Minnesota Department of Education

Summer Food Service Program

Procurement Requirements

Summer Food Service Program (SFSP) regulations (7 CFR 225) require sponsoring organizations to follow procedures for competitive procurement so that program funds are spent efficiently and economically. Sponsoring organizations may follow their own procurement procedures as long as those procedures meet the applicable requirements in federal and state law.

All SFSP sponsoring organizations must meet the federal procurement requirements summarized here; public schools and municipalities must also meet applicable state procurement laws.

Small Purchase Procedures

Food service purchases under $100,000 may be obtained using simplified purchasing procedures, usually referred to as “small purchase” procedures or “obtaining quotations.” When using small purchase procedures, a sponsoring organization provides its specifications to multiple vendors, documents the vendors’ quotations (quoted prices), and selects the lowest-price bid from a responsive and responsible bidder.

Attached:

- *Informal Procurement (Small Purchase) Procedures.*
- *Small Purchases Log* - to document bids received and bid chosen.

Larger Purchases: If the value of a contract is expected to be *$100,000 or more*, there are additional requirements for conducting a formal sealed bids procurement. Refer to the document Formal Procurement (Sealed Bids) Contact the Minnesota Department of Education (MDE) - Food and Nutrition Service for more information *before* conducting procurement for a contract that is over $100,000.

Contract for Vended Meals (Catering Contract) Template

In addition to following procurement procedures as described above when obtaining a contract for vended meals (catering contract) for SFSP meals, an SFSP sponsoring organization must use the MDE template for *SFSP Contract for Vended Meals*, or include all provisions from the MDE template in its own contract. If the contract specifies terms for renewal, it may be renewed for a specified number of years after the original contract year without conducting a new procurement each year. Whenever the SFSP sponsor and vendor enter into a new contract or a renewal, a copy must be submitted to MDE for review.

Buy American and Buying Local

Buy American: Federal law requires that domestic foods (foods produced in the United States) be purchased to the maximum extent practicable for the SFSP. A processed food product

qualifies as a domestic product if it substantially (at least 51 percent) uses agricultural commodities that were produced in the United States.

Preference for Purchasing Local Agricultural Products: In general, SFSP sponsors may not limit competition by limiting bids to vendors from a specified geographic areas, for example may not limit competition to a specified city or county. *However*, SFSP sponsors are *encouraged to purchase unprocessed locally grown and locally raised agricultural products*, so a procurement *may* give preference to agricultural products that are grown or raised in the local area of the SFSP sponsor. Bids still must be obtained from several sources to ensure free and open competition.

For more information about purchasing local agricultural products, refer to the latest USDA memorandums on this subject available from links on the *SFSP – Procurement and Contracts* page of the MDE website.

Use of Minority Businesses

Federal grants management regulations (see below) describe practices for including minority businesses when obtaining goods and services with federal funds. SFSP sponsors should solicit minority business enterprises whenever they are potential sources for program purchases.

References - Regulations and Statutes

Federal regulations on procurement and contracts -

- SFSP regulations, section on procurement: 7 CFR 225.17.
- For a public sponsoring organization: Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (7 CFR 3016.36).
- For a nonpublic sponsoring organization: Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (7 CFR 3019, sections 40 through 48).

State laws on procurement and contracts -

- For public schools: School board contracting law (Minn. Stat. 123B.52).
- For municipalities, including public schools: Uniform Municipal Contracting Law (Minn. Stat. 471.345).

Links to these regulations and statutes are available on the *SFSP – Procurement and Contracts* page of the MDE Website.

If you have any questions about procurement and contract requirements for the SFSP, contact MDE - Food and Nutrition Service at 651-582-8526, 800-366-8922, or e-mail mde.fns@state.mn.us.

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