements are restricted to specific situations and may only be used when:
    i. Inadequate competition in a formal procurement method
    ii. A public emergency exists

iii. Goods or services are only available from one manufacturer through one supplier

b. Seguin ISD will obtain TDA's approval before awarding and purchasing products or services. All requests for approval must be submitted through the State Agency's online system, TX-UNPS.
c. The following employee positions will oversee the approval process for a Non-Competitive and/or Sole Source Procurement Method:
    i. Child Nutrition Director; Chief Financial Officer
d. Documentation for all noncompetitive or sole source procurements shall include:
    i. The rationale for the use of noncompetitive procurement;
    ii. The basis for vendor selection;
    iii. A cost or price justification; and
    iv. TDA pre-approval confirmation before award.

Bid/Proposal Questions and Protest Procedures

An interested party may protest any of the following situations:

- **Solicitation or other request for offers for a contract for the procurement of property or services**
- **Cancellation of a solicitation or other request**
- **Award or proposed award of a contract**
- **Termination of a contract, if the protest alleges that the termination was based on improprieties in the administration of the contract.**

Seguin ISD will do the following:

1. Include clear instructions about questions and protest procedures in each solicitation document.
2. Follow all written procedures to resolve protests.
3. Ensure that all protests are resolved.
4. Retain all documentation related to a protest.
5. Notify TDA when a protest is received.

Seguin ISD will address all respondent protests within 24 hours of the bid award. Seguin ISD will provide evaluation scores and pricing at the respondent's request. Violations of the law should be referred to the local, state, or Federal authority. (2 CFR, Section 200.318[k])

Seguin ISD will allow respondents to request clarification of information before the closing of the bid/proposal. These requests must be received for a minimum of three business days prior to the closure of the bid/proposal. Seguin ISD will address the request for additional information as an addendum to all respondents.

Procurement Review Access (TDA ARM Section 17A)

Seguin ISD will provide full access to all procurement records and documentation when requested during a TDA Procurement Review or Administrative Review. The District will promptly respond to

findings and implement corrective action plans as required by TDA.

Economic Price Adjustments in Vendor Contracts

The economic price adjustments, which allow a District to adjust costs in the contract, must be tied to an appropriate standard or cost index. Relating the price adjustments in a contract to an index allows the District to ensure that increases under the contract are not without basis. For example, if fuel prices are increasing drastically, an appropriate index such as the Consumer Price Index (CPI) will reflect this change.

This index is preferred because the USDA uses this index for the National School Lunch Program (NSLP) yearly funding increases. The intention is that if the USDA increased funding by a certain percentage, the District would be able to allow the increase in food cost to rise by the same percentage. Vendors will be able to bid on multi-year contracts that allow for inflation, and the District will be able to maintain a consistent level of service and food cost percentage from year to year.

Applying Geographic Preferences in Procurement

As amended, the National School Lunch Act (NSLA) allows SFAs receiving funds through the CN Programs to apply a geographic preference when procuring unprocessed, locally grown, or locally raised agricultural products. This applies to operators of all the School Lunch Programs.

Seguin ISD will apply geographic preference to the procurement of agricultural products that:

1. Are unprocessed and retain their inherent character
2. Are locally grown or locally raised
3. Have not been cooked, seasoned, canned, or combined with any other products

USDA allows the entity to define local if it is not too restrictive. TDA allows the CE to define local as a boundary or area, such as counties, a State, or a multi-state area, as long as it is not too restrictive. Regulation prevents Seguin ISD from awarding any contract based solely on “local,” and Seguin ISD will provide clear instructions and information in each solicitation as to our definition of local and evaluation criteria. Seguin ISD will adhere to the policy of using its USDA Federal Funds in the most efficient way possible.

Seguin ISD determines local as “within the United States territory and a distance of 100 miles from the District’s main campus” (mileage may vary for items dependent on bidding preference).

Discounts, Rebates, and Credits

Seguin ISD requires that all discounts, rebates, and credits accrue back to the school nutrition account. The contractor will be required to identify the amount of each discount, rebate, or other applicable credit on bills and invoices presented to Seguin ISD. Contractors will be required to identify the method by which they will report discounts, rebates, and credits. All discounts, rebates, and credits will be tracked via monthly invoices or annual velocity reports. Contractors will be required to maintain documentation of costs, discounts, rebates, and credits, and make those available to Seguin ISD upon request.

Buy American Provision

Seguin ISD adheres strictly to the Buy American Provision (7 CFR 210.21(d) & TDA ARM Section 17b) for

all commercial food purchases made using nonprofit school food service funds.

All agricultural commodities must be produced in the U.S., and processed food items must contain greater than 51% domestic agricultural content by weight or volume.

All food solicitations and vendor contracts must contain explicit language requiring suppliers to certify that products delivered meet Buy American standards and to notify the District prior to delivering any non-domestic item.

Pursuant to USDA/TDA rules, the District's total non-domestic commercial food purchases cannot exceed the following annual caps (as a percentage of total commercial food costs):

- School Year 2025-2026: 10% maximum non-domestic cap
- Beginning July 1, 2028: 8% maximum non-domestic cap
- Beginning July 1, 3031: 5% maximum non-domestic cap

An exception to purchase a non-domestic food item is allowable only if the product is not produced in the U.S. in sufficient quantities or if domestic bids are unreasonably high in cost. For ever non-domestic purchase occurrence, Child Nutrition staff must complete and retain the TDA Buy American Checklist/Non-Domestic Food Purchase Log on file for audit review.

Small and Minority Businesses, Women Business Enterprises, and Labor Surplus Area Firms and/or Disabled Veteran Business Enterprise (MWDVBE)

Seguin ISD will encourage open competition amongst small, minority, women, and disabled veterans' businesses by:

1. Reducing barriers in Formal and Informal Contract solicitations by:
    a. Allowing businesses that may be MWDVBE to compete on an equal footing. This will be accomplished by having a qualification process where MWDVBE bids are given points equal to the requirements that may be restrictive, such as length of service in business, size of distribution facilities, etc.
    b. Allowing extra points in the evaluation if a bidder/proposer qualifies as an MWDVBE.
    c. Structuring contracts to allow "awards to more than one Proposer in the best interest of the District to award a portion of the agreement to an MWDVBE vendor that may not be able to perform an agreement that is too large for current financial/logistical capabilities.
2. Structuring Contracts that May Allow for Cost Credit to Small, Minority, and Women-owned businesses:
    a. Seguin ISD may structure an RFP Formal Procurement agreement to allow for price variation of not more than 5% of the total cost above the lowest responsive bidder to award to a small, minority, or women-owned business. For example, if the lowest bidder was $100, and a certified small, minority, or women-owned enterprise bid $105, the contract may be awarded to the small, minority, or women-owned enterprise if it is in the best interest of the District.
3. Providing Positive Outreach
    a. Seguin ISD will place qualified small, minority, and women-owned enterprises on

solicitation lists; and

b. Assure that small, minority, and women-owned enterprises are solicited whenever they are potential sources

Locally Sourced Products: Farm to School Initiative

Seguin ISD is committed to local markets and family farmers in the State of Texas. Our objective is to support the local agricultural economy and reduce the environmental impact of long-distance shipping. Seguin ISD defines "Local Sources Products" as products that are grown within the State of Texas, with preference to sources located within 100 miles of the school's main campus.

When purchasing locally sourced products, Seguin ISD will follow the planning phase as stated earlier in this manual and do a cost/price analysis to determine the most appropriate procurement method.

To encourage the bidders to purchase locally sourced produce, Seguin ISD may assign additional point values in the "Award of Contract" section of the solicitation that can demonstrate:

1. The bidder is purchasing produce locally by submitting a list of local farmers, their addresses, the produce that is anticipated to be purchased from each farm location, and the anticipated harvest dates of the produce.
2. The bidder must also agree to the ability to submit a report during the term of the contract that demonstrates continued purchases from local farms.

Use of Excess and Surplus Property

Seguin ISD, to the best of the district's ability, may utilize excess and surplus property when available. The TDA allows a district to use a significant portion of its entitlement (PAL) allocation from USDA to purchase DOD fresh fruit and vegetable products. The TDA manages the solicitation and award of the DOD Produce Vendors. Contracting Entities (CE's) in the state of Texas and participating in the DOD Fresh Program can receive weekly deliveries as outlined in the awarded contract.

Allowable and Unallowable Costs (2 CFR 200 Subpart E)

Seguin ISD shall ensure that all costs charged to the Child Nutrition Program are:

1. Necessary, reasonable, and allocable to the program;
2. Authorized and consistent with Federal, State, and local policies;
3. Supported by adequate documentation.

Unallowable costs, including adult meals, promotional/marketing items, and entertainment, shall not be paid with Child Nutrition Program funds. Non-program costs must be charged to non-Federal sources.

Record Retention

Each procurement file must include:

1. Cost/price analysis;
2. Vendor quotes or bids;
3. Solicitation documents;

4. Evaluation scoring sheets (IFB/RFP);
5. Bid tabulations;
6. Required federal certifications and clauses;
7. Contract or PO;
8. Documentation of discounts/rebates/credits;
9. Buy American documentation;
10. Verification of debarment;
11. Copies of amendments or renewals;
12. Renewal year cost/price analysis; and
13. Proof of public notice for formal procurements.

Cooperative Membership and Procurement

The USDA allows for "Purchasing Goods and Services Using Cooperative Agreements, Agents, and Third-Party Services.

Seguin ISD may participate in a purchasing cooperative when it is determined to be in the best interest of the district. As a governmental agency, Seguin ISD has the option to legally join a "governmental agency or Education Service Center (ESC) agency" purchasing cooperative through an Interlocal or InterAgency Agreement.

If determined in the best interest to join an ESC Agency cooperative, Seguin ISD will request a copy of the Interlocal or InterAgency Agreement and complete and submit it to the appropriate contact of the co-op. Seguin ISD will do the following once membership in the cooperative has been confirmed:

1. Provide product estimated quantities planned for purchase for each bid selected.
2. Review that all procurement documents and cooperative processes have been conducted in accordance with applicable Federal, State, and local regulations.
3. Will confirm that their addition to any contract selected does not create a material change as outlined in the contract per 2 CFR 200.318[e], which states that a material change occurs when the change in scope of the contract is significant enough that potential bidders might have bid differently had they been aware of the impacts from adding additional agencies.
4. Request access to all documentation related to the contract for compliance with records retention requirements, to include, but not limited to:
    a. Solicitation
    b. Verification of Published Advertisement
    c. Contract Terms and Conditions
    d. Evaluation Criteria, if any
    e. Responses
    f. Notification of Awarded Vendor(s)
    g. Documentation of any extensions or Amendments
    h. Recall Procedures

Unnecessary or Duplication of Goods/Services

Seguin ISD will avoid the acquisition of unnecessary or duplicative items/services. Purchases will be justified using the following criteria:

1. The purchaser will determine if there are like items in the District that may not be in use and consider transferring the item before determining if a purchase is necessary.
2. The item is being considered for menus or is needed to serve, prepare, receive, transport, or store an item on the menu.
3. The item is replacing an obsolete, broken, damaged, or outdated piece of equipment.

Recalls

Seguin ISD will use the following procedures regarding products that have been recalled or are discovered to be defective or faulty:

1. The Child Nutrition Coordinator will register for email notifications of recalled products through USDA Food Safety and Inspection Service (usfsis@public.govdelivery.com) and/or recalls.gov or any other viable resource regarding food and product safety and recalls
2. Vendors' Recall procedures will be requested with every Simplified Acquisition Purchase, IFB, and RFP procurement method used.
3. Any notices or alerts from awarded vendors or distributors regarding a recalled product will be handled immediately, following all instructions from the vendor or distributor regarding the handling of the recalled product.
4. Actions may include, but are not limited to:
    a. Disposal of all affected products
    b. Photos of affected products, documentation of case lot numbers, distributor codes, or any other pertinent information, as documentation of product origin
    c. Removal of the affected product to a safe area to be picked up by the vendor or distributor
    d. Credits issued for all affected products that could not be used

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating based on race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity. 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 Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at: *https://www.usda.gov/sites/default/files/documents/ad-3027.pdf*, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter 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;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

This institution is an equal opportunity provider.

Acknowledgment and Revision Log

This Procurement Procedures Manual was reviewed and approved by the following individuals on [Date]:

Child Nutrition Director: _____ 11-5-26
Date

Purchasing Coordinator: Jennifer Martinez 11/3/26
Date

Chief Financial Officer: Elizabeth Banks 11/3/26
Date

Revision Log:

Date	Section Updated	Description of Change	Approved By