*Dawson Springs Independent Schools*

Procurement Review Findings and Technical Assistance Report

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | |  | | | | | **State Agency Use Only** | |
|  | **Review Question** | | **Finding** | | **Suggested Corrective Action** | **Corrective Action Response and Plan** | **Response Accepted** | **Additional Response Required** |
|  |  | |  | **Review Period:** | SY 17/18 |  |  |  |
|  | **General Procurement Procedures** | |  | |  |  |  |  |
|  | No Findings. | |  | |  |  |  |  |
|  | **Micro-purchasing** | |  | |  |  |  |  |
|  | No Findings | |  | |  |  |  |  |
|  | **Small Purchase Procurement: John Hicox** | |  | |  |  |  |  |
| (1) | 3) Were price or rate quotations obtained from an adequate number (2 or more) of qualified sources? [2 CFR Part 200.320(b)/7 CFR 3016.36(d)(1)] | | Only documented 1 quote. SFA documented that there is no one else in the area that doesn't charge the travel time. Even if Kitchen Care does not charge travel, SFA should still disclose the other vendors on the RFQs to show how much more in price.  **Finding**: It could not be determined if price or rate quotations were obtained from an adequate number (2 or more) of qualified sources. | | Submit a plan for obtaining quotes from an adequate number of qualified sources to ensure competition is achieved and documented and how adequate documentation will be maintained. The template form, [Request for Quotations](https://staffkyschools.sharepoint.com/sites/kde/scn/School%20Meals%20Program%20Documents/Request%20for%20Quotations.pdf), for obtaining and documenting quotes is available |  |  |  |
| (2) | 8) Was the correct vendor selected based on the products/services requested and the vendor responses provided? [2 CFR 200.320(b)] | | Could not be determined based on the lack of documentation submitted for review. Other vendors were not properly evaluated.  **Finding**: It could not be determined if the correct vendor was selected based on the products/services requested and the vendor responses provided. | | Provide procurement plan with the written process for the selection process indicating how the correct vendor is selected based on the products/services requested and the process for recording and maintaining the vendor responses. |  |  |  |
|  | **Formal Procurement: CRS** | |  | |  |  |  |  |
| (3) | 6) Did the Invitation for Bid (IFB) or Request for Proposal (RFP):  a)  Identify all specifications, evaluation factors and their relative importance with price as the primary factor? [2 CFR 200.320(c)(2)(iii) or (d)(1)/7 CFR 3016.36(c)(3)(i)] and July 2005 Procurement Questions, dated July 2005] | | Complete documentation was not submitted for review.  **Finding**: The Invitation for Bid did not identify all specifications, evaluation factors and their relative importance with price as the primary factor. | | Submit a plan that will outline the steps to ensure that all specifications, evaluation factors and their relative importance with price as the primary factor will be identified in the IFB or RFP when securing a contract using formal procurement. |  |  |  |
| (4) | c)  Include the requirement for contract award to the lowest responsive and responsible bidder or bid/offer most advantageous to the program with price and other factors considered? (Price as the primary factor) [2 CFR Part 200.320(c)(2)(iv) or (d)(4)/7 CFR 3016.36(d)(2)] | | Complete documentation was not submitted for review.  **Finding**: The Invitation for Bid did not include the requirement for contract award to the lowest responsive and responsible bidder or bid/offer most advantageous to the program with price and other factors considered. | | Submit a plan that will outline the steps to ensure to include the requirement for contract award to the lowest responsive and responsible bidder or bid/offer most advantageous to the program with price and other factors considered in the IFB or RFP when securing a contract |  |  |  |
|  |  | |  | |  |  |  |  |
| (5) | 8)   Did the Invitation for Bid or Request for Proposal include the following clauses, as applicable: [Appendix II to 2 CFR 200/7 CFR 3019.48]  a)  Termination for cause and for convenience clause included with the manner by which it will be effected and the basis for settlement? (For contracts in excess of $10,000 only) [2 CFR 200 Appendix II/7 CFR 3019.48] | | Complete documentation was not submitted for review.  **Finding**: The Invitation for Bid did not include the termination for cause and for convenience clause included with the manner by which it will be effected and the basis for settlement | | Submit a plan to use the required federal clause and the language for termination for cause and for convenience clause addressing manner in which the IFB or RFP will be effected and the basis for settlement. |  |  |  |
|  |  | |  | |  |  |  |  |
| (6) | g) Byrd Anti-Lobbying Amendment [31 U.S.C. 1352) (Appendix II to 2 CFR Part 200 (j) (For contracts worth $100,000 or more] | | Clause is not included in the contract.  **Finding**: The Request for Proposal did not include the Byrd Anti-Lobbying Amendment for contracts worth $100,000 or more. [31 U.S.C. 1352) (Appendix II to 2 CFR Part 200 (j) | | Submit a plan to use the required federal clause and provide sample language to be included in each IFB and RFP regarding the Byrd Anti-Lobbying Amendment clause. |  |  |  |
| (7) | 9) Did the Invitation for Bid or Request for Proposal include all requirements regarding "Buy American," including: [7 CFR Part 210.21(d)/FNS Policy Memo SP 24-2016]  a) The need for documentation that requests consideration on the use of domestic alternative foods before approving an exception? | | Complete documentation was not submitted for review.  **Finding**: The Invitation to Bid did not include all requirements regarding "Buy American," including the need for documentation that requests consideration on the use of domestic alternative foods before approving an exception. | | Submit a plan to use the required federal clause and provide sample language to be included in each IFB and RFP regarding Buy American including the need for documentation that requests consideration on the use of domestic alternative foods before approving an exception. |  |  |  |
| (8) | b) A requirement to document the use of a non-domestic food exception when competition reveals the cost of domestic food is significantly higher than non-domestic food? | | Complete documentation was not submitted for review.  **Finding**: The Invitation to Bid did not include all requirements regarding "Buy American," including a requirement to document the use of a non-domestic food exception when competition reveals the cost of domestic food is significantly higher than non-domestic food. | | Submit a plan to use the required federal clause and provide sample language to be included in each IFB and RFP regarding Buy American including to document the use of a non-domestic food exception when competition reveals the cost of domestic food is significantly higher than non-domestic food. |  |  |  |
| (9) | c) A requirement to document the use of a non-domestic alternative food due to the domestic food not produced or manufactured in sufficient and reasonable available quantities of a satisfactory quality? | | Complete documentation was not submitted for review.  **Finding**: The Invitation to Bid did not include all requirements regarding "Buy American," including a requirement to document the use of a non-domestic alternative food due to the domestic food not produced or manufactured in sufficient and reasonable available quantities of a satisfactory quality. | | Submit a plan to use the required federal clause and provide sample language to be included in each IFB and RFP regarding Buy American including to document the use of a non-domestic alternative food due to the domestic food not produced or manufactured in sufficient and reasonable available quantities of a satisfactory quality. |  |  |  |
|  |  | |  | |  |  |  |  |
| (10) | 14) For IFBs only: Was a firm, fixed-price contract awarded to the lowest responsive and responsible bidder? [2 CFR 200.320(c)(2)(iv)/7 CFR 3016.36(d)(2)(ii)(D)] | | Complete documentation was not submitted for review.  **Finding**: It could not be determined if a firm, fixed-price contract was awarded to the lowest responsive and responsible bidder. | | Submit a plan detailing: (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. |  |  |  |
|  |  | |  | |  |  |  |  |
| (11) | 17) Were bids/offers evaluated and awarded as published in the solicitation? [2 CFR 200.320(c)/2 CFR 200.320(d)(4)] | | Complete documentation was not submitted for review.  **Finding**: It could not be determined if bids/offers were evaluated and awarded as published in the solicitation. | | Submit a plan to ensure evaluations and responses to the RFP are conducted correctly to select the contractor. |  |  |  |
|  |  | |  | |  |  |  |  |
| (12) | 22) Did the SFA maintain records sufficient to detail the significant history of the procurement? [2 CFR 200.318(i)/7 CFR 3016.36(b)(9)] | | Complete documentation was not submitted for review.  **Finding**: The SFA did not maintain records sufficient to detail the significant history of the procurement. | | Submit the CN Program Procurement Plan that provides the steps that will be taken by the SFA to maintain records sufficient to detail the significant history of the procurement. 2 CFR 200.318(i). |  |  |  |
|  |  | |  | |  |  |  |  |
| (13) | 22) For all formal contracts: Did the SFA provide sufficient oversight of the procurement to ensure contractors performed in accordance with the terms, conditions, and specifications of their contracts? [2 CFR Part 200.318(b)/7 CFR 3016.36(b)(2)] Attach/Describe procedures in Comments section | | Complete documentation was not submitted for review.  **Finding**: The SFA did not provide sufficient oversight of the procurement to ensure contractors performed in accordance with the terms, conditions, and specifications of their contracts | | Submit a revised/updated plan that addresses the steps that will be taken by the SFA to provide oversight of the procurement to ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts. 2 CFR Part 200.318(b). |  |  |  |
|  | **Prairie Farms Dairy** | |  | |  |  |  |  |
| (14) | 7) Was the solicitation publicly advertised to an adequate number of qualified sources to secure more than one bid/offer? [2 CFR 200.320(c)(2)(ii)/7 CFR 3016.36(d)] | | Documentation was not submitted for review.  **Finding**: Could not be determined if the solicitation was publicly advertised to an adequate number of qualified sources to secure more than one bid/offer. | | Submit a procurement plan that outlines the steps that the SFA will take to maintain records sufficient to detail the significant history of the procurement. [2 CFR 200.318(i)/7 CFR 3016.36(9)].  Best practice: Utilization of the template form, [Request for Quotations](https://staffkyschools.sharepoint.com/sites/kde/scn/School%20Meals%20Program%20Documents/Request%20for%20Quotations.pdf), for obtaining and documenting quotes. |  |  |  |
| (15) | 8)   Did the Invitation for Bid or Request for Proposal include the following clauses, as applicable: [Appendix II to 2 CFR 200/7 CFR 3019.48]  a)  Termination for cause and for convenience clause included with the manner by which it will be effected and the basis for settlement? (For contracts in excess of $10,000 only) [2 CFR 200 Appendix II/7 CFR 3019.48] | | Complete documentation was not submitted for review.  **Finding**: The Invitation for Bid did not include the termination for cause and for convenience clause included with the manner by which it will be effected and the basis for settlement | | Submit a plan to use the required federal clause and the language for termination for cause and for convenience clause addressing manner in which the IFB or RFP will be effected and the basis for settlement.  . |  |  |  |
| (16) | 22) Did the SFA maintain records sufficient to detail the significant history of the procurement? [2 CFR 200.318(i)/7 CFR 3016.36(b)(9)] | | Complete documentation was not submitted for review.  **Finding**: The SFA did not maintain records sufficient to detail the significant history of the procurement. | | Submit the CN Program Procurement Plan that provides the steps that will be taken by the SFA to maintain records sufficient to detail the significant history of the procurement. 2 CFR 200.318(i).. |  |  |  |
| (17) | 22) For all formal contracts: Did the SFA provide sufficient oversight of the procurement to ensure contractors performed in accordance with the terms, conditions, and specifications of their contracts? [2 CFR Part 200.318(b)/7 CFR 3016.36(b)(2)] Attach/Describe procedures in Comments section | | Complete documentation was not submitted for review.  **Finding**: The SFA did not provide sufficient oversight of the procurement to ensure contractors performed in accordance with the terms, conditions, and specifications of their contracts | | Submit a revised/updated plan that addresses the steps that will be taken by the SFA to provide oversight of the procurement to ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts. 2 CFR Part 200.318(b). |  |  |  |
|  | **Processing: Giorgio and JTM** | |  | |  |  |  |  |
| (18) | 6) Was the contract awarded to the most responsible and responsive processor at the lowest price? (NOTE: If no, explain in the comments section. NO is a finding.) [2 CFR 200.320(c-d) and policy:  *July 2005 Procurement Questions*, dated July 2005] | | **Finding**: It could not be determined based on the information submitted for the review if the contract was awarded to the most responsible and responsive processor at the lowest price. | | Submit a procurement plan that addresses the requirement of evaluation factors and their relative importance with price as the primary factor and submit for review. |  |  |  |
| (19) | 7) **For formal (IFB/RFP) contracts:** **Did the SFA include:**  a) The value pass-through (VPT) method to be used? (NOTE: VPT= rebate, net-off invoice, fee for service, etc. No is a finding) [7 CFR 250.2] | | Not included in the contract that was submitted for review.  **Finding**: The Value Pass-Through method was not identified in the contract document submitted for review. | | Submit a plan to include which value pass-through (VPT) method to be used in formal contracts. |  |  |  |
| (20) | b) For an RFP/IFB, contract award to the lowest responsive and responsible/most advantageous with price as the primary factor in the evaluation criteria and scoring factors? [2 CFR 200.320(c-d)] and policy *July 2005 Procurement Questions,* July 12, 2005 NOTE: *NO is a finding*) | | Could not be determined based on the information submitted for the review.  **Finding**: Could not be determined, if this contract was awarded in compliance with 2 CFR 200.320. | | Submit a procurement plan that identifies when using an IFB or RFP, it will address evaluation factors and their relative importance with price as the primary factor. |  |  |  |
| (21) | c) Publicly advertised proposals from an adequate number of qualified suppliers? [2 CFR 200.320] | | Not included in the documentation submitted for review.  **Finding**: Could not be determined, if this contract was awarded in compliance with 2 CFR 200.320. | | Submit a plan that outlines the steps to publicly advertise proposals from an adequate number of qualified suppliers. |  |  |  |
| (22) | d)  A provision for information in bid/response for food recalls procedures? (NOTE: *NO is a finding.) [Responding to a Food Recall - Procedures for Recalls of USDA Foods]* | | Not included in the documentation submitted for review.  **Finding**: Could not be determined, if this contract was awarded in compliance with the requirement of food recalls procedures. | | Submit a plan to require a provision for information in bid/response for food recalls procedures. Review: <https://www.fns.usda.gov/food-safety/hold-and-recall-procedures> |  |  |  |
| (23) | e)   Contact information for a point and backup person for handling food recalls? (NOTE: *NO is a finding)[Responding to a Food Recall - Procedures for Recalls of USDA Foods]* | | Not included in the documentation submitted for review.  **Finding**: Could not be determined, if this contract was awarded in compliance with requirements for food recalls procedures. | | Submit a plan to require a provision for contact information for a point and backup person for handling food recalls. Review: <https://www.fns.usda.gov/food-safety/hold-and-recall-procedures> |  |  |  |
|  | **Evaluation and Contract Award for Giorgio and JTM** | |  | |  |  |  |  |
| (24) | 13) Did the supplier provide information for how food recalls will be handled? (NOTE: *NO is a finding*.) [FDD Policy: *Responding to a Food Recall - Procedures for Recalls of USDA Foods]* | | Not included in the documentation submitted for review.  **Finding**: Could not be determined, if this contract was awarded in compliance with FDD Policy regarding Food Recalls. | | Prepare a draft of language included in solicitation informing potential suppliers that information for how food recalls will be handled must be included in contract.  Review: <https://fns-prod.azureedge.net/sites/default/files/Responding_Food_Recall_FNS_Final_May_30_2014.pdf> |  |  |  |
| (25) | 14) ***FOR USDA FOODS ONLY:*** Does the value pass-through method identified in the contract match what was included in the solicitation? (NOTE: *Q assumes the SFA is procuring commodity processed end products and commercial purchases in the same solicitation)* (NOTE:  *NO is a finding.)* | | Not included in the documentation submitted for review.  **Finding**: Could not be determined, if this contract was awarded in compliance with 2 CFR 200.320. | | Submit a plan to include the steps that will be taken to address the value pass-through (VPT) method to be used in formal contracts. |  |  |  |
| (26) | 15) ***FOR RFP/FORMAL CONTRACTS***: Was the contract awarded most advantageous to the SFA, utilizing the criteria outlined in the solicitation? (NOTE: I*f no, explain in comments. Determine if contract award was compliant. NO is a finding.)* | | Not included in the documentation submitted for review.  **Finding**: Could not be determined, if this contract was awarded in compliance. | | Submit a procurement plan that addresses for RFP/Formal contracts, that the contract awarded will be the most advantageous to the SFA and will use the criteria outline in the solicitation. |  |  |  |
|  |  | |  | |  |  |  |  |
| (27) | 19) Is the SFA accepting and efficiently using large quantities of USDA Foods as may be offered as a donation by USDA? (NOTE: *NO is a finding.)* [7 CFR 210.9(a)(15)] | | **Technical Assistance from KDA**: District needs to re-assess usage of end products and adjust amount of USDA Food diverted to processors accordingly. | | **Technical Assistance**: Recommend continuing efforts working with processor sales channels to improve projections of USDA Food needed to produce adequate cases of finished product. Work with KDA staff. | N/A |  |  |