



Division of Child Care & Early Childhood Education
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**Child and Adult Care Food Program and Summer Food Service Program
Procurement Policy**

Name of Organization: _____

Agreement Number: _____ Federal Number: _____

1. Introduction and Purpose

In keeping with its commitment to maintain the highest standards of conduct and ethics, _____ Organization Name has adopted this Procurement Policy (“Policy”) to ensure that goods and services purchased by this organization are obtained in a cost-effective manner and in compliance with applicable federal and state laws.¹

The acquisition processes described in the Policy apply to all purchases made by (1) this organization’s Purchasing Department and (2) this organization’s programs independent of the Purchasing Department by employees, directors, officers, or agents (“The Purchasers”). Purchases may also be subject to prior funding source approval and additional requirements imposed by grants or contracts. Program Directors are responsible for reviewing any such additional requirements, bringing them to the attention of the Purchasing Department, and ensuring that contractors and vendors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

2. Code of Contact

- A. The Purchasers shall not participate in the selection, award, or administration of a contract if they have a real or apparent conflict of interest. Such a conflict arises when:
 - i. The Purchaser; any immediate family member (spouse, child, parent, parent-in-law, sibling, or sibling-in-law); partner; or an organization that employs, or is about to employ, any of

the above has a direct or indirect financial or other interest in or will receive a tangible personal benefit from a firm or individual considered for the contract award.²

- ii. An “organizational conflict of interest” is created because of a relationship this organization has with a parent, affiliate, or subsidiary organization that is involved in the transaction such that this organ is or appears to be unable to be impartial in conducting a procurement action involving the related organization.³

- B. The Purchasers shall not solicit or accept gifts, money, gratuities, favors, or anything of monetary value, except unsolicited items or services of nominal value from vendors, prospective vendors, parties to subcontractors, or any other person or entity that receives, or may receive, compensation for providing goods or performing services for _____
_____ ² Organization Name

3. Procurement Requirements and Considerations

- A. Competition: All procurements shall be conducted in a manner that provides, to the maximum extent practical, full, and open competition.⁴ Procurement shall:
 - i. Avoid noncompetitive practices that may restrict or eliminate competition.
 - ii. Not intentionally split a single purchase into two or more separate purchases to avoid dollar thresholds that require more formal procurement methods.

- B. Profit: For sole source procurements or when cost analysis is used, profit must be negotiated as a separate element of the procurement price.

- C. Minority Owned, Women Owned, and Small Business Vendors:
_____ is committed to taking all
Organization Name
necessary affirmative steps to assure that minority businesses, women’s business enterprises and labor surplus area firms (“MWSB Vendors”) are used whenever possible.

- D. Solicitations: All solicitations shall incorporate a clear and accurate description of the technical requirements for products or services to be procured.

- E. Considerations: The Purchasers should consider taking the following actions when procuring goods and services:
- i. Conduct a lease vs, purchase analysis, when appropriate, including for property and large equipment.⁵
 - ii. Consolidate or break out procurements to obtain a more economical purchase, if possible.⁵
 - iii. Use state and local intergovernmental or inter-entity agreements, or common or shared goods and services, where appropriate.⁶
 - iv. Use federal excess and surplus property in lieu of purchasing new equipment and property, if feasible and reduces project costs.⁷
 - v. Use value engineering clauses to offer reasonable opportunities for cost reductions in construction contracts for projects of sufficient size.⁸
 - vi. Use time and materials contracts only if no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at their own risk. If such a contract is negotiated and awarded, _____ must assert a high degree of oversight to obtain reasonable assurance that contractor is using efficient methods and effective cost controls.⁹

4. Procurement Methods

- A. All procurements: All procurements made under this policy shall:
- i. Be necessary, at a reasonable cost, documented, not prohibited by law or the applicable funding source, and made in accordance with this Policy.¹⁰
 - ii. Avoid acquiring unnecessary or duplicative items.⁵
 - iii. Engage responsible vendors who possess the ability to perform successfully under the terms and conditions of a proposed procurement. The Purchasers shall consider vendor integrity, public policy compliance, past performance record and financial and technical resources.¹¹

5. Documentation

- A. Records: _____ shall maintain records sufficient to detail history of each procurement transaction. These records must include, but are not limited to:

- i. A description and supporting documentation showing rationale for procurement method (e.g., cost estimates);
- ii. Selection of contract type;
- iii. Written price rate quotations (such as catalog price, online price, email or written quote), if applicable;
- iv. Copies of advertisements, requests for proposals, bid sheets or bid proposal packets;
- v. Reasons for vendor selection or rejection, including Finance Committee and Board minutes, rejection letters and award letter; and
- vi. The basis for the contract price.¹²

6. Compliance with this Policy

Program Directors and, where applicable, The Purchasing Department, shall maintain oversight to ensure that contractors and vendors perform in accordance with the terms, conditions, and specifications of contracts or purchase orders.¹³ Violations of this policy may result in disciplinary action, up to and including termination.¹⁴

Signature: _____

Date: _____

Title: _____

Code of Federal Regulations Reference:

¹ 2 CFR § 200.317-326 and 45 CFR § 75.326-335

⁸ 2 CFR § 200.318(g) and 45 CFR § 75.327(g)

² 2 CFR § 200.318 (c)(1) and 45 CFR § 75.327 (c)(1)

⁹ 2 CFR § 200.318(j) and 45 CFR § 75.327(j)

³ 2 CFR § 200.318 (c)(2) and 45 CFR § 75.327 (c)(2)

¹⁰ 2 CFR § 200.403(a)-(c) and 45 CFR § 75.403(a)-(c)

⁴ 2 CFR § 200.319 (a) and 45 CFR § 75.328(a)

¹² 2 CFR § 200.318(i) and 45 CFR § 75.327(i)

⁵ 2 CFR § 200.318(d) and 45 CFR § 75.327(d)

¹³ 2 CFR § 200.318(b) and 45 CFR § 75.327(b)

⁶ 2 CFR § 200.318(e) and 45 CFR § 75.327(e)

¹⁴ 2 CFR § 200.318(c)(1) and 45 CFR § 75.327(c)(1) ⁷ 2 CFR §

200.318(f) and 45 CFR § 75.327(f)