

# 2025 ISBE School Nutrition Training

## Preparing For a Successful Procurement Review

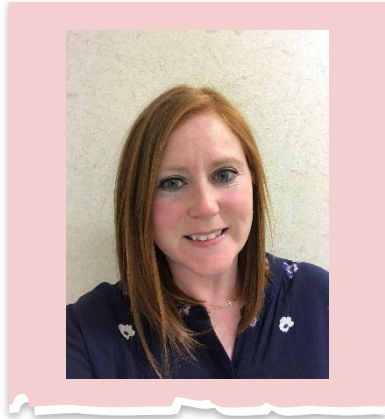
Liz Malone



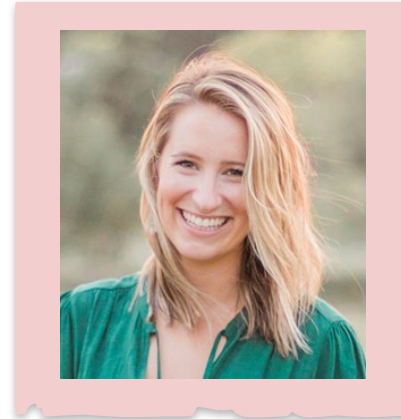
**CHILD NUTRITION  
PROGRAMS**



# Meet the Procurement Team!



Christina Smith  
[csmith@isbe.net](mailto:csmith@isbe.net)



Liz Malone  
[emalone@isbe.net](mailto:emalone@isbe.net)

1.800-545.7892

[NutritionProcurement@isbe.net](mailto:NutritionProcurement@isbe.net)

<https://www.isbe.net/Pages/Nutrition-Financial-Management.aspx>

Supervisor: Dean Held  
Director: Mark Haller

# Agenda

- Frequently Used ISBE Terms
- What is Procurement?
- Responsibilities
- Procurement Training Requirements
- Procurement Methods
- Contract Certification Forms
- Vendor Paid List vs. General Ledger
- Required Policies
- Procurement Reviews
- Self-Operated vs. Food Service Contracts

# Frequently Used ISBE Terms

- **SFA** - School Food Authority
- **Self-Op** – Self-Operated
- **FSMC** – Food Service Management Company
- **SNP** – School Nutrition Program

# Procurement



# What is Procurement?

Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations.

# Who is Responsible for Procuring Goods/Services?

The School Food Authority (SFA) is responsible for procuring and maintaining all documents related to goods and services.

# NEW! Procurement Training Requirement

7 CFR 210.21(h)

School Nutrition Program directors, management, and staff tasked with National School Lunch Program procurement responsibilities must complete annual training on Federal procurement standards annually.

Procurement training may count towards the professional standards training standards.

School Food Authorities must retain records to document compliance with procurement training.



# SNP Training and Professional Standards Website

← CHECK THIS OUT!

<https://www.isbe.net/Pages/snp-training.aspx>

## NUTRITION

### SNP TRAINING AND PROFESSIONAL STANDARDS

The Illinois State Board of Education Nutrition Department presents a variety of training options to support school nutrition professionals in ensuring they have the knowledge, skills, and resources they need to successfully operate the National School Lunch Program and other School Nutrition Programs. The U.S. Department of Agriculture's required professional standards consist of annual training requirements, as well as hiring standards.

Did You Know?

PRICING OF REDUCED-PRICE MEALS:

The maximum price a sponsor can charge for a student reduced-price National School Lunch Program reimbursable meal is 40 cents. The maximum price a sponsor can charge for a student reduced-price School Breakfast Program reimbursable meal is 30 cents. And the maximum price a sponsor can charge for a student reduced-price After-School Care Program snack is 15 cents.

Details on the pricing of meals are in the [School Nutrition Programs: Administrative Handbook, Section M: Financial Management: Resource Management](#) 📖 covers Paid Lunch Equity, Adult Meals, and more.

Pause Carousel

Visit our [What's New?](#) section to view and register for upcoming trainings and webinars and to link to recent recordings from the ISBE Nutrition Department and our training partners.

- **ABCs of School Nutrition:** The ISBE Nutrition Department partners with the University of Illinois Extension to provide resources and training to support school nutrition programs in Illinois. View recorded trainings and watch for upcoming in-person trainings and live webinars.
- **Institute of Child Nutrition:** ICN is a federally funded national center dedicated to applied research, education and training, and technical assistance for Child Nutrition Programs. Register for upcoming live trainings and access recorded trainings and other resources.
- **USDA Professional Standards Training Database:** This database allows school nutrition professionals to search for training that meets their learning needs in one easy-to-use website. Trainings are available in a variety of formats and most trainings are free.

Our In-Person Trainings

ISBE On-Demand Trainings & Resources

Professional Standards For All School Nutrition Programs Employees

# Procurement Methods

- **Micro-Purchase Method (informal):** up to \$10,000

## Micro Purchase Method

The micro purchase method is usually used by small SFA's or by any SFA's for very small or unplanned purchases, like replacement or repair of equipment or for items that are purchased in small quantities like replacement traps, office items and/or extermination services. This method of procurement allows for purchasing without soliciting competitive price quotations as long as the price is reasonable and falls below the required purchasing threshold.

**When can the micro purchase procurement process be used?**  
The micro purchase method can be utilized when the estimated dollar value of the contract for or purchase(s) for the year is below \$10,000 or a lesser amount if the SFA has a more restrictive threshold. SFAs should check their district procurement procedures/policies to determine if their SFA has a smaller threshold for when they can utilize the micro purchase method. For example, if your district has a more restrictive threshold that states that only purchases under \$5,000 can utilize the micro procurement method, then you would follow your district's more restrictive policy.

When estimating the purchase amount, the estimate should be based on the estimated/planned value of the contract/purchase(s) over the year. When planning for your purchases for an upcoming year, all micro purchases should be estimated to use if the most economical approach would be to purchase all of the items together from the same vendor. Purchases cannot be split to purposely fall below the threshold if the purchase(s) have greater than \$10,000 (or lower based on your SFA's threshold) you will need to use either the small or large (formal) purchase method.

Per USDA guidance ["Access to the Federal Micro-Purchase Threshold as a CDE"](#) [2015-2020, 10-15-2022](#) "program operators have the discretion to utilize the micro-purchase method of procurement for purchase up to \$50,000 if specific criteria are met. Please note that in Illinois public schools this option is not applicable to Food Service Management Company (FSMC) contracts. All FSMC contracts must be competitively procured utilizing the [procurement process described on our website](#).

## Small Purchase Method

The Small Purchase process of procurement is sometimes referred to as an Informal Procurement Method or 3 bids and a buy. This method is more structured than the Micro Purchase Method but not as formal as the Large/Formal Procurement Method that is required for purchases above the thresholds listed below.

### When can the Small Purchase Procurement Method be used?

When the estimated dollar value for the year of the contract and/or purchase meets one of the following criteria:

- Public Schools: purchase of perishable foods and beverages below \$250,000
- Public Schools: purchase of non-perishable food/supplies/equipment/services below \$50,000
- Non-Public Schools and non-school participants: purchase below \$250,000

\*Note that there are the federal and state thresholds, if your SFA has a more restrictive amount, the most restrictive threshold must be followed.

The estimate should be based on the estimated/planned value of the contract/purchase over the year. In general, purchases cannot be split to fall below the threshold. There are limited exceptions, which usually involve scenarios in which a mainline vendor may not carry certain types of products or services, where the price may be a large savings if purchased through a separate vendor, or if an unsolicited purchase comes up later in the year. Please reach out to the procurement staff at SBE if there are questions regarding splitting a bid.

### Steps of the Small Purchase Process

**Step 1 Pre-Solicitation:** Research prospective vendors, who sells what you are looking for? Document company names and contact information for outreach after completing step 2. To ensure compliance with [CIS, 200.315](#), maximizing full and open competition, you will want to solicit from as many vendors as possible to ensure a minimum of 3 quotes can be obtained.

**Step 2 Develop Your Solicitation:** Write specifications and draft the solicitation document that includes the annual quantity for each specified item, any contract terms and conditions including federal, state, and local requirements such as Buy American, Equal Employment Opportunity, affirmative steps to include Targeted Small Businesses, invoice method, delivery requirements, and type of contract to be awarded. The federal terms vary based on the value of the procurement event.

**Step 3 Start the Solicitation Process:** Obtain price quotes from a [minimum](#) of three qualified vendors, hence this method being called 3 bids and a buy. Provide vendors with the solicitation document (written product

- **Small Purchase Method (informal):** >\$10,000-\$250,000

## Large/Formal Purchase Method:

For Food/Supplies/Equipment/Services

The Formal Procurement Method must be used if the estimated dollar amount of the contract or purchase for the year exceeds the small purchase threshold. The Formal Procurement Method is just that, a more formalized method of procurement that provides for a more structured approach to obtaining the product and/or services that you need at the lowest price.

### When must the Formal Procurement Method be used?

When the estimated dollar value of the contract and/or purchase meets one of the following criteria:

- Public Schools: purchase of perishable food/supplies/equipment/services is greater than \$250,000
- Public Schools: purchase of non-perishable food/supplies/equipment/services is greater than \$50,000
- Non-Public Schools and non-school participants: purchases above \$250,000

\*Note that there are the federal and state thresholds, if your SFA has a more restrictive amount, the more restrictive amount must be followed.

\*\*Note, as per [Public Act 102-2-1015](#), public schools are only permitted to utilize the RFP method if the SFA gives favorable preference to ALL per items listed within the bid.

The estimate should be based on the estimated/planned value of the contract over the year. In general, purchases cannot be split to fall below the threshold. However, it is common/allowable to use separate procurements for a prime vendor and a separate procurement for bread and one for milk, but it is not allowable to split other items out of the prime vendor bid/proposal for the purpose of attempting to utilize the informal or micro-purchase procurement methods.

### Steps of the Formal Procurement Method

**Step 1 Pre-Solicitation:** Determine and/or research your needs. Conduct research to determine the estimated price of your purchase and/or contract.

**Step 2 Develop Your Solicitation Specifications:** (Special) Write specifications and draft the solicitation document that includes the annual quantity for each specified item, any contract terms and conditions including federal, state, and local requirements such as Buy American, Equal Employment Opportunity, affirmative steps to include Targeted Small Businesses, invoice method, delivery requirements, and type of contract to be awarded. The federal terms vary

- **Large Purchase Method (formal):** >\$250,000

# Contract Certification Forms

## Contract Certification Forms



The following certification forms must be included with all solicitations, contracts, and/or renewal agreements as described below. The forms must be signed by each offeror/contractor as indicated.

- **Bid-Rigging Certification (68-65)**

Must be included in all solicitations and contracts. Do not use for contract renewals. Each offeror must submit the signed form certifying the offeror has not been barred from bidding on a public contract as a result of either the bid-rigging or bid rotating statutes.

- **Certificate of Independent Price Determination (68-66)**

Must be included in all solicitations and contracts. Do not use for contract renewals. Each offeror must submit the signed form certifying the offeror has independently determined all prices offered. The Program Operator must also sign the form certifying that no Program Operator representative has taken action that may have jeopardized the independence of the offer.

- **Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions (85-34N)**

If the estimated contract cost is \$25,000 or more, include this form. This form must be signed by the contractor and submitted with all offers **and** annual contract renewals, when applicable.

- **Certificate Regarding Lobbying - Contracts, Grants, Loans and Cooperative Agreement (85-36N)**

If the estimated contract cost is over \$100,000, include this form. This form must be signed by the contractor and submitted with all offers **and** annual contract renewals, when applicable.

- **Disclosure of Lobbying Activities (85-37N)**

If the estimated contract cost is over \$100,000, include this form. This form must be signed by the contractor and submitted with all offers **and** annual contract renewals, when applicable.

# General Ledger vs. Vendor Paid List

## GL

- Records every financial transaction (entails various types of financial reports)
- Accounts can usually be broken down based off account codes to see where funds are being spent
- For Public Schools, funds specifically related to School Nutrition Program are typically coded '2560'

## VPL

- A condensed version of where funds are being spent

### Sample Vendor Paid List

(Use if report from accounting software is not available)

#### SY 17-18 Purchases

Vendor	Goods/Services Provided	Amount Paid	Number of Purchases/Frequency
Best Food Company	Food and Supplies	\$245,000	weekly
Pete's Produce	Food- Fruit/Vegetable	\$97,00	weekly
Bill's Bread Company	Food- Bread/Bakery	\$56,000	weekly
Carl's Chemicals	Chemicals	\$57.00	1
Kim's Cleaning Supplies	Chemicals	\$1,390	3
Sally's Software	Point of Service (POS)	\$162,000	1

# Required Policies



PROCUREMENT  
PROCEDURES



CODE OF  
CONDUCT



PROTEST  
PROCEDURES

# Required Policy: Procurement Procedures

The School Food Authority (SFA) must have its own documented procurement procedures that conform to all federal, state and local laws.

The Procedures must include, but not limited to, the following standards:

SFA oversight and contract monitoring procedures.

Avoid acquisition of unnecessary or duplicate items.

Identify who(m) (by either name and/or position) is responsible for the procurement processes.

Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the procurement.

Restricts awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Maintain records sufficient to detail 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, and the basis for the contract price.

Have written procedures for procurement transactions that incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured.

Require the SFA to perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications.

# Required Policy: Code of Conduct


The School Food Authority (SFA) **must** have written standards of conduct covering conflicts of interest that prohibit officers, employees and agents from soliciting or accepting gratuities, favors or anything of monetary value from contractors or parties of subcontracts.



The Procedures **must** include, disciplinary actions for violations by officers, employees, or agents.

# Required Policy: Protest Procedures

Any action that diminishes open and free competition seriously undermines the integrity of the procurement process and may subject any School Food Authority (SFA) to a contract award protest.



The School Food Authority (SFA) **must** have protest procedures in place to handle and resolve disputes relating to their procurements and must in all instances disclose information regarding a protest to the Illinois State Board of Education (ISBE) Nutrition Department.



The SFA is responsible for developing procedures, inputting procedures in each competitive procurement, properly responding to protests and concerns raised by potential contractors and reporting the protest with findings/ results to the Illinois State Board of Education Nutrition Department.



# Procurement Review



# What is a Procurement Review?

A procurement review is for State Agencies to ensure the procurement process conducted by school food authorities (SFAs) complies with Program and the government-wide procurement standards. Procurement standards must be conducted in a manner providing full and open competitive (2 CFR 200.319(a)).

# Why are there Procurement Reviews?



Procurement is a major responsibility of each SFA – almost half, if not all, of the SFA’s reimbursement is used on the procuring of goods and/ or services.



Procurement has a major impact on financial stability of the SFA’s nonprofit school food service account.



Not just another “food service” requirement. 2 CFR 200 applies to **ALL** federal grants and most SFAs receive Federal grants other than just from the Child Nutrition Program.

# Snapshot of a Procurement Review

Notify	Notify SFA of procurement review (review can be conducted on or off-site)
Ask	Ask for documentation (policies, invoices, Vendor Paid List, contracts, solicitation documents, etc.)
Review	Review results with the SFA
Require	Require corrective action, as applicable
Review and Approve	Review and approve the corrective action, as applicable
Close	Close the review

# Most Common Procurement Review Finding:

---

No documentation to support procurement  
(2 CFR 200.318)

Such as solicitation quotes, vendors contacted, invoices, vendor paid list,  
price per unit, a signed contract etc.

# Tips for a Successful Review!

Document	<p>DOCUMENT! DOCUMENT! DOCUMENT!</p> <p>Organize and retain all documents to support each procurement by creating labeled files, whether paper or electronic.</p>
Know	<p>Know Federal procurement record keeping requirements.</p> <p>All financial records, supporting documents, statistical records, and all other entity records pertinent to a federal contract award <b><u>must be retained for a period of three years from the date of submission of the final invoice that has resulted from the contract end.</u></b></p>
Update	<p>Ensure Procurement policies, procedures, and plan are reviewed and updated annually.</p>
Train	<p>Include procurement as a topic in annual training for the appropriate staff.</p>



# Self-Operated vs. Food Service Contracts



# Self-Operated SFAs

SFA employed staff are responsible for managing **ALL** aspects of the school food service program including, but not limited to, ordering, preparing, and serving meals.



# Food Service Contracts



Food Service Management  
Company (FSMC)



Vended Meal Contract



FSMC-Vended Contract

# Procurement Resources



# Website Resources:

Nutrition Home Page: [www.isbe.net/nutrition](http://www.isbe.net/nutrition)

**Nutrition**

- Child and Adult Care Food Program
- Financial Management
- Food Distribution
- Resources, Webinars and Workshops
- School Nutrition Programs
- Summer Food Service Program

## NUTRITION

Welcome to the Nutrition Department. This department supports and promotes the overall well-being of children. Healthy meals and healthy habits are essential for readiness to learn and success in the classroom and beyond.

Programs administered by the department include the [National School Lunch Program](#), [School Breakfast Program](#), [Child and Adult Care Food Program](#), [Summer Food Service Program](#), [Fresh Fruit and Vegetable Program](#), and the [Special Milk Program](#). Are you interested in participating in Child Nutrition Programs in Illinois? Visit the [New Applicants webpage](#) for more information on how to become a sponsor.


**ATTENTION:** Language assistance services, free of charge, are available to you. Call (800) 545-7892 (Illinois only) or (217) 782-2491 (TTY: (217) 782-1900).

Log in to IWAS

## RESOURCES


- A to Z Index of School Nutrition Programs
- Child Nutrition Data Analytics and Mapping Tools
- Child Nutrition Program Food Safety Information
- Civil Rights
- Farm to Child Nutrition Programs
- Instructions for Online Applications and Reports
- Program Legislation, Regulations and Policies
- Recalls & Public Health Alerts
- School Health Issues
- USDA Policy Memos

What's New




**CHILD & ADULT CARE FOOD PROGRAM**

- Child Care Institutions
- Family Day Care Homes



**FINANCIAL MANAGEMENT**

- General Procurement for All Programs
- SNP FSMC/Vended Meals Contracts
- SNP Resource Management



**FOOD DISTRIBUTION PROGRAM**

- USDA Foods Show

# Website Resources:

## NUTRITION

### FINANCIAL MANAGEMENT

The Illinois State Board of Education Nutrition Department's Financial Management section of the website provides rules and resources to Child Nutrition Programs sponsors on procurement, contracts, and other financial matters. Child Nutrition Programs includes sponsors participating in the Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSPP), and the School Nutrition Programs (SNP), which includes the National School Lunch Program and other school-based programs.

Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations.

Resource Management for School Nutrition Programs includes four general areas: Maintenance of Non-Profit School Foodservice Account, Paid Lunch Equity (PLE), Revenue from Nonprogram Foods, and Indirect Costs.



## Financial Management Home Page:

<https://www.isbe.net/Pages/Nutrition-Financial-Management.aspx>

# General Procurement Website

## NUTRITION

### GENERAL PROCUREMENT FOR ALL PROGRAMS

This webpage is on procurement guidance and requirements for all Child Nutrition Programs, including School Nutrition Programs (such as the National School Lunch Program, Special Milk Program, and School Breakfast Program), the Summer Food Service Program, and the Child and Adult Care Food Program. Procurement means the process of obtaining goods and/or services in accordance with applicable rules and regulations. Procurement rules ensure that program benefits are received by eligible schools and participants, and that taxpayer dollars are used effectively and efficiently, with no waste or abuse. Regulations require that all purchases made, whether funded wholly or in part with Child Nutrition Program funds, comply with all federal, state, and local procurement requirements.

All procurement transactions must be conducted in a manner that provides maximum open and free competition. Procurement procedures must ensure they do not foster noncompetitive practices between firms, do not create organizational conflicts of interest, and do not restrict or eliminate competition. Procurement must not place unreasonable requirements on firms, require unnecessary experience, or establish unrealistic bonding requirements. Cost plus a percentage of purchase is not an allowable system. There must be descriptions of all products purchased and identical instructions provided to all potential vendors.

Formal standards of conduct should govern the performance of officers, employees, and agents in the award and administration of contracts. These standards should provide that officers, employees, or agents should not solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties of sub-agreements.

[Emergency Procurement Guidance](#)[Contracting Diversification](#)[Rules and Regulations](#)[Procurement Methods](#)[Contract Certification Forms](#)[Geographic Preferences](#)

General  
Procurement for All  
Programs

[Bid Protest](#)[Competition](#)[Procurement Procedures](#)[Code of Conduct](#)[Group Purchasing Organization](#)[Buy American](#)[FFVP Procurement Information \(School Nutrition Programs\)](#)[Procurement Review \(School Nutrition Programs\)](#)[Expenditures \(School Nutrition Programs\)](#)[Equipment](#)[References and Resources](#)



# CNP Newsletters

## NUTRITION CNP NEWSLETTERS

Mealttime Minutes (CACFP)

The Outlook (SNP)

The Outlook newsletter is the ISBE Nutrition Department's monthly newsletter for School Nutrition Programs, such as the National School Lunch Program and School Breakfast Program.

The digital newsletter and other communications are sent to the Authorized Representative and Sponsor Contact listed in the Web-Based Illinois Nutrition System (WINS) for sponsors in School Nutrition Programs. Please be sure to keep contacts up to date in the Entity Profile System (EPS) and WINS to ensure proper delivery.

Others can sign up by visiting [www.isbe.net/subscribe](http://www.isbe.net/subscribe), where you can subscribe (or unsubscribe) to various ISBE emails, including The Outlook (SNP) Nutrition Newsletter and the Mealttime Minutes (CACFP) Nutrition Newsletter.

### 2025

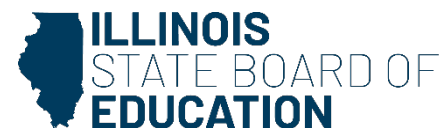
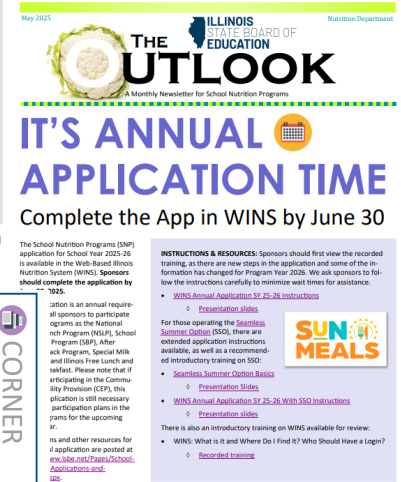
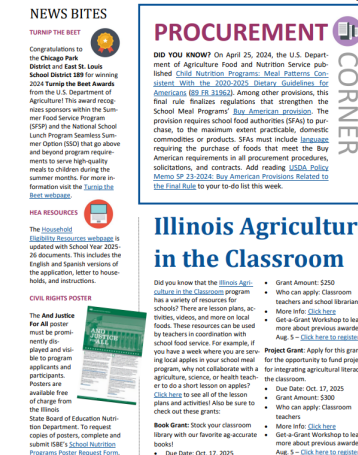
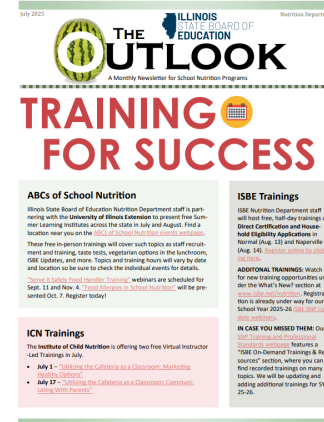
- January
- February
- March
- April
- May
- June

### 2024

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

### 2023

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December



# ISBE Training Opportunities

## NUTRITION

### SNP TRAINING AND PROFESSIONAL STANDARDS

The Illinois State Board of Education Nutrition Department presents a variety of training options to support school nutrition professionals in ensuring they have the knowledge, skills, and resources they need to successfully operate the National School Lunch Program and other School Nutrition Programs. The U.S. Department of Agriculture's required professional standards consist of annual training requirements, as well as hiring standards.

Did You Know?

PRICING OF REDUCED-PRICE MEALS:

The maximum price a sponsor can charge for a student reduced-price National School Lunch Program reimbursable meal is 40 cents. The maximum price a sponsor can charge for a student reduced-price School Breakfast Program reimbursable meal is 30 cents. And the maximum price a sponsor can charge for a student reduced-price After-School Care Program snack is 15 cents.

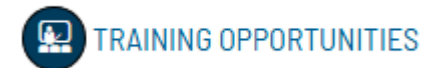
Details on the pricing of meals are in the [School Nutrition Programs: Administrative Handbook, Section M: Financial Management: Resource Management](#) 📖 covers Paid Lunch Equity, Adult Meals, and more.

Pause Carousel

Visit our [What's New?](#) section to view and register for upcoming trainings and webinars and to link to recent recordings from the ISBE Nutrition Department and our training partners.

- **ABCs of School Nutrition:** The ISBE Nutrition Department partners with the University of Illinois Extension to provide resources and training to support school nutrition programs in Illinois. View recorded trainings and watch for upcoming in-person trainings and live webinars.
- **Institute of Child Nutrition:** ICN is a federally funded national center dedicated to applied research, education and training, and technical assistance for Child Nutrition Programs. Register for upcoming live trainings and access recorded trainings and other resources.
- **USDA Professional Standards Training Database:** This database allows school nutrition professionals to search for training that meets their learning needs in one easy-to-use website. Trainings are available in a variety of formats and most trainings are free.

- Our In-Person Trainings
- ISBE On-Demand Trainings & Resources
- Professional Standards For All School Nutrition Programs Employees



# Additional Outside Resources and Training

## Free

- The Institute of Child Nutrition: <https://theicn.org/>
- Urban School Food Alliance:  
<http://urbanschoolfoodalliance.org/>
- USDA Food and Nutrition Service:  
<https://www.fns.usda.gov/schoolmeals>



# Additional Outside Resources and Training

Fees required, but are Allocable Costs to the CNP

- Illinois Association of Public Procurement Officials (IAPPO):  
<https://www.iappo.org/>
- NIGP The Institute for Public Procurement:  
<https://www.nigp.org/>

These are other similar companies or organizations that specialize in public procurement and may be an allowable cost to the Child Nutrition Programs. The companies listed are for information purposes and does not imply endorsement by the Illinois State Board of Education (ISBE) or the United States Department of Agriculture (USDA).

Thank you

800/545-7892

[NutritionProcurement@isbe.net](mailto:NutritionProcurement@isbe.net)

