

(Insert Name of School Food Authority Here) - Processing Contracts Review		Comments
<p>Section A: STATE AGENCY INSTRUCTIONS: Contact the State Distributing Agency to determine if the State agency conducts procurement of further processing on behalf of SFAs. Determine if there are exceptions to this of SFAs that conduct their own processing such as large SFAs within the State. If yes, answer Q1-Q2 below only.) Obtain the following information: State template processing contract/agreement, State-approved list of foods for processing and value pass-through amount for each food, and the planned assistance level for SFAs during the prior school year and/or current school year, if applicable for new SFAs. Ask the State Distributing Agency for any additional documentation that may be State specific for conducting a review of processing contracts. For State agencies approved to offer cash-in-lieu of commodities, this review tab is not applicable.</p>		
<p>1) If the SFA received processed products only via processors contracted with by the State agency, did the SFA actively use USDA Foods and processed end products as evidenced by the SFA's inventory level during the review period? (NOTE: An excessive or unused pounds/inventory at the processor (> 6 months based on average monthly usage) No is a finding [7 CFR 250.30(n)])</p>		
<p>SECTION B. STATE AGENCY INSTRUCTIONS: Answer Q2 through Q17, as applicable, if the SFA is self-operating and procures its own processors. Obtain copies of solicitation documents. Evaluate compliance with Federal requirements for specifications, evaluation and scoring criteria, contract award for lowest/most advantageous bid/offer, required contract provisions, presence of unallowable cost provisions, over-responsiveness, etc. If the State does not procure processing contracts for SFAs, determine State-approved value pass-through methods; State approved processors, and any additional information the agency can provide to answer all questions below.</p>		
<p>2) For informal procurement procedures, 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)]</p>		
<p>3) Did the SFA restrict competition by: [2 CFR Part 200.319(a)(1-7):</p>		
<p>a) Placing unreasonable requirements on firms to qualify for business? [[2 CFR Part 200.319(a)(1)/7 CFR 3016.36(c)(1)(i)];</p>		
<p>b) Requiring unnecessary experience or excessive bonding? [2 CFR 200.319(a)(2)/7 CFR 3016.36(c)(1)(ii)]</p>		
<p>c) Specifying a "brand name" product, not allowing "an equal" product to be offered? [2 CFR 200.319(a)(6)/7 CFR 3016.36(c)(3)(i)/7 CFR 3019.44(a)(3)(iv)]</p>		
<p>4) Were clear and accurate descriptions of the technical requirements provided for the product, or service being procured? [2 CFR 200.319(c)(1)/7 CFR 3016.36(c)(3)(i)/7 CFR 3019.44(a)(3)(i)]</p>		
<p>5) Did the solicitation include a requirement that goods must be produced and processed in the United States ("Buy American")? [7 CFR 250.17(e)]</p>		
<p>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]</p>		
<p>7) For formal (IFB/RFP) contracts: Did the SFA include:</p>		
<p>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]</p>		
<p>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)</p>		
<p>c) Publicly advertised proposals from an adequate number of qualified suppliers? [2 CFR 200.320]</p>		
<p>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]</p>		
<p>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]</p>		

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]		
b) Equal Employment Opportunity (in excess of \$10,000)? [Appendix II to 2 CFR 200/7 CFR 3019.48]		
c) Contract Work Hours/Safety Standards Act (40 U.S.C. 3701-3708) (for contracts in excess of \$2,500)?		
d) Davis Bacon Act (for construction contracts in excess of \$2,000)? [Appendix II to 2 CFR 200/7 CFR 3019.48]		
e) Rights to Inventions Made Under a Contract or Agreement (if applicable)? [Appendix II to 2 CFR 200/7 CFR 3019.48]		
f) Debarment and Suspension [Executive Orders 12549 and 12689](2 CFR Part 200.213 and Appendix II to 2 CFR Part 200 (j) (All contracts))		
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)		
9) Did the SFA solicit for and receive USDA foods processed end products approved by the SDA? (NOTE: SDAs approve the items available for sale in their State on the processor's SEPDS. Some States make the SEPDS available to the SFA. NOTE: No is a finding.)		
ADDITIONAL COMMENTS:		
Solicitation - Noncompetitive Proposals		
10) Noncompetitive Proposals are allowable only if one of the four criteria are met: 1) a public exigency/emergency did not permit a competitive solicitation; 2) after solicitation of a number of sources, competition was inadequate; 3) FNS or the State agency expressly authorized a noncompetitive proposal based on a written request from the SFA; 4) The item was only available from a single source. If a noncompetitive method of procurement was used, did it meet one or more of the four criteria listed above? If YES, describe in comments. [2 CFR 200.320(f)(1-4)/7 CFR 3016.36]		
ADDITIONAL COMMENTS:		
Section C: Evaluation and Contract Award		
11) Did the SFA award a fixed price (with/without price adjustment tied to an index) or a cost-reimbursable contract? [NOTE: <i>NO is a finding. A cost plus percentage of cost and cost plus percentage of income is prohibited, [2 CFR Part 200.323(d)]</i>		
12) If any bids/offers were disqualified/rejected, were the reasons sound, reasonable and documented? (NOTE: <i>record reason in comments/justify comment if issuing finding.</i>) (NOTE: <i>NO is a finding</i>) [2 CFR 200.320(c)(2)(v)]		
13) Did the supplier provide information for how food recalls will be handled? (NOTE: <i>NO is a finding .</i>) [FDD Policy: Responding to a Food Recall - Procedures for Recalls of USDA Foods]		
14) FOR USDA FOODS ONLY: Does the value pass-through method identified in the contract match what was included in the solicitation? (NOTE: <i>Q assumes the SFA is procuring commodity processed end products and commercial purchases in the same solicitation</i>) (NOTE: <i>NO is a finding.</i>)		
15) FOR RFP/FORMAL CONTRACTS : Was the contract awarded most advantageous to the SFA, utilizing the criteria outlined in the solicitation? (NOTE: <i>If no, explain in comments. Determine if contract award was compliant. NO is a finding.</i>)		
ADDITIONAL COMMENTS:		
Section D: Contract Performance Management Process		
16) Did the SFA receive the value of USDA foods as stated on the State-approved Summary End Product Data Schedule (SEPDS)? (NOTE: <i>No is a finding. NOTE: The SEPDS value is also known as the contract value. It is the USDA established value for each raw material. Pass through of "full entitlement" may not occur. Rather, SFAs may receive a larger/smaller discount/credit from processors paid by USDA from entitlement funds.</i>) [7 CFR 250.30(c)(5)(viii)(A)]		
17) If the SFA received less than the full value of its USDA Foods from the processor, did it pursue the difference with the processor and come to a reasonable conclusion or work with the State Distributing Agency to reconcile the difference? (NOTE: <i>NO is a finding</i>)		

18) Is the SFA monitoring contractor performance (contract terms/conditions/specifications as required quarterly, semi-annual, annual reports - programmatic, financial, or both)? (NOTE: <i>NO is a finding.</i>) [2 CFR 200.318(b)]		
19) Is the SFA accepting and efficiently using large quantities of USDA Foods as may be offered as a donation by USDA? (NOTE: <i>NO is a finding.</i>) [7 CFR 210.9(a)(15)]		
ADDITIONAL COMMENTS:		

