



Food and
Nutrition
Service

Park Office
Center

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DATE: October 6, 2016

MEMO CODE: SP 03-2017

SUBJECT: Draft Tool for Local Agency Procurement Reviews for School Food Authorities in SY2016-2017 - *Revised Tool*

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

This memorandum provides information on the revised Draft Local Agency Procurement Review Tool (Tool) posted to PartnerWeb. While the concepts of the Tool remain the same, the revision provides clarity, improves functionality, and expands instructions for school food authorities (SFAs) and State agencies. The changes are summarized as follows:

Review Tab	Update
Overview of a procurement review	Revised flowchart format.
SFA procurement table	Reduced GPO questions; removed duplicate columns; improved functionality linking content in the table with review tabs.
State agency procurement selection chart	Reduced the number of processing contracts to focus on ensuring SFAs utilize USDA Foods to their planned assistance level and competitively procure processing services .
General standards	Streamlined, clarified, and reduced the number of questions.
All procurement method tabs (<i>micro-purchase, small purchase procedures, sealed bids/competitive proposals, FSMCs and processing</i>)	Added a review of 3 vendor invoices in the contract management section of each tab to ensure SFAs are monitoring contractor performance as required by 2 CFR 200.318(b).
FSMC review tabs	Changed the FSMC tabs to reflect when each tab will be used. The State agency pre-approval FSMC checklist is used in

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Review Tab	Update
	the initial contract year. The Food Service Management Companies tab is used the year when a procurement review is conducted.
Processing review tab	Streamlined, clarified and reduced the questions; added required contract provisions and additional instructions.

Using Updated Tool for SY 2016-17 Reviews:

State agencies are expected to implement the updated Tool as soon as possible. If any State agency has begun conducting procurement reviews using the Tool posted on June 30, 2106, FNS expects these State agencies to transition to the *revised* Tool for reviews commencing on or after November 1, 2016. State agency use of the procurement review materials will be evaluated during management evaluations.

Training on the Draft Local Agency Procurement Review Tool will be conducted during a face-to-face conference session at the State agency/USDA meeting October 31-November 2, 2016 in Crystal City, VA. However, if a State agency needs additional training, it may request this from the appropriate Regional Office.

State agencies should direct any questions concerning this guidance to the appropriate FNS Regional Office.

Original Signed

Sarah E. Smith-Holmes

Director

Program Monitoring and Operational

Support Division

Child Nutrition Programs

Attachment