



STATE OF MAINE
DEPARTMENT OF EDUCATION
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March 1, 2021

**RSU 37 School Nutrition Program
SY 2021 Procurement Review Report**

A procurement review of the RSU 37 School Nutrition Department's procurement practices of SY 2020 was conducted to ensure compliance with Federal Regulations 2 CFR 200, 7 CFR 210, as well as applicable local laws.

Please note, in this report "solicitation" and "bid" are used interchangeably.

Summary: RSU 37 puts out a solicitation for milk and bread. The solicitation was formal in nature; however, was evaluated using an informal process. For purposes of the review, the bid was evaluated based on an informal process (small purchase) and findings are listed below. Only one milk and one bread vendor responded to the bid and staff noted the time it takes to put out solicitations each year. In the future, the district may want to consider collecting two price quotes and going with the lowest price of the vendor that meets all of the criteria, rather than doing a bid process.

Code of Conduct: No findings.

Procurement Procedures: The school nutrition department does not have written procurement procedures as required by 2 CFR 200.318. Maine School Management Association (MSMA) has a sample policy template, and the Maine DOE, Child Nutrition office also has sample procedures that can be adopted and are some options to consider.

It was also noted that the school nutrition department does not have a small purchase threshold (SPT), or an established dollar amount before going out to bid. The district would then default to the federal threshold, which is \$250,000. If the district would like to be more restrictive, they can be; however, the SPT should be written into the procurement procedures so it is clear for food service staff when making purchases, such as food and equipment.

Required Corrective Action: *Adopt written procurement procedures that comply with federal procurement regulations. Send a copy to the reviewer.*

Date Due: May 14, 2021

Micro-Purchases- No findings.

Small Purchases- The solicitations for milk and bread were reviewed. It was found that the solicitations did not meet procurement regulations and detailed feedback was provided on the necessary revisions. Suggestions were also provided with the goal of providing a more clear description of the terms and conditions of the bid.

Required Corrective Action: *Revise milk and bread solicitations to comply with procurement regulations and send a copy to the reviewer.*

Date Due: April 1, 2021

Small Purchases- RSU 37 purchases beverages from Pepsi Cola for a la carte and vending machine items. Because the school nutrition department is purchasing beverages using federal funds, they must follow federal procurement regulations. A prior contract existed between the school district and Pepsi; however, was not available for review, and therefore the district will need to look at which purchasing method to use in the future. If a formal process is used, such as an Invitation for Bid (IFB), the solicitation documents and contract must meet federal requirements. When using an informal process, the nutrition department must either use the micro purchase method (purchases are spread equitably among vendors) or small purchase method (a price comparison is completed between vendors and the vendor with the lowest price gets the purchase).

Required Corrective Action: *Submit a plan for which purchasing method will be used in the future, to ensure procurement regulations are being followed.*

Date Due: April 1, 2021

We appreciate the assistance provided throughout the review process. Feel free to contact me with any questions at stephanie.stambach@maine.gov or 207-215-9437.

Sincerely,

DocuSigned by:

Walter Beesley

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Walter Beesley, Child Nutrition Director

WB/SS/pp

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