

Procurement/Buy American

It is the time of year when folks are putting out bids and making plans for food purchases for the next year. A single site for USDA Procurement Regulations can be found at <http://www.fns.usda.gov/farmtoschool/usda-procurement-regulations>.

It is important to use competitive practices when purchasing all items in all programs. Do you remember hearing with disgust about extremely expensive hammers and toilet seats that various federal agencies have purchased? It would be easy to fall into that same trap, though not on the same scale, if you do not compare prices and make sure you have good purchasing policies and procedures. No matter what you are buying, there should be methods of price comparison and, in some cases, formal bids.

When using nonprofit food service account funds, School Food Authorities (SFAs) must follow their own State and local rules except where those rules are inconsistent (less restrictive) with the federal requirements.

In those cases, the SFA must substitute and follow the more restrictive federal requirements at 7 CFR 3016 and 3019.

When procuring goods and services for the school meal programs, an SFA must determine whether they will use an informal or formal method of procurement. It is important for SFAs to understand and then identify which method best meets the needs of their food service operation.

The procurement methods are designed to provide free and open competition and ensure that Federal funds—when used to purchase products or services—result in the best and most responsive product at the lowest possible price.

More information on procurement is available on the USDA Farm to School website at <http://www.fns.usda.gov/farmtoschool/faqs-procurement#1>. The National Food Service Management Institute has procurement training sessions available online. Go to <http://www.nfsmi.org/> and type the word procurement in the search box.

When purchasing foods with federal funds, food authorities (SFAs) must purchase domestically grown and processed foods, to the maximum extent practicable. Purchases made with funds from the nonprofit school food service account need to comply with the Buy American provision. In accordance with the Buy American provision SFAs must still follow the applicable procurement rules calling for free and open competition (SP20-2006). Concern has been raised that there may not be adequate quantities of our staple canned fruit products for the coming year. According to the USDA memo, two exceptions, while rare, may warrant a waiver to permit purchases of foreign food products are: 1) the product is not produced or manufactured in the U.S. in sufficient and reasonable available quantities of a satisfactory quality; or 2) competitive bids reveal the costs of a U.S. product are significantly higher than the foreign product. Note that the exception is the result of a competitive bid, not just word of mouth. It may also be worthwhile to check out alternate products that can be used. There are not fruit sub-group requirements like there are for vegetables. As an example, if you usually offer peaches, can you substitute applesauce that will fit into the menu plan? Work with your supplier to think about alternatives and their cost to help you think about what to put on your bid.

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