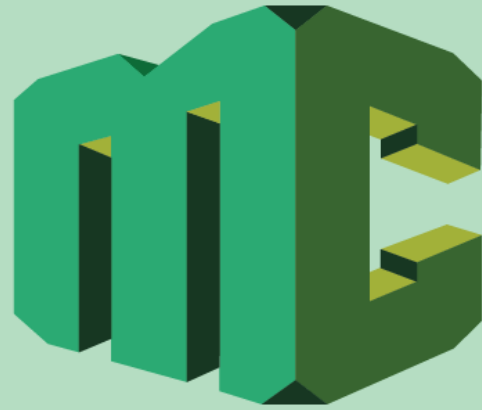


Procurement Pitfalls: Lessons You Can't Ignore



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER



ALEXANDRA MOLINA

TDA SCHOOL OPERATIONS

DIRECTOR

FOOD AND NUTRITION

DIVISION



Meet our Speaker



Alex Molina

Director of School
Operations



What We Do

TDA Food & Nutrition
School Operations

Questions & Resources





Acknowledgement Statement

You understand and acknowledge that:

- The training you are about to take does not cover the entire scope of the program; and that
- You are responsible for knowing and understanding all handbooks, manuals, alerts, notices, and guidance, as well as any other forms of communication that provide further guidance, clarification, or instruction on operating the program.

Why Does This Matter?



Communication



Collaboration



Compliance



Overview

Bridging Terms

Procurement Process & Common Findings

Procurement Scenarios

Q&A Time



Bridging Terms Between Departments

Child
Nutrition

Business Office
Procurement
Official



Bridging Terms

Child Nutrition	Business Office
	Procurement Official
Contract Management	Contract Management
Procurement Thresholds	Simplified Acquisition Thresholds
Geographic Preference	Geographic Preference



Bridging Procurement Processes Between Departments

Cyclical
Planning

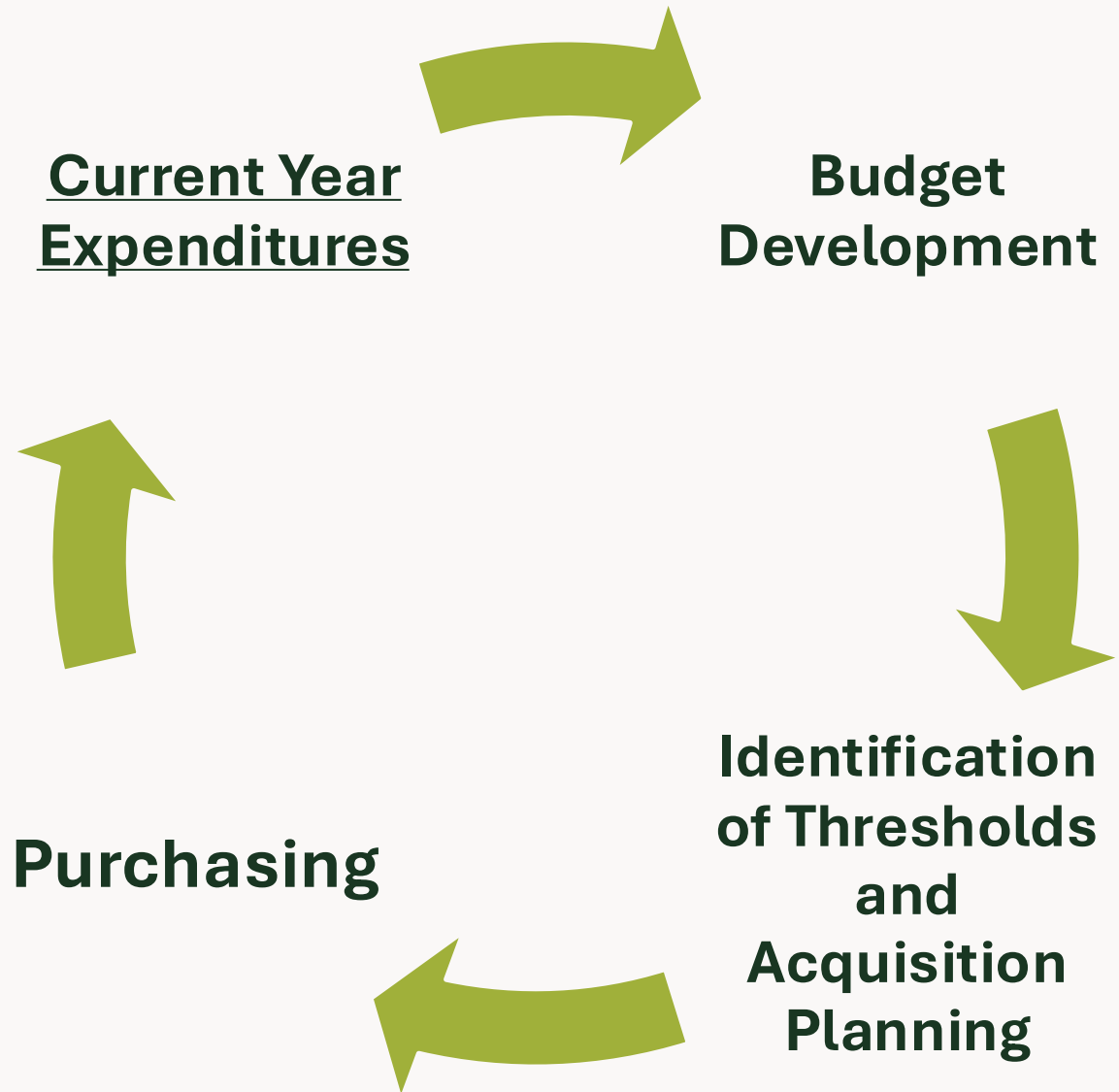
Effective
Systems

Review
Frequency

Review Areas

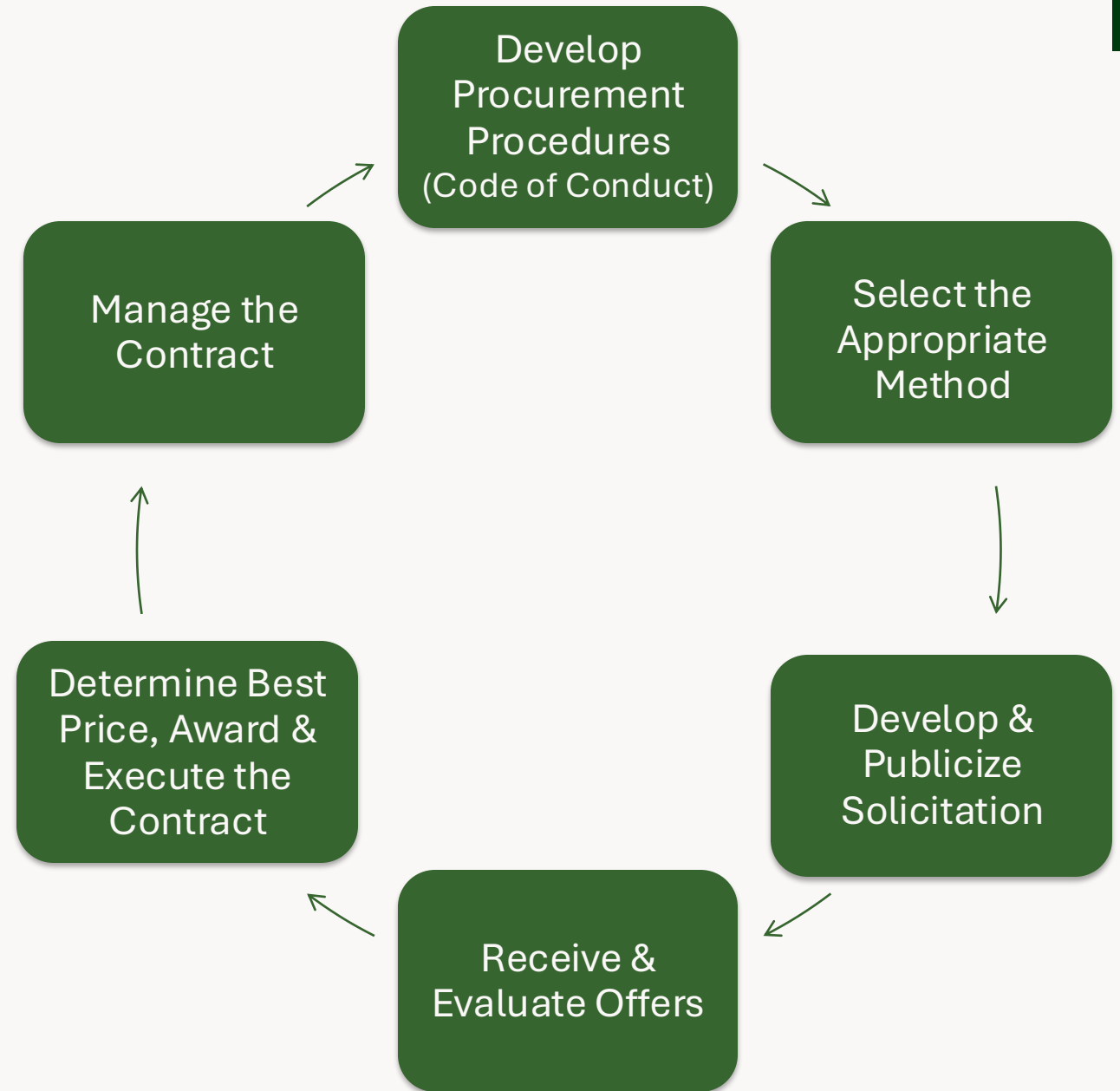


Cyclical Planning





Effective Procurement System





Procurement Review Frequency



Self-Op CEs



FSMC

Additional reviews as needed



Procurement Review Areas



Procurement
Procedures



Purchasing
Documents



Other



Procurement Top Findings





Common Procurement Findings



Over
Responsive



Contract
Management



Limiting Fair &
Open Competition



Over Responsive



Additional Services



Contract Management



Invoice Findings



Good & Services



FSMCs



Vended Meals



Contract Management: Consultants



Intended to be
Short Term



Can't Provide
Duplicate
Services



Can't Provide
Compliance
Support



Limiting Fair & Open Competition



Overresponsive
Awards



Arms-Length
Transaction Awards



Published
Evaluation Criteria
Not Followed



Catalog
Bids



How To Avoid Findings



Cyclical Planning



Document Review
by ESC



What Would You Do?





Scenario One:

A school district purchased a freezer for \$16,000 using a Group Purchasing Organization Quote.



Question: What considerations should be made before completing the purchase?

Answer:

Is it an allowable expense?

Is the price reasonable: cost/price analysis?

Which threshold should be applied?

Do you need TDA approval prior to purchase?



Question: Does TDA need to approve the purchase?

Answer:

Yes. As of October 1, 2024, equipment purchases over \$10,000 require prior approval.



Question: Why is the quote unallowable?

Answer:

Since a small purchase threshold is required, at least two quotes are required from qualified vendors.



Scenario Two:

A district is interested in purchasing produce grown within 50 miles of the district and only during the time of year when the produce is in season.





Question: How can the district do this without an RFP?

Answer:

Great News!

USDA allows small purchases to be used in place of formal procurement, provided that no item on the invoice exceeds the small-purchase threshold.



Remember:

The specification is clear if it includes a local definition in the quote that covers **sizing, grade, and packaging**, and **does not limit fair and open competition**.



Carrots, any size, grown within 50 miles



Carrots, cut and packaged in 3-oz packages.



Scenario Three:

A district is interested in purchasing local beef that is a higher cost than the products from a currently awarded RFP or Cooperative.





Question: What should the district consider?

Answer:

What is the district defining as local?
Can this preference be added to an existing RFP or will a new solicitation need to be made?

What is the projected annual cost for these products?



Remember:

If a school district prefers local products, the solicitation must include a definition of the term “local” to avoid limiting fair and open competition.

Ex: 50 miles, state of Texas, domestically grown



Scenario Four:

A district is interested in implementing new guidance allowing whole milk for lunch. Because this is new, neither the cooperative nor the RFP includes whole milk.





Question: What can a district do?

Answer:

- Cost/price analysis.
- Small purchase while it is being added to RFP or Cooperative.
- Conduct IFB if it exceeds \$100,000.
- **Documentation is key!**



Questions?



Leave Us Your
Feedback!



Contact Us



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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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