



PROCUREMENT SELF-ASSESSMENT TOOL

School districts that tailor school food service procurement policies and procedures using best practices from commercial food service achieve benefits in food quality, supply chain, and food cost.

Districts receiving federal funds through the operation of the NSLP, SBP, CACFP, and SFSP must follow Federal USDA procurement regulations, their respective State Agency rules overseeing the National School Lunch Program, and local procurement rules followed by the district. USDA procurement regulations do not require school meal program operators to follow the Education Department of General Administrative Regulations (EDGAR). If state or local school procurement rules are more restrictive than the federal procurement regulations, it is recommended that conversations occur to try to align procurement rules with the federal rules for a seamless process. This self-assessment tool measures procurement strategies **beyond compliance** with federal regulations that can result in better food, controlled costs, and an improved supply chain.

INSTRUCTIONS

1. Review the tool and resource documents before beginning.
2. Review the procurement policies and procedures used to purchase food in the district. Check the statements that reflect the current procurement practices for food.
3. Ask the Food Service Director to **independently** conduct the self-assessment in addition to the School Business Official responsible for procurement.
4. Tally the Score. Award 1 point per checked box.
5. Discuss the results with stakeholders. Choose unchecked best practices to implement.

THE PROCUREMENT PLAN

A **Food Service Subject Matter** expert leads the food procurement process.

The bid timeline reflects best practice discussions with vendors and is clearly outlined including pre-bid meeting, question period, submission deadline, award of contract, and service period.

An award date provides sufficient notice in advance of the vendor start date, allowing the vendor time to transition and fully set up.

District monitors and takes advantage of all rebates and points programs.

The Procurement Plan Subtotal _____

THE SOLICITATION

The district uses the [Federal procurement thresholds](#) to provide the best opportunity for good purchasing. If state or local thresholds are more restrictive than the federal procurement thresholds they must be followed. A best practice is advocating for the adoption of the federal thresholds.

A Request for Proposal (RFP) allows the respondents to identify how they will accomplish the requested services and can result in better prices and supply chain opportunities. If you use the RFP process check the box.

An award date provides sufficient notice in advance of the vendor start date, allowing the vendor time to transition and fully set up.

The district utilizes a comprehensive electronic solicitation process including the submission of bid responses.

Clear information is provided about the evaluation criteria for the solicitation. Price must be the highest weighted factor but is not required to be 51% or greater. Mark this box if you do not use the lowest price as the only criteria for awarding a bid. Refer to the resources for an example.

The bid period is for 1 year renewable for 4 additional years, with scheduled contract review and economic price adjustment clause. A 6 month price adjustment based on established [market reports](#) is recommended. The opportunity for long-term contracts makes the district a more desirable customer.

Criteria for changes to the contract for the addition or removal of products, changes in volume, piggybacking, or other contract modifications are included. Note: A [material change](#) in the contract may require a rebid.

A Prime Vendor supplies the majority of the food and supplies. A secondary vendor is selected to encourage smaller vendors and reduce supply chain interruptions. If you have a prime vendor check the box.

If you have a secondary vendor check the box.

The Solicitation Subtotal _____

TECHNICAL REQUIREMENTS

Clear and concise specifications are used for all items listed on the solicitation.

Accurate volume in solicitation is based on cycle menu, standardized recipes, and usage forecasts.

Logistics are considered when planning the solicitation by minimizing the number and frequency of drops, utilizing a district warehouse or dispersed production hubs, if possible.

Logistics information is included in the solicitation (such as address of each drop location, how holiday deliveries are handled, etc.)

The delivery window has the least restrictions possible. Remove restrictions on delivery times and location restrictions to offer a broad delivery window and facilitate delivery.

The option for night delivery is included in the solicitation.

Invoices are paid in 10-14 days to take advantage of quick payment incentives and operate more like a commercial account for more favorable pricing and interest from vendors.

Technical Requirements Subtotal _____

MENU

Cycle menus are written to utilize each item in 3 or more recipes.

Cycle menus include planning for USDA Foods.

Menu choices are simplified to reduce waste and production costs.

The district uses at least 10 % local or regional foods to stabilize the supply chain and increase sustainability.

The district conducts a food cost analysis of the planned menu and modifies it to meet food cost targets.

Low participation menu items are identified and replaced in the menu.

Menu Subtotal _____

DAIRY

Shelf stable milk is purchased to reduce delivery frequency, storage costs, waste, refrigeration needs, and energy costs.

Adequate milk storage is available for fresh milk to reduce deliveries to less than 3 per week to increase drop volume.

Milk contract is a multiyear contract with an economic price adjustment clause tied to [USDA Market Administrator – Central Federal Order for raw milk](#) minimum prices for the relevant period.

Dairy Subtotal _____

USDA FOODS

100% of entitlement is used by February of the school year to allow an opportunity to receive bonus USDA Foods from the state distribution agency.

The value of the district's USDA entitlement dollars is included in the food service budget. The factor used to determine the cost of the USDA food is the donated food value + processing fee + storage and state fees = total food value.

District utilizes third party USDA Foods trackers ([K12 Food Service, Processor Link](#),) to track utilization and entitlement draw down.

USDA Foods Subtotal _____

CONTRACT MANAGEMENT

District is committed to purchasing the full volume included in the solicitation or working with the vendor to identify alternate products to fulfill the commitment of quantities in the solicitation.

Forecast **monthly** usage based on participation and menu for each product awarded and share with manufacturer, broker, and distributor for their use in production and logistics planning, improving the supply chain and reducing shortages.

Schedule and conduct regular contract performance meetings with distributor, and broker manufacturer representative.

Monitor inventory, both on-site and warehouse inventory, to determine the capacity to receive deliveries and communicate any inventory issues with the vendor.

Contract Management Subtotal _____

PROCUREMENT ASSISTANCE

District is a member of a food service cooperative, that includes USDA Foods further processing, to share responsibilities and cost of procurement, obtain better pricing, delivery opportunities, and access to products and services or jointly purchases with a larger district.

District is of sufficient size to conduct solicitations individually. (Sufficient size recommendation 30,000-50,000 meals /day)

Utilize a Group Purchasing Organization (GPO) to access a broader variety of products, greater interest from vendors, and pricing due to the collective size of the GPO. GPOs offer the advantage of improved service performance not enjoyed by a singular district.

If a GPO is utilized the GPO has been procured in compliance with [2CFR Part 200.38-.326](#)

Procurement Assistance Subtotal _____

VALUES-BASED PROCUREMENT

District values-based procurement goals are identified and included in solicitation. See the resources for examples.

District has a clear definition of [Local procurement](#) (considering the availability of locally grown and processed food and the allowable USDA geographical preference language when defining local) and maximizes federal, state, and local incentives for values-based procurement.

Increases sustainability of food service program by developing Standard Operating Procedures to reduce food waste in the procurement process.

District clearly defines [ingredients of concern](#) in procurement plan and solicitations

District has policies with metric goals for and subcontracting with [MWBE](#), Local Small Businesses, and Labor Surplus Area Firms. If no local policies exist, a district may include the federal regulation [7 CFR 200.321](#)

Values-Based Procurement Subtotal _____

PROCUREMENT SCORECARD TOTAL

_____ The Procurement Plan

_____ The Solicitation for Food

_____ Technical Requirements

_____ Menu

_____ Dairy

_____ USDA Foods

_____ Contract Management

_____ Procurement Assistance

_____ Values-Based Procurement

Scorecard Total _____



BRONZE 18–25

Good! Your procurement practices are off to a good start but there are still plenty of areas to improve upon.



SILVER 26–34

Excellent! You have implemented many best practices in your procurement policies, keep it up!



GOLD 35–45

Fantastic! Your procurement practices are in great shape so far. Good work! Use this assessment sheet to identify any areas still in need of improvement.

USFA PROCUREMENT SELF-ASSESSMENT TOOL RESOURCES AND DEFINITIONS

School districts that tailor school food service procurement policies and procedures using best practices from commercial food service achieve benefits in food quality, supply chain, and food cost. The Procurement Self-Assessment guides you through a series of statements of food service procurement best practices that, when enacted, will lead the district to develop stronger, more effective food purchasing **beyond compliance** with federal regulations that can result in better food, controlled costs, and an improved supply chain.

The federal procurement regulations dictate much of the procurement process for school food service. Still, misinterpretation of the regulations, additional state regulations, and local regulations and procedures can lead to confusion and poor procurement results. The self-assessment tool aims to identify best practices that can lead to better procurement results and supply.

DEFINITIONS

<p>Child Nutrition (CN) Label</p>	<p>The Child Nutrition (CN) Labeling Program is a voluntary Federal labeling program for Child Nutrition Programs (CNP). The CN label on a product communicates how the product contributes to CNP meal pattern requirements. CN labeled products provide CNP operators with a warranty against audit claims when the product is prepared according to the manufacturer's instructions</p> <p>Main dish products contributing to the meats/meat alternates (M/MA) component of the meal pattern requirements are eligible for a Child Nutrition (CN) label.</p> <p>A Child Nutrition (CN) label or a Product Formulation Statement (PFS) provides meal pattern contribution information for commercially prepared and combination food items.</p>
<p>Cycle Menu</p>	<p>A cycle menu is a series of menus that are repeated over a specific period of time, such as 4 weeks. The menu is different each day during the cycle. At the end of the cycle, the menu is repeated. Cycle menus simplify ordering and reduce food loss.</p>
<p>Economic Price Adjustment</p>	<p>2 CFR, Section 200.318[k] The economic price adjustments must be tied to an appropriate standard or cost index. Relating the price adjustments in the contract, to an index, allows the SFA to ensure that increases under the contract are not without basis. For example, if fuel prices are increasing drastically, then an appropriate index – such as the Consumer Price Index – will reflect this change. The CPI index food away from home is preferred because the USDA uses this index for the National School Lunch Program yearly meal reimbursement values.</p> <p>When districts use standardized indexes, vendors can 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. Include a fixed pricing period (6 months) and then subsequent extensions price increases may only be allowed based on the percentage of price increase for products that are at or below the consumer price increases for “All Urban Consumers” Database Series for the statistical area of “US City Average” from the category “Food Away from Home” as listed on the Bureau of Labor Statistics (BLS) web site.</p> <p>The Vendor may use the preceding six (6) months or may provide alternate documentation if BLS data is not available. Acceptability of alternate documentation is at the discretion of the district. If any price increases are allowed, include the price index, required documentation, and frequency.</p>
<p>Electronic Procurement Software</p>	<p>Cloud-based solutions provide tools that facilitate each stage of the e-procurement process. It enables digital sourcing, purchasing, spend management, risk mitigation, and other critical aspects of vendor management through a single interface and eliminates the need for large volume, printed solicitations and responses.</p>
<p>Entitlement</p>	<p>USDA Foods Entitlement is the dollar value of USDA Foods that a recipient agency is eligible to receive. The entitlement is calculated by multiplying the number of reimbursable lunches served in the previous year by the current per-meal value. The previous year is July 1–June 30.</p> <p>Once approved for the National School Lunch Program, the school has the opportunity to receive USDA Foods entitlement dollars calculated by multiplying the number of lunches claimed in the previous school year by an established per-meal rate updated annually and published every July. Entitlement is issued to states that communicate allocations, known as the Planned Assistance Level, to each Recipient Agency according to the number of meals claimed. https://www.fns.usda.gov/usda-fis/value-donated-foods-notices</p>

<p>Federal Procurement Thresholds</p>	<p>When the value of the procurement for property or services under a Federal award does not exceed the simplified acquisition threshold (SAT), as defined in § 200.1, or a lower threshold established by a non-Federal entity, formal procurement methods are not required. The non-Federal entity may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include: Micro purchases and small purchases.</p> <p>Formal Purchase Methods. When the value of the procurement for property or services under a Federal financial assistance award exceeds the SAT, or a lower threshold established by a non-Federal entity, formal procurement methods are required. Formal procurement methods require following documented procedures. Formal procurement methods also require public advertising unless a non-competitive procurement can be used in accordance with § 200.319 or paragraph (c) of this section. The following formal methods of procurement are used for procurement of property or services above the simplified acquisition threshold or a value below the simplified acquisition threshold the non-Federal entity determines to be appropriate: Sealed bid, proposals, and non-competitive procurement.</p>
<p>Food Service Subject Matter Expert</p>	<p>A professional with advanced knowledge in the procurement of food for and food service. (Ex. School food service director, food procurement specialist)</p>
<p>Forecast</p>	<p>The process of estimating future quantity needs for procurement. It requires in-depth knowledge of upcoming menus and projecting the number of servings needed for every purchase period, including special meal events planned each school year. Forecasting is an essential element of effective food service purchasing.</p>
<p>GDSN (Global Data Synchronization Network)</p>	<p>An internet-based network that enables trading partners to exchange product-identification data in a standardized way in real time.</p>
<p>Group Purchasing Organization (GPO)</p>	<p>An entity formed to leverage the purchasing power of many businesses to obtain better pricing for its member businesses. This service must be procured with a competitive procurement process.</p>
<p>Global Trade Identification Number (GTIN)</p>	<p>Number unique to each product used by GDSN to make detailed information available in real-time.</p>
<p>Ingredients of Concern</p>	<p>School food leaders and manufacturers committed to improving the overall quality, nutritional value, and safety of food provided to all students have identified unwanted ingredients to eliminate, and those to watch out for as new food products are developed and others are modified. The guide is updated bi-annually and available on participating organization websites www.urbanschoolfoodalliance.org and ingredientguide.org.</p>
<p>Local Procurement</p>	<p>Local procurement options differ greatly across communities depending on district and school size, proximity to agricultural areas, growing season, and demographics. Defining local will help districts understand market availability and enable them to write solicitations with those market conditions in mind. Districts may adopt definitions in use by state agencies, or schools can define local however they see fit. If Local is used in any specifications, as allowed by the Geographic Preference Rule, the district MUST have a documented definition in the solicitation. There is no Federal definition of local.</p>
<p>Market Basket</p>	<p>Practice of awarding contracts based on an evaluation of the lowest price a vendor can offer for a representative sample of goods. Market baskets are used to evaluate bids/proposals in a solicitation for awarding a contract. FNS provides clarity as to how to ensure this evaluation and award process is compliant with the federal procurement standards. Program regulations at 7 CFR 210.21, 215.14a, 220.16, 225.17, 226.22, and 250.4(d) direct program operators to comply with procurement requirements as outlined in these regulations.</p>
<p>Market Reports</p>	<p>Agricultural Marketing Service (AMS) provides free, unbiased price and sales information to assist in the marketing and distribution of farm commodities. Each year Market News issues thousands of reports, providing the industry with key wholesale, retail, and shipping data. The reports give farmers, producers, and other agricultural businesses the information they need to evaluate market conditions; identify trends; make purchasing decisions; monitor price patterns; evaluate transportation equipment needs; and accurately assess movement.</p>

Material Change	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 of the change in scope. Examples: unanticipated increases in purchase volumes or delivery areas, additional districts joining a solicitation or cooperative. If a material change occurs, a new solicitation is required.
Recipient Agency (RA)	Any of the following organizations within a State eligible to receive USDA Foods: schools (public and private), residential childcare institutions, charitable institutions, nutrition programs for the elderly, summer camps, Summer Food Service Program participants, and soup kitchens.
Request for Proposal (RFP)	A Request for Proposal (RFP) is a formal procurement option. The 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. The RFPs 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. The RFP is used when price, while still the major consideration, is only one of the evaluation criteria used to determine the best products or services that meet the specifications. The RFP allows for negotiations and evaluation criteria to obtain the best value for the price and is considered the best practice for good school food procurement.
Specifications	A concise statement of a set of requirements to be satisfied by a product including GTIN/GDSN data. Food Specification layout - Name of Product, Description of the Product, Case Pack and Weight, Minimum and Maximum Size and Pieces, Main Ingredient(s), Other Product Ingredients, Prohibited Ingredients, Nutritional Standards, Unit on Which Award is Made, Quality Indicators, Meal Pattern Requirements/Child Nutrition (CN) Label, GTIN.
Standard Operating Procedures	A standard operating procedure (SOP) is a set of step-by-step instructions compiled by an organization to help workers carry out routine operations. SOPs aim to achieve efficiency, quality output, and uniformity of performance, while reducing miscommunication and failure to comply with regulations.
USDA Foods	<p>The USDA Foods Program (formerly known as The USDA Commodity Distribution Program) provides approximately 15-20% of the food served in the National School Lunch Program (NSLP). The program, established in 1935, serves two key roles: to support American agriculture and to provide nutrition assistance to children and families. USDA Foods are distributed to nutrition assistance programs through school lunch programs, emergency feeding (pantries), food distribution on Indian Reservations, food packages for the elderly and to supplement disaster feeding.</p> <p>Schools can elect to receive “direct delivery” USDA Foods for on-site preparation (formerly known as brown box) divert USDA Foods to a manufacturer for further processing to make into usable end products such as fully cooked hamburgers or chicken patties or divert funds to the Department of Defense (DoD) fresh fruit and vegetable program.</p>
USDA Foods Tracker	<p>Third-party tracking programs to help schools, distributors, and manufacturers track the drawdown of USDA Foods pounds and dollars in further processed commodities. Using these free tracker tools helps districts ensure they are using their full entitlement dollars throughout the school year.</p> <p>K12 Food Service</p> <p>Processor Link</p>
Values based procurement	The Common Market - Driving Values Based Procurement