Pacific Elementary School District Food Service Department
Procurement Procedures

Procurement Procedures General Information

Procurement is a multistep process for acquiring the best possible goods and services at the lowest possible price. The Pacific Elementary School District (PESD) will purchase goods and services for use in the School Nutrition Programs in compliance with Title 2, *Code of Federal Regulations* (2 *CFR*), sections 200.317–200.327, Title 7, *Code of Federal Regulations* (7 *CFR*), parts 210 and 220, and all applicable state and local rules.

In accordance with Public Contract Code Section 20116, PESD cannot deliberately split transactions into amounts below the Simplified Acquisition (aka Small Purchase) threshold to circumvent using the formal procurement method.

When making procurement decisions, the PESD will follow the following four fundamental principles of procurement:

1. Comply with the Buy American Provision by purchasing, to the maximum extent possible, agricultural commodities and products grown and processed in the United States per 7 CFR, Sections 210.21(d) and 220.16(d).

2. Understand and comply with federal, state, and local regulations. This includes California Food and Agriculture Code (FAC) Sections 58595 and 58596.1-5 (when applicable).

3. Ensure that full and open competition exists to the maximum extent possible, as outlined in 2 *CFR*, Section 200.319(a).

4. Award contracts to responsible and responsive bidders.

Methods of Procurement

1. **Micropurchase Method (2 *CFR*, Section 200.320[a])**

   Micropurchases may be awarded without soliciting competitive quotations or comparing prices among qualified suppliers if the following two conditions are met:

- The aggregate amount of the procurement transaction does not exceed $50,000. In accordance with 2 CFR, Section 200.320(a)(1)(iv), increasing the threshold up to $50,000 requires a self-certification process.

    - PESD staff considers the price to be reasonable, based on research, experience, purchase history, or other information, and maintains documents to support its conclusion. Documentation (e.g., receipts and invoices) shall be maintained for the prior three years plus the current Program Year (PY), or until the next California Department of Education (CDE) review, to document reasonable costs. In either case, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit (7 CFR 210.23).
- This SFA qualifies as a low-risk auditee and self-certifies for the $50,000 micropurchase threshold, effective December 15, 2021. Justification for the higher threshold includes our rural location, staffing shortages, and ongoing supply chain issues, as well as the increased cost of food due to inflation.

PESD will distribute micropurchases equitably among qualified suppliers to the extent practical. PESD will ensure that purchases are made at a variety of vendors where possible. PESD will not limit its purchases to only one vendor unless it is not practical to equitably distribute.

Micropurchases are used for goods and services that are needed on an emergency basis or for items that are needed occasionally (e.g., gluten-free products). It is not intended to be used to avoid a small/informal or formal procurement.

2. **Simplified Acquisition Method of Procurement (2 *CFR*, Section 200.320[a][2])**

The Simplified Acquisition method is used to procure goods and services when the aggregate value of the purchase is equal to or less than the small purchase threshold adhered to by PESD. PESD does not have a local small purchase threshold; therefore, PESD is required to adhere to the federal small purchase threshold of $250,000. PESD will check the Federal Acquisition Regulation (FAR), Part 2, on the Acquisition.gov Web page at https://www.acquisition.gov/?q=browsefar annually on January 1 to verify the federal small purchase threshold.

Per California *Public Contract Code* (*PCC*) Section 20116, for the purpose of securing informal bids, the PESD administrative office will publish a notice inviting contractors to register to be notified of future informal (small purchase) bidding projects. PESD will publish this notice every July 1 in a newspaper of general circulation published in the county. All contractors included on the informal bidding list will be notified of all informal bid projects through an e-mail list maintained by PESD. All contractors will remain on this list until they request to be removed or notification is received that they are no longer a potential or viable vendor.

PESD will follow the following steps when conducting procurements using the small purchase method:

- **Step 1:** The PESD food services director (FSD**)** will develop and provide a clear and accurate description of the technical requirements of the goods or services to be procured to potential sources per 2 *CFR*, Section 200.319(c)(1), including the requirement to comply with the Buy American Provision per 7 *CFR*, sections 210.21(d) and 220.16(d), California FAC Sections 58595 and 58596.1-5 when procuring food. The same specifications will be provided to each potential vendor so that each vendor can provide price quotes on the same goods or services.

- **Step 2:** Price or rate quotations will be obtained from a minimum of two responsible and responsive sources. Price quotes can be documented in writing per PESD's policy. Price quotes provided verbally by a vendor must be documented by the PESD FSD on the PESD Small Purchase Quotation form, available at the district administrative office.

  PESD Simplified Acquisition Quotation forms and other forms of written quotes submitted by potential vendors will be retained by the PESD FSD with other related procurement documentation (e.g., invoices) for a period of three years plus the current School Year (SY) or until the next CDE review. In either case, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit (7 CFR 210.23).

- **Step 3:** The PESD FSD and Superintendent will evaluate the quotes received based on the stated evaluation criteria in order to determine responsiveness. For simplified acquisitions, if the FSD cannot find two or more sources meeting their specifications, it will document the reasons and note any efforts to broaden the specifications to obtain more quotes. If only one supplier/vendor is responsive, then it might be more advantageous to join a cooperative, piggyback off another district's contract, or seek out an inter-agency agreement (where possible).

- **Step 4:** The PESD FSD and Superintendent will evaluate the written responses and references received based on stated evaluation criteria to determine responsibility.

- **Step 5:** The PESD FSD and Superintendent will award small purchases to the lowest-priced responsible and responsive vendor.

- **Step 6:** The PESD FSD and Superintendent will monitor the contract to ensure goods or services solicited for are the ones received, and all

deliverables are met per 2 *CFR*, Section 200.318(b).

The PESD FSD will periodically check and update procedures for any changes to the micropurchase and Simplified Acquisition thresholds approved by the federal awarding agency, the U.S. Department of Agriculture (USDA).

3. Formal Purchase Methods (2 *CFR*, Section 200.320[b])

The formal purchase is a method used to procure goods and services when the value of the procurement transaction under a federal award exceeds the simplified acquisition threshold. Both Invitation for Bid (IFB) and Request for Proposal (RFP) methods may be used by the SFA.

The terms of formal contracts will be one year unless otherwise determined by the district as specified in the RFP or IFB. Renewal options will be available and may vary based on the specific procurement. Renewal options will be mutually agreed upon between PESD and the awarded contractor up to five years (four extensions).

The SFA will complete the following steps when conducting formal procurements:

- **Step 1:** The PESD FSD will describe how it performs a **cost or price analysis (2 *CFR*, Section 200.324(a)**) for every procurement transaction, including contract modifications, in excess of the federal Simplified Acquisition (aka Small Purchase) threshold. The method and degree of analysis are dependent on the facts surrounding the particular procurement situation, but as a starting point, the Nutrition Director or designee will make independent estimates before receiving bids or proposals to ensure the bids or proposals received are reasonable.

- **Step 2:** The PESD FSD will develop a written solicitation, which will incorporate:

    - A clear and accurate description of the technical requirements for the goods or services to be procured per 2 *CFR*, section 200.319(d)(2).

    - The requirement to comply with the Buy American Provision per 7 *CFR*, sections 210.21(d) and 220.16(d), and the California FAC Sections 58595 and 58596.1-5.

- Evaluation criteria and/or scoring criteria used in evaluating bids or proposals per 2 *CFR*, sections 200.319(d)(3).
- Instructions for responding vendors.
- The general terms and conditions of the contract.

- **Step 3:** The PESD FSD will publicly advertise the solicitation in print and on websites a minimum of 30 days prior to the deadline for submission of bids and proposals.

- **Step 4:** The PESD FSD will open bids resulting from IFBs at the time and place prescribed in the solicitation. RFPs will be opened according to the SFA's determination (2 CFR 200.320[b][2]).

The PESD FSD will evaluate offers from responding firms by using the evaluation criteria outlined in the solicitation for both IFBs and RFPs. If there is not a minimum of two respondents, the FSD will review the solicitation to ensure that it is not limiting competition as outlined in 2 *CFR*, Section 200.319 (a-c), and consider expanding advertising efforts before reissuing the solicitation or accepting the single bid.

The offers will be ranked based on cost only for IFBs, and on evaluation criteria (i.e., technical criteria) and cost for RFPs for all responsible and responsive responders. FSD must describe their written method used to conduct a technical evaluation of all proposals received, as required by 2 *CFR*, Section 200.320(b)(2) for RFPs only. The FSD will negotiate the technical aspects of each RFP prior to negotiating the cost aspect of the RFP. Any or all bids may be rejected if there is a sound, documented reason.

- **Step 5: Responsible and Responsive Contractors (2 CFR, Section 200.318[h])**

The PESD FSD will award contracts only to responsive and responsible contractors possessing the ability to conform to all the SFA's stated terms and conditions and to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, proper classification of employees, record of past performance, and financial and technical resources. The SFA defines "responsive" as the respondent conforms to all the stated terms and conditions, and defines "responsible" as the

respondent is capable of performing successfully under the terms and conditions of the contract.

- **Step 6:** The PESD FSD and Superintendentwill award the contract to the responsible and responsive bidder who offers the lowest price for IFBs. All IFBs will result in a firm, fixed-price contract.

For RFPs, the PESD FSD and Superintendent will award the contract to the responsible and responsive respondent whose proposal is most advantageous to the SFA, with price and other factors considered. All RFPs will result in either a fixed-price or cost reimbursable contract. **2 CFR Section 200.324(c) prohibits the use of cost plus a percentage of cost contracts.**

- **Step 7:** The PESD FSD and Superintendent will monitor the contract per 2 *CFR*, Section 200.318[b] by:

    - Overseeing deliveries to ensure that the solicited goods were received

    - Reviewing the contract's terms, conditions, and deliverables monthly to ensure that they are being met and done in accordance with all federal, state, and local rules

    - Ensuring that discounts, rebates, and credits in cost reimbursable contracts are provided

3. Noncompetitive Procurement Method (2 *CFR*, Section 200.320[f])

PESD will only enter into a noncompetitive agreement when one or more of the following circumstances apply:

- The aggregate amount of the procurement transaction does not exceed the micro-purchase threshold.

- The procurement transaction can only be fulfilled by a single source.

- An emergency exists, and the urgency of the requirement will not permit the delay resulting from providing public notice of a competitive solicitation.

- The PESD received prior approval from the CDE after submitting a written request to the CDE with justification for conducting a non-competitive procurement

- After solicitation from a number of sources, the competition is determined to be inadequate

Purchasing Cooperatives and Intergovernmental Procurement (2 *CFR*, Section 200.318[e])

If applicable, PESD may choose to make purchases through a cooperative agreement with a group of other schools to increase purchasing power, or PESD may piggyback on contracts awarded to a vendor from another school district when all procurement principles are followed.

While intergovernmental agreements can benefit PESD, PESD may only enter into an intergovernmental agreement with a local government agency (e.g., school district) that allows other schools to join or piggyback onto the local governmental entity when that agreement was procured and awarded consistent with federal and state procurement regulations.

The PESD FSD and local counsel will need to carefully review the solicitation issued by a cooperative or local government agency. The PESD FSD and local counsel must ensure compliance with applicable federal, state, and local procurement rules. The PESD FSD and local counsel will confirm that the addition of their purchasing power to the procurement does not create a material change in scope or in services.

A material change is a significant alteration to a contract's essential terms or the overall nature of the agreement that would reasonably be expected to affect a respondent's decision to enter into the procurement process. Such changes can involve the price, timing, parties involved, or the scope of the goods or services being procured.

For cooperative purchasing, the PESD FSD must ensure that the solicitation and contract, proof of advertising, and bid award documents (e.g., evaluation documentation) from the lead entity adhere to federal, State, and local regulations, laws, and standards. PESD shall retain documentation for a period of three years after submission of the final Claim for Reimbursement for the fiscal year. In either case, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit (7 CFR 210.23).

For piggybacking, the PESD FSD must obtain permission from the lead entity awarding the bid and the vendor who was awarded the bid. A copy of the solicitation and contract, including the piggyback clause, proof of advertising, and bid award documents (e.g., evaluation documentation) shall be retained for a period of three years after submission of the final Claim for Reimbursement for the fiscal year. PESD must confirm whether there are specific limitations (e.g., dollar amount or the number of additional SFAs that may be added) and ensure that joining the contract will not create a material change. In either case, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit (7 CFR 210.23).

A copy of all documents listed above will be made available during a procurement review.

Buy American Provision (7 *CFR*, sections 210.21[d] and 220.16[d]; U.S. Department of Agriculture Policy Memorandum SP 23-2024)

Pursuant to Section 12(n) of the National School Lunch Act (NSLA) (42 United States Code Section 1760[n]), as added by Section 104(d) of the William F. Goodling Child Nutrition Reauthorization Act of 1998 (Public Law 105-336), PESD SFA will purchase domestic commodities or products to the maximum extent practical.

The PESD SFA will comply with 7 CFR, sections 210.21[d] and 220.16[d], and CDE Buy American Provision Management Bulletin SNP-01-2025, including the definitions defined below, when purchasing food products served in the school meals programs.

Pursuant to Title 7 CFR, sections 210.21(d) and 220.16(d), the PESD SFA defines “domestic commodity or product” as an agricultural commodity that is produced in the United States (U.S.), and a food product that is processed in the U.S. substantially using agricultural commodities produced in the U.S. USDA Policy Memorandum SP 38-2017 specifies that a product’s food component (defined in 7 CFR, section 210.21) is considered the agricultural product.

Regulations define substantially to mean that food products must consist of over 51 percent of agricultural commodities that were grown domestically. USDA policy further clarifies foods that are unprocessed must be domestic, and foods that are processed must be 1) processed domestically, and 2) comprised of over 51 percent domestically grown items by weight or volume.

In addition, PESD SFA procurements for harvested fish will meet the following requirements: 1) Farmed fish must be harvested within the U.S. or any territory or possession of the U.S.; 2) Wild caught fish must be harvested within the Exclusive Economic Zone of the U.S. or by a U.S.-flagged vessel.

The PESD SFA must include language requiring the purchase of foods that meet the Buy American requirements in all procurement procedures, solicitations, and contracts.

The PESD SFA will require a certification of domestic origin for products that do not have country of origin labels.

The PESD SFA may purchase non-domestic foods when it is determined that one of the following limited exceptions is met:

1. The product is listed on the Federal Acquisitions Regulations (FAR) Nonavailable articles list found at 48 Code of Federal Regulations (CFR), Section 25.104, and/or is not produced or manufactured in the U.S. in sufficient and reasonably available quantities of a satisfactory quality; or
2. Competitive bids reveal that the costs of a domestic product are significantly higher than the non-domestic product.

The PESD SFA will maintain documentation to demonstrate the use of exceptions and adhere to the following Buy American exception caps.

- Beginning in School Year (SY) 2025–26, the non-domestic food purchases cap will be 10 percent.
- Beginning in SY 2028–29, the non-domestic food purchases cap will be 8 percent.
- Beginning in SY 2031–32, the non-domestic food purchases cap will be 5 percent.

The PESD SFA will track the use of exceptions in a manner that is consistent with federal regulations.

All Buy American shall be retained for a period of three years after submission of the final Claim for Reimbursement for the fiscal year. In either case, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit (7 CFR 210.23). Items found on FAR 25.104 Nonavailable articles list are exempt from the documentation requirement, but these items must be counted toward the cap on non-domestic purchases.

California Assembly Bill 778 (Statutes 2022)

This law (effective January 1, 2023) adds LEAs to the FAC, Section 58595(c), which requires LEAs to accept a bid or price for that agricultural food product when it is grown in California before accepting a bid or price for a domestic agricultural food product that is grown outside the state, when both of the following are met:

1. The bid or price of the California-grown agricultural food product does not exceed the lowest bid or price for a domestic agricultural food product produced outside the state.
2. The quality of the California-grown agricultural food product is comparable to that of domestic agricultural food products produced outside the state.

California Farm Animal Confinement (Prop 12)

Effective September 1, 2022, the California Department of Food and Agriculture (CDFA), Animal Health and Food Safety Services, adopted Title 3, California Code of Regulations (3 CCR), sections 1320-1326, which are related to Proposition 12 (2018), the Farm Animal Confinement Initiative. Proposition 12 amended Health and Safety Code to require that veal calves, breeding pigs, and egg laying hens be housed in confinement systems that comply with specific minimum standards for freedom of movement, cage-free designation, and minimum floor space.

When federal meal and state reimbursement funds are used, whether directly by a school food authority or on their behalf, CNP Operators must ensure all procurement transactions (excluding USDA foods) for food purchases are compliant with Proposition 12, this includes verifying compliance when monitoring contracts. Implementation should be achieved by including Proposition 12 in the following:

- Procurement procedures
- Procurement solicitations
- Bid specifications

Small and Minority Businesses, Women's Business Enterprises (2 *CFR*, Section 200.321)

The PESD purchasing manager will ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms are used when possible through the following considerations:

1. Placing these business types on solicitation lists;

2. Assuring that these business types are solicited whenever they are deemed eligible as potential sources;
3. Dividing procurement transactions into separate procurements to permit maximum participation by these business types;
4. Establishing delivery schedules that encourage participation by these business types;
5. Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
6. Requiring a contractor under a federal award to apply the steps listed in paragraphs (1) through (5) of this section to subcontracts.

Duplication of Goods or Services (2 *CFR*, Section 200.318[d])

PESD will avoid the acquisition of unnecessary or duplicative items by determining whether the goods or services are necessary and ensuring that their purchase does not duplicate items or bids that PESD already has in place. Where appropriate, analysis should be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach. The PESD FSD will provide the PESD purchasing manager with documentation justifying that the purchase of all goods and services requested is required and not duplicative prior to conducting a procurement.

Cost and Price Analysis (2 *CFR*, Section 200.323)

The PESD FSD will perform a cost or price analysis for every procurement in excess of the federal small purchase threshold, including contract modifications. The method and degree of analysis are dependent on the facts surrounding the particular procurement situation, but as a starting point, the PESD FSD will make independent estimates before receiving bids or proposals to ensure the bids or proposals received are reasonable.

Competition (2 *CFR*, Section 200.319[a])

PESD will conduct all procurement transactions in a manner providing full and open competition. Situations where competition is limited will be avoided by PESD. Some of these situations include, but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business
- Requiring unnecessary experience and excessive bonding
- Noncompetitive pricing practices between firms or between affiliated companies
- Noncompetitive contracts to consultants who are on retainer contracts
- Organizational conflicts of interest
- Specifying only a brand-name product instead of allowing an equivalent product to be offered, and describing the performance or other relevant requirements of the procurement

- Any arbitrary action in the procurement process

Brand Name or Equivalent (2 *CFR*, Section 200.319[a][6])

When using a brand name or product code in the specification, PESD will adhere to the following procedures:

- The PESD FSD will ensure that the description in the specification will always include a clause that an equivalent product is acceptable

- A copy of the specified brand or code will be posted on the PESD Website by the purchasing manager**,** so vendors can verify that the product they are bidding on is actually an equal

- Vendors bidding on an item as an equal product to the brand name specified will be required to provide the PESD FSD with a product specification sheet and a sample case of the product for taste testing and verification by all PESD nutrition department staff and a selected number of students to ensure that the product is an equal product to the brand name specified

Contractor Involvement (2 *CFR*, Section 200.319[c][1])

PESD will ensure objective contractor performance and eliminate unfair competitive advantage by excluding contractors that develop or draft specifications, requirements, statements of work, and IFBs and RFPs from competing for such procurements. Open and free competition cannot be circumvented. The PESD FSD will maintain documentation to prove that the appropriate procurement procedures were used and that the final selection is the most efficient and economical for PESD.

Bid Protest (2 *CFR*, Section 200.318[k])

PESD is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve PESD of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

PESD accepts a prospective bidder’s protest to a bid award if they believe the award is not in compliance with the law, does not follow bid procedures, or does not meet bid specifications. A protest must be filed with the PESD Office Manager. Such protests must be made in writing and received by PESD Business Services Office within five working days of the bid award date, and shall include all documents supporting or

justifying the protest. The protesting party must mail or deliver copies of the protest to the PESD Business Services Office. A bidder's failure to file the protest documents in a timely manner shall constitute a waiver of their right to protest the award of the contract.

Maintenance of Records (2 *CFR*, Section 200.318[i])

PESD SFA will maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: Rationale for the method of procurement, selection of contract type, contractor selection or rejection, a copy of the solicitation and contract, the basis for the contract price (the bidding history), rationale and approval for noncompetitive procurements, any contract amendments, billing and payment records, and a history of contractor claims and breaches for three years plus the current SY, or until the next review by the CDE. In either case, if audit findings have not been resolved, the records shall be retained beyond the three-year period as long as required for the resolution of the issues raised by the audit (7 CFR 210.23). The CDE and USDA reviewers shall have full access to and the right to examine all procurement documentation.

Responsible and Responsive Contractors (2 *CFR*, Section 200.318[h])

PESD will award contracts only to responsive and responsible contractors possessing the ability to conform to all the PESD SFA's stated terms and conditions and to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

When a procurement has been properly conducted, and there is only one respondent, the PESD SFA will evaluate the scope of work or services requested to determine whether they were too restrictive by contacting potential respondents who did not participate, and by reviewing the requested services for possible modification. If there is not a minimum of two respondents, the Nutrition Director, purchasing manager, or designee will review the solicitation to ensure that it is not limiting competition as outlined in 2 CFR, Section 200.319 (a-c), and consider expanding advertising efforts before reissuing the solicitation or accepting the single bid. The PESD SFA will make the final determination whether they need to re-solicit or if they will move forward with that award.

Clear and Accurate Description of Technical Requirements Required (2 *CFR*, Section 200.319[d][1–3])

The PESD SFA will have written procedures for procurement transactions. These procedures will ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service being procured and will not contain features that unduly restrict competition. The description may include a

statement of the qualitative nature of the material, product, or service being procured, and minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. A **brand name** or **equivalent** description may be used as a means to define the performance or other salient requirements of procurement. The specific desired features of the named brand that must be met by offers must be clearly stated, along with all requirements that the offerers must fulfill, and all other factors to be used in evaluating bids or proposals.

Examples of labor and employment practices (2 CFR, Section 200.318[l])

The procurement standards in this subpart do not prohibit recipients or sub-recipients from:

- Using Project Labor Agreements (PLAs) or similar forms of pre-hire collective bargaining agreements;
- Requiring construction contractors to use hiring preferences or goals for people residing in high-poverty areas, disadvantaged communities as defined by the Justice40 Initiative (see OMB Memorandum M-21-28), or high-unemployment census tracts within a region no smaller than the county where a federally funded construction project is located. The hiring preferences or goals should be consistent with the policies and procedures of the recipient or sub-recipient, and must not prohibit interstate hiring;
- Requiring a contractor to use hiring preferences or goals for individuals with barriers to employment (as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(24)), including women and people from underserved communities as defined by Executive Order 14091;
- Using agreements intended to ensure uninterrupted delivery of services, using agreements intended to ensure community benefits; or
- Offering employees of a predecessor contractor rights of first refusal under a new contract.

Termination for Cause and Convenience (2 CFR, 200, Appendix II[b])

All contracts in excess of $10,000 must address termination for cause and for convenience by PESD SFA, including the manner by which it will be affected and the basis for settlement.

Contract Management (2 *CFR*, Section 200.318[b])

The PESD SFA must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. The PESD SFA will perform the following tasks to ensure compliance:

- Monitor the vendors' compliance with the terms of the contract or purchase order
- Review products and delivery invoices or receipts to ensure the items that were solicited and awarded are the items that are received
- Conduct periodic reviews of storage facilities, freezers, refrigerators, dry storage, and warehouses to ensure the products received comply with the Buy American.

Continuing Education/Training Standards (7 CFR, sections 210.30[c][3],[c][1–5], [d][1–5], [e][1–6],[f])

The PESD SFA operates the School Nutrition Programs (SNP) and must ensure that the SNP director (CFR, Section 210.30[c]), SNP managers (7 CFR, Section 210.30[d][1–5]), and staff (7 CFR, Section 210.30[e][1–6]) with responsibility for SNP, complete their required annual trainings. The annual training should include, but is not limited to, the following topics as applicable: training in procurement procedures, the identification of reimbursable meals at the point of service, nutrition, health and safety standards, and any other specific topics identified by USDA Food and Nutrition Service as needed to address program integrity or other critical issues. Annual training requirements for SNP managers, directors, and staff are summarized under 7 CFR, Section 210.30[e][1–2].

On August 23, 2023, the USDA Food and Nutrition Service (FNS) released SP 21-2023, Initial Implementation Memorandum: Child Nutrition Program (CNP) Integrity Final Rule. This final rule is intended to strengthen and streamline the oversight, accountability, and program integrity across the CNPs, including the National School Lunch Program (NSLP), School Breakfast Program (SBP), Special Milk Program, and Summer Food Service Program. Highlights of the final rule include:

1. Focusing on overall integrity process improvements
2. Introducing targeted flexibilities in the NSLP and SBP that streamline monitoring requirements and lower administrative burden for state agencies
3. Improving the ability of FNS and state agencies to address the rare instances of severe or repeated violations of program requirements in the CNP
4. Adding annual procurement training
5. Extending the School Nutrition Program Administrative Review and Food Service Management Company contract review from three to five years

Certifications (including, but not limited to, 2 *CFR*, Appendix II)

PESD will require any successful respondent to provide proof of having and maintaining during the life of any contract with PESD**,** Public Liability and Property Damage Insurance to protect themselves and PESD from all claims for personal injury, including accidental death, as well as from all claims for property damage arising from the operations of any contract that PESD enters into. (23 CFR Section 646.105[a])

PESD SFA will not enter into a contract with any company or individual that has been debarred or suspended. PESD will require that vendors and potential vendors certify their compliance with the Lunsford Act, which prohibits anyone required to register as a sex offender under Article 27A of Chapter 4 of the General Statutes from knowingly being on the premises of any school.

Vendors awarded contracts are required to submit a completed Affidavit of Non-collusion, Debarment and Suspension Certificate, and Disclosure of Lobbying Activities. These forms will be included in the proposal package and must be completed prior to commencement of work.

PESD SFA will require that vendors and potential vendors certify that pursuant to Education Code Section 45125.1, it has conducted criminal background checks, through the California Department of Justice, of all employees providing services to the District, and that none have been convicted of drug related, sex offenses or any felonies, as specified in Penal Code Sections 1192.79(c) and 667.5(c), respectively.

For questions and concerns regarding procurement solicitations, contract evaluations, and award, contact:

Purchasing Contacts:

Superintendent: (831-425-7002)
Food Services Director: (831-425-7002)

This institution is an equal opportunity provider.