

URBAN SCHOOL
FOOD
 ALLIANCE
 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, SFSP must follow [USDA procurement regulations](#), not Education Department of General Administrative Regulations (EDGAR). This self-assessment tool measures procurement strategies beyond compliance with federal regulations that can result in better food, controlled costs, and improved chain.

INSTRUCTIONS

1. Review the tool before beginning. (Helpful Definitions can be found in Appendix).
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.
4. Tally the Score.
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 practices discussions with vendors, is clearly outlined including pre bid meeting, question period, submission deadline, award of contract, and service period.

The Procurement Plan Subtotal ___ / 2

THE SOLICITATION FOR FOOD

- The procurement method is determined using the [federal procurement thresholds](#) not more restrictive district thresholds. The bid period is 1 year renewable for 4 additional years, with scheduled contract review and economic price adjustment clause with 6-month price adjustment based on established [market reports](#).
- A Request for Proposal (RFP) is used for the formal procurement method using several factors to evaluate the proposals. Includes criteria for changes to the contract for the addition or removal of products, changes in volume, piggybacking or other contract modifications. A [material change](#) in the contract may require a rebid.
- Utilize a comprehensive electronic solicitation process including submission of bid responses. Prime Vendor is used for 70-85% of food and supplies. A secondary vendor is selected to encourage smaller vendors and reduce supply chain interruptions.
- Clear information is provided about the evaluation criteria for the solicitation. Price must be a primary factor but is not required to be 51% or greater.

The Food Solicitation Subtotal ___ / 7

TECHNICAL REQUIREMENTS

- Specifications are a concise statement of a set of requirements to be satisfied by a product including GTIN. Remove restrictions on delivery times and location restrictions to offer a broad delivery window and facilitate delivery, optional night drop delivery.
- Accurate volume in solicitation is based on cycle menu, standardized recipes, and usage forecasts. Pay invoices in 14 days to take advantage of quick payment incentives and operate more like a commercial account for more favorable prices and interest from vendors.
- Logistics - minimize the number and frequency of drops, utilize a district warehouse or dispersed production hubs.

Technical Requirements Subtotal ___ / 5

MENU

- Cycle menus are written to utilize each item in 4+ recipes. Conduct a food cost analysis of the planned menu and modify it to meet food cost targets.
- Cycle menus include planning for USDA Foods. Identify menu items that have low participation and have a process to replace these items.
- Simplify menu choices to reduce waste and production costs.
- Use local or regional foods to stabilize the supply chain and increase sustainability.

Menu Subtotal ___ / 6

DAIRY

- Purchase shelf stable milk to reduce delivery frequency, storage costs, waste, refrigeration needs and energy costs.
- Adequate milk storage is available to reduce deliveries to less than 3 per week to increase drop volume.
- Milk contract is a multiyear contract with economic price adjustment clause tied to [USDA Market Administrator – Central Federal Order for raw milk](#) minimum prices for the relevant period.

Dairy Subtotal ____ / 3

USDA Foods

- 100% use of entitlement used by February of the school year to allow opportunity to receive bonus USDA Foods from the state distribution agency.
- USDA Food is not free. The cost of the food is the donated food value + processing fee + storage and state fees = total food value. Think of entitlement as dollars in your food service budget.
- Utilize third party USDA Foods trackers ([K12 - Food Service, Processor Link](#)) to track utilization and draw down of entitlement.

USDA Foods Subtotal ____ / 3

CONTRACT MANAGEMENT

- Commit to purchase the full volume that is included in the solicitation or work with the vendor to identify alternate products to fulfill the commitment.
- 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.
- Schedule and conduct regular contract performance meetings with distributor, broker manufacturer representative.

Contract Management Subtotal ____ / 3

OUTSOURCING PROCUREMENT

- 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.
- Take advantage of rebates and points programs and provide detailed procurement data through [Clear Vu](#), [Cool School Prime](#), [IPS Rebates](#), and other programs.
- 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.

Outsourcing Procurement Subtotal ____ / 3

VALUES-BASED PROCUREMENT

- Identify district values-based procurement goals and include in solicitation.
- Local Procurement - Define local for the district there is no federal definition.
- Maximize federal, state, and local incentives for values-based procurement.
- Sustainability (Waste reduction, lower environmental impact, social impact).
- [Ingredients of Concern](#)
- Contracting & Subcontracting with MWBE, Small Business, and Labor Surplus Area Firms.

Values-Based Procurement Subtotal ____ / 6

PROCUREMENT SCORECARD TOTAL

The Procurement Plan ____ of 2	USDA Foods ____ of 3
The Solicitation for Food ____ of 7	Contract Management ____ of 3
Technical Requirements ____ of 5	Outsourcing Procurement ____ of 3
Menu ____ of 6	Values-Based Procurement ____ of 6
Dairy ____ of 3	Scorecard Total ____ of 37



Bronze 11-19

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



Silver 20-28

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



Gold 29-37

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 Appendix

Definitions

Child Nutrition (CN) Label	A Child Nutrition (CN) label or a Product Formulation Statement (PFS) provide meal pattern contribution information for commercially prepared, combination food items. CN labels are available only for main dish entrees that contribute to the meat/meat alternate component of the meal pattern.
Cycle Menu	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. And, at the end of the cycle, the menu is repeated.
Economic Price Adjustment	<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. Use data from Bureau of Labor Statistics. The CPI index that is used is from the following web page: CPI index food away from home. This index is preferred because the USDA uses this index for the National School Lunch Program yearly funding increases.</p> <p>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 increase 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. The Vendor may use the preceding six (6) months. Vendor may provide alternate documentation if BLS data is not available. Acceptability of alternate documentation is at the discretion of the district. If a fuel surcharge is allowed include the price index, documentation, and frequency in the agreement.</p>
Electronic Procurement Software	E-procurement software is a cloud-based solution providing tools that facilitate each state 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.
Entitlement	Once approved for the National School Lunch Program, the school can choose to receive USDA Foods. That school will then receive entitlement dollars to purchase USDA Foods. The entitlement dollars made available to each Recipient Agency are calculated by multiplying the number of lunches claimed in the previous school year by an established per-meal rate updated each year in July. This entitlement is issued to states which, in turn, communicate allocations, known as the Planned Assistance Level, to each Recipient Agency according to the number of meals claimed.
Forecast	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. Forecasting is an essential element of effective foodservice purchasing.
GSDN (Global Data Synchronization Network)	The GSDN is an internet-based network that enables trading partners to exchange product-identification data in a standardized way in real time.
Group Purchasing Organization (GPO)	An entity that is formed to leverage the purchasing power of many businesses to obtain better pricing for its member businesses.
GTIN	Global Trade Identification Number is unique to each product used by GSDN to make detailed information available in real time.
Ingredients of Concern	School food leaders and manufacturers who are 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.

Local Procurement	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, schools can define local however they see fit. There is no Federal definition of local.
Market Basket	Practice of awarding contracts based on an evaluation of the lowest price a vendor can offer for a representative sample of goods. This practice is used to evaluate bids/proposals to 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 CFT 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 those parts.
Market Reports	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.
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 adding additional agencies. Some examples would be unanticipated increases in purchase volume or delivery area.
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.
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 that service school children through school meal programs, emergency feeding (pantries), food distribution on Indian Reservations, food packages for the elderly and to supplement disaster feeding. This entitlement program provided over 2.2 billion dollars in food assistance to eligible Recipient Agencies (RA) in FY2015, with schools receiving almost 75% of the USDA Foods offerings.</p> <p>The Funds (entitlement) allocated to States are based on a yearly established per meal rate. While USDA Foods is a federal program, it is administered to RAs through State Distributing Agencies (SDA). The yearly meal rate published by USDA can be found at: https://www.fns.usda.gov/usda-fis/value-donated-foods-notices. 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	Third party tracking programs to help schools, distributors and manufacturers track the USDA Foods pounds and dollars in further processed commodities.