

Frequently Asked Questions

General Procurement

TABLE OF CONTENTS

1.	What is the link to the Texas Department of Agriculture’s guidance regarding procurement?.....	2
2.	Are Contracting Entities (CEs) expected to forecast purchases and review purchases in aggregate for informal procurement methods?.....	2
3.	Is approval needed to utilize the higher micro-purchase threshold?	2
4.	When may a CE request to use a higher micro-purchase threshold?	3
5.	How many quotes are required when utilizing the small purchase procurement method?	3
6.	When is it appropriate to utilize an Invitation for Bids (IFB)?.....	3
7.	When is it appropriate to utilize a Request for Proposal (RFP)?	3
8.	A CE needs to purchase only vended meals and is not seeking any servers or other services. What procurement method should the CE use?	4
9.	A School Food Authority (SFA) seeks services to help manage the operation of their child nutrition program. What procurement method should the SFA use?	4
10.	A CE wants to purchase vended meals, with the addition of servers. The servers will provide the meals to participants and may clean up and remove waste after meal service. The CE is not seeking support to manage the operation. What procurement method should the CE use?	4
11.	Is an emergency procurement request appropriate for maintenance and routine operational repairs, including labor and parts?	5
12.	How may a CE address maintenance and repair if a vendor does not agree to a fixed price for parts?	5
13.	Is an emergency procurement request required regardless of value?	6
14.	Is TDA’s approval for an emergency procurement request required prior to making the purchase?.....	6



Frequently Asked Questions

General Procurement

1. What is the link to the Texas Department of Agriculture's guidance regarding procurement?

For the National School Lunch Program (NSLP) please refer to the Administrator's Reference Manual (ARM) Section 17 Procurement and Section 17a. Procurement Procedures.

For the School Breakfast Program (SBP) please refer to the ARM Section 17 Procurement and Section 17a. Procurement Procedures. The ARM is located at: <https://squaremeals.org/Programs/National-School-Lunch-Program/Policy-ARM>

For the Child and Adult Care Food Program (CACFP) please refer to the CACFP Handbook Section 7000 Financial Management. The CACFP Handbook is located at: <https://squaremeals.org/Programs/Child-and-Adult-Care-Food-Program/Policy-Handbook>

2. Are Contracting Entities (CEs) expected to forecast purchases and review purchases in aggregate for informal procurement methods?

Yes. CEs are expected to forecast purchases to determine the appropriate procurement method, especially for products and services typically procured via the micro-purchase method multiple times throughout the year. During the forecasting and budget process, a good general practice is to consolidate all products and services that fall under the same category and determine the annual cost. Suppose the estimated total annual cost for any such product or service exceeds the micro-purchase threshold. In that case, the CE should determine whether the small purchase method or a more formal procurement method could be more cost-effective than multiple micro-purchases. The CE should document its justification for the method chosen in the procurement file.

3. Is approval needed to utilize the higher micro-purchase threshold?

Yes. CEs may use a higher micro-purchase threshold up to \$49,999.99 if approved by TDA.



Frequently Asked Questions

General Procurement

4. When may a CE request to use a higher micro-purchase threshold?

TDA opens the self-certification option to increase the micro-purchase threshold for CEs operating the National School Lunch Program annually from August 1st to October 31st of each year. Submissions will not be accepted outside of this timeframe. Additional information regarding self-certification, including the link to submit self-certifications, may be found at the below link:

[National School Lunch Program](#)

5. How many quotes are required when utilizing the small purchase procurement method?

TDA recommends that CEs solicit price quotes from at least three responsible and responsive contractors. However, TDA requires a minimum of two price quotes from responsible and responsive contractors to ensure fair and open competition.

6. When is it appropriate to utilize an Invitation for Bids (IFB)?

An IFB is a competitive procurement method for a fixed-price contract where sealed bids are submitted. An IFB is an ideal procurement method to use when the offers only differ in the price for a lump sum or unit pricing. It is commonly used for a fixed-price contract and is most effective when there are clear specifications and/or technical requirements.

7. When is it appropriate to utilize a Request for Proposal (RFP)?

An RFP is a competitive procurement method that includes specifications and/or technical requirements of the product(s) and/or service(s) to be provided under a fixed price (fee) in a cost-reimbursable or firm fixed-price contract where offerors submit a detailed proposal for providing the products and/or services. Careful consideration must be made to ensure that specifications and technical requirements do not limit fair and open competition. An RFP would be used when procuring more complex products and services where an evaluation based on price alone would not be appropriate. An RFP evaluation may consider other factors in



Frequently Asked Questions

General Procurement

addition to price and is awarded to the most responsible and responsive offeror(s) whose proposal(s) provide the best value to the program.

8. A CE needs to purchase only vended meals and is not seeking any servers or other services. What procurement method should the CE use?

For School Food Authorities (SFA) operating school meal programs, including CACFP, the estimated value of the contract dictates the allowable procurement method. For estimated contract values of \$100,000 or more, vended meals must be procured through an IFB or RFP. Those using an IFB must use TDA's template, must obtain TDA approval prior to posting the IFB, and must obtain approval again prior to awarding the proposed selection. If using an RFP for vended meals, the SFA may use its own template, ensuring it meets all federal requirements.

For CEs operating CACFP, vended meals must be procured using TDA's IFB template, regardless of the estimated contract value. The CE must obtain TDA approval prior to posting the IFB. The CE must obtain approval again prior to awarding the proposed selection if either of the following circumstances occurs:

- The CE intends to award a bid other than the lowest bid.
- The bid totals \$50,000 or more.

9. A School Food Authority (SFA) seeks services to help manage the operation of their child nutrition program. What procurement method should the SFA use?

The SFA must competitively procure for a Food Services Management Company (FSMC), using TDA's approved template for an RFP. The SFA must obtain TDA approval prior to posting the RFP and must obtain approval again prior to awarding the proposed selection. FSMC vendors must register with TDA, and SFAs may only award those companies with a current registration. More information about FSMC requirements can be found [here](#).

10. A CE wants to purchase vended meals, with the addition of servers. The servers will provide the meals to participants and may clean up and remove



Frequently Asked Questions

General Procurement

waste after meal service. The CE is not seeking support to manage the operation. What procurement method should the CE use?

For an SFA operating school meal programs, including CACFP, the estimated value of the contract dictates the allowable procurement method. For estimated contract values of \$100,000 or more, vended meals plus servers must be procured through a competitive RFP, and the SFA may use its own template. If the SFA requires any operational management, the SFA must competitively procure an FSMC (see question #9 above).

For CEs operating CACFP, vended meals must be procured using the TDA IFB template (see question #8 above). CEs operating CACFP that intend to procure servers should contact TDA for assistance.

11. Is an emergency procurement request appropriate for maintenance and routine operational repairs, including labor and parts?

No, emergency procurement requests should be limited to a public emergency or an unexpected emergency situation that will not permit a delay in procurement caused by the additional time required for a full competitive solicitation for products and/or services. An emergency situation might include a supplier canceling a contracted delivery without adequate notice, a refrigeration system not cooling to maintain temperatures for food safety, a natural event, or a Presidentially Declared Disaster. CEs are expected to forecast purchases to determine the appropriate procurement method, especially for products and services. In addition, CEs are expected to develop adequate maintenance procedures to keep the equipment in good condition.

12. How may a CE address maintenance and repair if a vendor does not agree to a fixed price for parts?

CEs are responsible for forecasting purchases to determine the appropriate procurement method for maintenance and repair, which includes both labor and parts. Depending on the anticipated costs, TDA recommends issuing a small purchase procurement and soliciting at least three quotes (a minimum of two quotes is required) from qualified vendors or opting for a formal solicitation for maintenance and repair services.



Frequently Asked Questions

General Procurement

Including a list of the district's appliances by brand name can be helpful in the solicitation process. The contract will be awarded based on the vendors' proposed hourly rates for labor. Additionally, the solicitation may include an escalation clause for future price increases related to labor, typically tied to the local Bureau of Labor Statistics data. It is also important to specify in the requirements that repair parts will be provided by the vendor "at cost," meaning there will be no markup from the manufacturer's list price.

If only one responds to the solicitation, it is crucial for the CE to document this outcome in its procurement files as justification for the continued use of the small and/or micro-purchase methods.

13. Is an emergency procurement request required regardless of value?

No, an emergency procurement request is not required for purchases under the micro-purchase threshold of \$15,000. CEs are expected to forecast purchases to determine the appropriate procurement method, especially for products and services typically procured via the micro-purchase method multiple times throughout the year. During the forecasting and budget process, a good general practice is to consolidate all products and services that fall under the same category and determine the annual cost. Suppose the estimated total annual cost for any such product or service exceeds the micro-purchase threshold. In that case, the CE should determine if the small purchase method or a formal procurement method might be more cost-effective than multiple micro-purchases and document justification for the method chosen.

14. Is TDA's approval for an emergency procurement request required prior to making the purchase?

Yes, pre-approval from TDA is required prior to making an emergency purchase. If pre-approval is not obtained, the expense is determined to be unallowable, and Child Nutrition funds may not be used. The CE will need to determine if their General Fund can support the expense.

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Frequently Asked Questions

General Procurement

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- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or
- (2) fax: (833) 256-1665 or (202) 690-7442; or
- (3) email: program.intake@usda.gov.

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