

The Procurement Review Process



1 hour Professional Standards Training

The background of the slide is a solid green color. Overlaid on this background is a faint, semi-transparent image of a green folder with a white 'Buy' sticker on it. Behind the folder, the keys of a keyboard are visible, also in a semi-transparent green style.

PROCUREMENT REVIEW

**CHILD NUTRITION PROGRAM
ADMINISTRATION**

Procurement Review Process



- SFA completes Procurement Review Worksheet
- SED selects a sample of vendors from each procurement method and requests additional documents for these vendors
- SED completes procurement review and documents any findings, corrective action, and technical assistance

The Procurement Review Worksheet

[illegible]

Procurement Review Sheet

Documents to Submit

- Purchasing Policy
- Purchasing Code of Conduct
- Vendor Paid List

Request for Procurement Documentation

SFA Name:

SFA LEA Code:

Reviewer Name:

Due Date:

Based on the procurement information you previously provided, SED has selected to review the following 2018-19 procurements. Please provide copies by close of business, on the due date listed above of the procurement information indicated for the vendors listed in each procurement category. Include any additional information requested in this email with your submission.

Please let me know if you have any questions. These items can be scanned in and emailed to me or copied and mailed in to my address below:

*NYS Education Department
Child Nutrition Program Administration
89 Washington Ave Room 375 EBA
Albany, NY 12234*

Micro Purchases

Micropurchases		<input type="checkbox"/> N/A
Vendor(s) Selected:		
For each vendor selected, submit:		
✓ Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months, or 1 per quarter)		
Please answer the following questions for each selected vendor:		
1. Explain how it was determined that the prices of the products purchased were reasonable:		
Vendor Name:		

Purchases made without first soliciting competitive quotes (Must be under \$10,000)

SED will request:

- Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months, or 1 per quarter)
- SFA must explain how it was determined that the prices of the products purchased were reasonable
- SFA must explain how purchases were equitably distributed among qualified sources

Small/Informal Purchases

- Vendors were informally contacted for quotes prior to purchasing(must be below the small purchase threshold)

SED will request:

- Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months, or 1 per quarter)
- Solicitation Document (showing what was solicited for)
- Responses Received (price rate/quotations)

Small/Informal Purchases		<input type="checkbox"/> N/A
Vendor(s) Selected:		
For each vendor selected, submit:		
✓	Solicitation Document (showing what was solicited for)	
✓	Responses Received (price rate/quotations)	
✓	Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months. or 1 per quarter)	

Formal Contracts (BOCES & Other)

Formal Contracts/Sealed Bids		<input type="checkbox"/> N/A
Vendor(s) Selected:		
For all BOCES contracts selected, submit:		
✓	Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months, or 1 per quarter) *For fixed-price contracts with price adjustment provisions, provide one invoice per month during which the price was fixed, or one for two months during which the price(s) were adjusted	
✓	Contract Performance Documentation (description of procedures used by the SFA to ensure contractors performed in accordance with the terms, conditions, and specifications of the contract)	
✓	Final contract awarded	
For all other contract selected, submit:		
✓	Cost/Price Analysis (SFA's independent estimate before receiving bids or proposals)	

Food Service Management Company Contracts

Food Service Management Companies (FSMC)		<input type="checkbox"/> N/A
Vendor(s) Selected:		
For each vendor selected, submit the following:		
✓ 3 FSMC monthly operating statements and corresponding invoices (1 per month for 3 consecutive months)		
Please answer the following questions:		
1. Was an advisory board composed of parents, teachers, and students established to assist in menu planning? <input type="checkbox"/> Yes <input type="checkbox"/> No		
2. Who from the SFA conducted on-site monitoring of the FSMC operations and how often?		
3. Did the SFA receive discounts, rebates, and/or credits for commercial food and supplies purchased? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
4. Is a reconciliation conducted at least annually and at contract termination to ensure the FSMC has credited the SFA for the full value of all USDA food received?		
<input type="checkbox"/> Yes <input type="checkbox"/> No		
a. If yes, did the SFA receive the full value of USDA foods from the FSMC?		
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
b. If the SFA did not receive the full value of USDA foods from the FSMC, did it pursue the variance with the FSMC and come to a resolution?		
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

- 3 Monthly Operating statements
- Corresponding invoices (must be consecutive)
- Value of USDA foods

Processing Contracts

Processing Contracts for USDA Foods	<input type="checkbox"/> N/A
1. What was the USDA Food entitlement dollar value/pounds received for processing contracts?	
<div></div>	
Vendor(s) Selected: <div></div>	
For each vendor selected, submit the following:	
<div>✓ OGS Direct Diversion Report and OGS report detailing the amount of USDA foods received by the SFA for the 2017-2018 school year</div>	
<div>✓ SFA's independent Cost/Price Analysis (for formal contracts)</div>	
<div>✓ Solicitation documentation (showing what was solicited for)</div>	
<div>✓ Responses received</div>	
<div>✓ Evaluation criteria and scoring results used to select the contractor (for competitive proposals – RFPs)</div>	
<div>✓ Final contract awarded and contract notification documentation (for formal contracts)</div>	
<div>✓ Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months, or 1 per quarter) *For fixed-price contracts with price adjustment provisions, provide one invoice per month during which the price was fixed, or one for two months during which the price(s) were adjusted</div>	
<div>✓ Final contract awarded and contract notification document</div>	
<div>✓ Amended contract language, as applicable</div>	
<div>✓ Contract renewals, as applicable</div>	

- Vendors who were informally contacted for quotes prior to purchasing must be below the small purchase threshold

SED will request:

- Purchase orders and vendor receipts/invoices (3 from one month, 1 per month from 3 consecutive months, or 1 per quarter)
- Solicitation Document (showing what was solicited for)
- Responses Received (price rate/quotations)
- Direct Diversion sheet from OGS

SFA Name:		Corrective Action Plan & Technical Assistance	
Vendor(s)	Finding(s)	Corrective Action	Technical Assistance
Procurement Review: Micro Purchases			
<input type="checkbox"/>	<input type="checkbox"/> Based on a review of invoices/receipts, the SFA utilized the micro purchase method for vendor transactions above the \$10,000 threshold. [2 CFR 200.320(a)]	<input type="checkbox"/> The SFA will ensure that all micro purchase transactions are below the \$10,000 threshold. In the future, the SFA will conduct the appropriate method of procurement in accordance with all federal, State and local procurement regulations and requirements.	<input type="checkbox"/> Methods of Procurement Guidance on Procurement Methods
<input type="checkbox"/>	<input type="checkbox"/> If the SFA paid a membership to a club warehouse, third-party entity, etc., the purchases made from this entity were not necessary, reasonable, and/or equitably distributed among all qualified sources/vendors. [2 CFR 200.320(a)]	<input type="checkbox"/> The SFA will ensure all purchases made from club warehouses, third-party entities, etc. are necessary, reasonable, and equitably distributed among all qualified sources/vendors.	<input type="checkbox"/> Obtaining Quotes <input type="checkbox"/> General Procurement Information
<input type="checkbox"/>	<input type="checkbox"/> Based on a review of invoices/receipts, the SFA was not compliant with equitably spreading purchases among all qualified sources/vendors. [2 CFR 200.320(a)]	<input type="checkbox"/> To the extent practicable, the SFA will distribute micro-purchases equitably among all qualified sources/vendors.	<input type="checkbox"/> Micro Purchase Procedures CN Snip-Its on Micro Purchases
<input type="checkbox"/>	<input type="checkbox"/> The SFA was not compliant with maintaining sufficient records to detail the significant history of the procurement process. [2 CFR 200.318(i)]	<input type="checkbox"/> The SFA will ensure that records are sufficiently maintained to detail the significant history of the procurement process. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of the contract type, solicitation documents/specifications, contractor selection or rejection, and the basis for the contract price (as applicable). These records, along with all other procurement documentation, will be retained on file for three years plus the current year.	<input type="checkbox"/> Micro Purchase Threshold Guidance on Procurement Methods: Thresholds <input type="checkbox"/> Record Retention Relating to Procurement

Corrective Action Plan (CAP) Form

Procurement Review Common Findings



Finding:

-The policy did not have a written code of conduct that provides disciplinary actions for violations by officers, employees, or agents

-The SFA did not take steps to ensure that small, minority, and women's business enterprises and surplus labor firms are used when possible.

-The SFA did not equitably spread purchases among all qualified sources when utilizing the micro purchase method

-The SFA did not monitor the FSMC through periodic on-site monitoring

-The SFA did not conduct procurement

Corrective Action:

-The code of conduct will provide for disciplinary actions for violations

-Ensure that small, minority, and women's business enterprises and labor surplus firms are used when possible during all procurement procedures

To the extent practicable, the SFA will distribute micro-purchases equitably among all qualified sources.

-Monitoring the activities of the FSMC to ensure the FSMC is meeting the requirements agreed upon in the management contract

-The SFA will ensure that proper procurement requirements are followed and executed in accordance with federal, State and local regulations and requirements when procuring goods and/or services. A detailed history of every procurement will be kept on file.

IF THIS SEEMS OVERWHELMING...

- START EARLY**
- ASK QUESTIONS**
- SUBMIT REQUESTED INFORMATION BY REQUESTED DATES**
- BE RESPONSIVE**
- USE YOUR TEAM TO GET PREPARED**





This concludes the Procurement
Review Process

New York State Education
Department

- **Child Nutrition Program
Administration**

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