

Comprehensive Procurement Review

FOR SELF-OPERATED SCHOOL NUTRITION PROGRAM SPONSORS



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Comprehensive Procurement Review

School Nutrition Program Sponsor Steps

Procurement Reviews are one of three required Compliance Reviews for School Nutrition Program Sponsors and are completed in the same cycle as Administrative and Resource Management Reviews. The following steps detail the process of a Procurement Review.

Best Practices and Helpful Hints

- Procurement Reviews will be conducted within the Grant Electronic Monitoring System/Michigan Administrative Review System (GEMS/MARS). You must log into GEMS/MARS through your MIlogin for Business Account.
- Maintain all Procurement Documentation. Create folders in electronic files or your District's method of storing documents. Documents should be kept on file three or more years plus the current year and even longer if contract terms are beyond that time period.
- Communication is very important for a smooth review process.
- If assistance is needed throughout a Procurement Review, please do not hesitate to contact your lead reviewer.

Step 1: Scheduling and Notification

- Sponsors who are required to be reviewed will be notified via email.
- The scheduling letter will include the following:
 1. Date and time of the entrance conference meeting
 2. GEMS/MARS access information
 3. List of required documents:
 - Procurement Procedures
 - Purchasing and Procurement Policies
 - Written Code of Conduct (if not included in the Procurement Procedure or Policy)
 - A Vendor Paid List/Summary of Total Expenditures by Vendor Report
 - *This report should be available from whatever type of financial management software the sponsor is using. If the sponsor has no financial software, then there must be a list of all transactions.*
 4. Due dates
 5. Contact information
 6. Links to resources

The Michigan Department of Education's Office of Nutrition Services has scheduled a Procurement Review of your district's School Nutrition Programs. This email is your official notification of the review of nutrition program purchasing.

The Procurement Review has four parts: an Entrance Conference Meeting, the Sponsor Information Form, a Documentation Review, and an Exit Conference Meeting. The Procurement Review will evaluate documentation from **School Year 2022-2023**. Please use the [Comprehensive Procurement Review Process Guide for Sponsors](#) to help navigate the review process.

Entrance Conference

The Entrance Conference meeting is scheduled for **Monday, May 6, 2024**, from **11:30AM** until **12:00PM**. The conference will be held virtually on Microsoft Teams. You must email your reviewer to confirm the date and time. The reviewer will reply with a link for you to join the meeting on Microsoft Teams.

Sponsor Information Form

The form must be completed before the Entrance Conference Meeting and no later than **Friday, May 3rd**. Log in to the Grant Electronic Monitoring System/Michigan Administrative Review System (GEMS/MARS) using this link: <https://milogintp.michigan.gov/eai/tplogin>.

Fill in the requested information and upload the documents listed below.

- Documented [Procurement Policy](#)
- Procurement [Procedure](#) telling how purchasing is done
- Written [Code of Conduct](#) if not included in policy or procedure
- [Vendor Paid List Report](#) with Summary of Total Expenditures by vendor
 - Include all vendors paid from the sponsor's nonprofit foodservice account
 - List a total paid to each vendor
 - The report must be in Microsoft Excel spreadsheet format or accounting/finance software format and include at least the following for each transaction:
 - Vendor name
 - Date
 - Type or details of payment
 - Dollar amount

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Step 2: Sponsor Information Form

- To access the Sponsors' Procurement Information Form, log in to GEMS/MARS and select the task for the Procurement Review.
- Sponsors will be expected to complete the information form prior to the entrance call.

Sponsor Information

1. How many people are responsible for procurement on behalf of the Sponsor's School Nutrition Department?
 - Enter the names, position/title, email address and phone number of staff members who hold key procurement responsibilities. We would expect to see staff members such as business manager, Food Service Director, Assistant Director, Superintendent, and possibly building or kitchen leads or support staff if they are conducting major procurement activities.
 - List Procurement Duties: All procurement duties should be listed. The duties may include, purchasing, ordering, approvals, reviewer, etc.
2. Any comments related to this section, can be entered within the comment box.

Sponsor Name:

required

How many people are responsible for procurement on behalf of the Sponsor's School Nutrition Department?

Details for responsible parties:

Name	Position/Title	Email	Phone	Procurement Responsibilities
Jane Doe	Business Manager	jandoe@joeschools.net	616-999-9999	Finance
Jan Williams	Food Service Director	dianewilliams@joeschools.n	616-999-9000	Nutrition

Comments

General Procurement

1. Upload procurement procedures, policies, and code of conduct (interest or ethics) documents.
 - Note – the code of conduct maybe a stand-alone document or included in the procurement policy/procedures. If you are not sure where these documents are located, check with your Business Manager or search for these documents on the districts website (sometimes they are under the school board policies). *A Code of Conduct addresses: Specific guidelines and limits for employee actions during the procurement process. And must include the requirement that employees avoid and identify any real or perceived conflicts of interest in all procurement actions.*

General Procurement

Upload all documents related to procurement practices. Include Procurement Policy, Procedures, and Code of Conduct

[Download Files](#)

Drop files here or click to upload

↓

File Name	File Size

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Micro & Small Purchase Threshold Information

1. Enter all threshold amounts for micro-purchases, and small purchases (for food, services, and supplies/materials). These amounts may be noted in a policy/procedure. School boards or local authorities can set thresholds lower than the Federal or State of Michigan requirements.
2. Any comments related to this section, can be entered within the comment box.

Micro & Small Purchase Threshold Information

What is the Sponsor's Micro purchase threshold?	<input type="text" value="2,500"/>
What is the Sponsor's small purchase threshold for Food?	<input type="text" value="100,000"/>
What is the Sponsor's small purchase threshold for Services?	<input type="text" value="250,000"/>
What is the Sponsor's small purchase threshold for Supplies, Materials, and Equipment?	<input type="text" value="25,000"/>

Comments about General Procurement

Procurement Methods Used

1. For each procurement method listed, select the methods used with a Yes or No response.

Procurement Methods Used

Were the following procurement methods used?

Group Purchasing Efforts (Consortia, CN Cooperative, Agent, Third-party)	<input type="text"/>
Market Basket Analysis for Evaluation of Contract Award	<input type="text"/>
Micro-Purchasing	<input type="text"/>
Small Purchase/Informal Purchase	<input type="text"/>
Formal Contracts: Sealed Bids/Competitive Proposals	<input type="text"/>
Non-Competitive Procurement (including emergency procurements)	<input type="text"/>

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Group Purchasing Efforts

1. What Consortia did you choose for the previous school year? Select the name of the consortia the district utilizes:
 - Macomb-Oakland-Wayne RESA (MOR)
 - School Purchasing and Resource Consortiums (SPARC)
 - Great Lakes Consortium (GLC)
2. Select the number of Group Purchasing Efforts (1-10 are the available options)
3. The name and details of each group purchasing efforts should be entered within the table. To include the name of group purchasing effort, detailed goods and services, total amount paid, group type (CN Cooperative, Agent, or third-party) and comments.
4. MDE will select the efforts for review.
5. Any comments about group purchasing efforts can be entered within the comment box. Refer to the [USDA Foods Consortia \(michigan.gov\)](http://www.usda.gov/food-consortia) for additional information

What Consortia did you choose for the previous school year?

How many group purchasing efforts would you like to add?

Group Purchasing Efforts Details

Group Purchasing Effort/Name	General Goods/Services Provided	Total Paid to 3rd party/Vendor	Group Type	Comments	(MDE Only) Select for Review
			CN Cooperat		<input type="checkbox"/>

Overall Comments about Group Purchasing Efforts

Market-Basket Analysis for Evaluation of Contract Awards

Note: A market basket analysis applies only to formal contracts and is a method of evaluating goods based on a representative sample in relation to the estimated contract value, the addition of goods, if allowed, and the limit to the contract value when additions are allowed.

1. How many Market Basket Analysis for Evaluation of Contract Awards items would you like to add? Select the total number of market basket analysis contract awards (1-10).
2. The names and details of each contract award should be included within the table. The number of lines will generate in the table based on the total number stated above.
3. MDE will select the vendors to review.
4. Any comments about the market basket analysis can be entered within the comment box.

Market Basket Analysis for Evaluation of Contract Awards

A market basket analysis applies only to formal contracts and is a method of evaluating goods based on a representative sample in relation to the estimated contract value, the addition of goods, if allowed, and the limit to the contract value when additions are allowed.

How many Market Basket Analysis for Evaluation of Contract Awards items would you like to add?

Market Basket Analysis for Evaluation of Contract Award Details

Comments about Market Basket Analysis for Evaluation of Contract Awards

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Micro-Purchasing

1. Select number of vendors: enter the total number of micro-purchase items (1-50 are the available options)
2. List all Micro-purchases by vendor. Only one line per vendor. The names and details of each purchase should be included within the table. The number of lines will generate in the table based on the total number stated above.
3. MDE will select the vendors to review.
4. Any comments about Micro-Purchasing can be entered within the comment box.

Micro-Purchasing

Select number of vendors (use the drop down):

Micro-Purchasing Details

List all Micro-purchases by vendor name. Only one line per vendor.

Comments about Micro-Purchasing

Small Purchase/Informal Purchase

Small Purchase Thresholds for public school: \$250,000 services, \$100,000 food, and \$29,572 for non-food and supplies.

Small Purchase Threshold for non-public and non-school institutions or sponsors: food, supplies, and services follow the Federal level which is set at \$250,000.

1. Enter the number of quotes required for your school district
2. Select number of vendors: Enter the total number of small purchase/informal details (1-21 or more).
3. List all Small/Informal purchases by vendor. Only one line per vendor. The names and details of each purchase should be included within the table. The number of lines will generate in the table based on the total number stated above. You may utilize the Legend as guidance.
4. MDE will select the vendors to review.
5. Any comments related to this section, can be entered within the comment box.

Small Purchase/Informal Purchase

How many quotes does your district require per the procurement policy or procedure?

3

Select number of vendors (use the drop down):

1

Legend:

Vendor Name	Official Name of Vendor
General Goods/Services Provided	Provide a short description of the goods/services that are provided
Total Paid to Vendor	Total amount that has been paid to this vendor
# Purchases during FY	# Purchases made from this vendor during SY? (one time vs multiple)
# Responses	How many responses were received?
Were purchases from a third-party entity?	Were purchases from a third-party entity?
Select for Review	MDE Only field

Small Purchase/Informal Purchases

List all Small/Informal purchases by vendor name. Only one line per vendor.

Vendor Name	General Good/Services Provided	Total Paid to Vendor	# Purchases during SY	# Responses	Were purchases from a third-party entity?	Select for Review
			1 Time		Yes	<input type="checkbox"/>

Overall Comments about Small Purchase/Informal Purchases

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Formal Contracts

1. Select number of vendors: Enter the total number of formal contracts (1-21 or more)
2. List all Formal purchases by vendor. Only one line per vendor. The names and details of each contract should be included within the table. The number of lines will generate in the table based on the total number stated above. You may utilize the Legend as guidance.
3. MDE will select the vendors to review.
4. Any comments related to this section, can be entered within the comment box.

Formal Contracts

Select number of vendors (use the drop down):

Legend:

Vendor Name	Official Name of Vendor
General Goods/Services Provided	Provide a short description of the goods/services that are provided
Contract Value	Enter total contract value
Solicitation Type	Invitation for Bid (Bid) or Request for Proposal (Proposal)
Contract Type	Fixed Price (FP) or Cost Reimbursable (CR)
Contract Duration	Less than 1 year, 1 year, or more than 1 year
Number of Responses	How many responses to the solicitation did the SFA receive?
Obtained using CN Coop/Agent/3rd Party	Was this contract obtained using a CN Coop/Agent/3rd-party entity?
Contract Amended	Was contract amended after award?
Select for Review	MDE only

Vendor Name	General Goods/Services Provided	Contract Value	Solicitation Type	Contract Type	Contract Duration	Number of Solicitations	Obtained using CN Coop/Agent/3rd Party	Contract Amended	Select for Review
			Bid	FP	<1 y		Yes	Yes	<input type="checkbox"/>

Comments about Formal Contracts

Non-Competitive Procurement

1. Select number of non-competitive purchases:
Enter the total number of contracts (1-5 vendor options are available)
2. Enter the vendor(s) name, goods and services provided, contract amount, solicitation type (IFB, RFP, Quotations), Type of non-competitive procurement, provide a response to the question about CN Co-operative/Agent/3rd party entity purchase, and state if the contract was amended.
3. MDE will select the vendors to review.
4. Any comments related to this section, can be entered within the comment box.

Non-Competitive Procurement

How many Non-Competitive Procurements (including emergency procurements) do you have?

Non-Competitive Procurement Details 1

Vendor Name

Goods/Services Provided

Contract Amount

Solicitation Type

Type of Non-Competitive Procurement

Was this vendor/contract obtained using a CN Coop/Agent/Third-Party Entity?

Was contract amended after award?


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Vendors (File Uploads)


1. Upload a vendor paid list/transaction list of all transactions within the Non-Profit Food Service Account (*Note – this may be called a summary of total expenditures by vendor report*)
2. The sponsor may upload all vendor documents selected for review.


Upload Vendor Paid List

 Download Files

Drop files here or click to upload 		
File Name	File Size	

Upload Vendors Selected for MDE Review Supporting Documents?

 Download Files

Drop files here or click to upload 		
File Name	File Size	

Comments about Vendors

Notes

1. Sponsor Notes: additional notes may be added in this section related to the information form and the review.
2. MDE-Procurement Review Entrance Conference Notes will be added in this section.

Sponsor Notes:

MDE-Procurement Review Entrance Conference Notes:

Step 3: Entrance Conference Call

- The Entrance Conference Call may be conducted in Teams or in-person at the beginning of a review.
- The sponsors' staff members who are involved in the procurement and purchasing process should be on the Entrance Conference Call. This includes sponsor's food service director, finance/business manager, cafeteria manager, assistants, or anyone else who assists in the National School Lunch Program (NSLP).
- Meetings may last between 30 minutes to 1 hour – best to plan for 1 hour when scheduling.
- Discussion of the Sponsor's Information Form, Vendor Paid List and selected vendors for review, and documentation needed.

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Step 4: Documentation Submission

- Sponsor's written Code of Conduct and Procurement Procedures must be uploaded along with the Vendor List/Summary of Total Expenditures by Vendor Report.
- Documentation of vendors selected for review may be uploaded to the information form.
 - Solicitations, evaluations, and contracts, plus copies of three vendor invoices for each vendor selected for review [2 CFR 200.318(i)]
 - Responses (quotes for informal procurement procedures and bids/offers for formal procurement procedures)
 - Amended contract language, as applicable (MDE will need to review amended contracts to determine if a material change was created.)
- In the event the Sponsor lacks documentation to support procurements, MDE will document this and proceed with technical assistance and findings to include a corrective action plan.

Step 5: MDE Document Review

- MDE will review all documentation to ensure compliance with local, State, and Federal regulations and assess the following:
 - Did the sponsor follow their own procurement procedures?
 - Was competition fair, open, and unrestricted?
 - Is required language and provisions included in contracts?
 - Are there any unallowable provisions in contracts?
 - We must answer the required USDA questions and assign findings accordingly (if applicable).

Step 6: Exit Conference

- This conference may be held via phone, virtual, or in-person.
- At a minimum, the business/finance staff member and food service director should be on the Exit Conference call. If you have more than one person who is responsible for program compliance, consider involving them in the exit conference.
- The Exit Conference will consist primarily of:
 - Documentation submitted (discussions, if applicable)
 - A review of findings identified (if applicable)
 - Explanation of requirements and next steps (if applicable)
 - Technical Assistance
 - Resources available
 - Expectations and instructions how to complete corrective action(s) (if applicable)

Step 7: Corrective Action and Closeout

- The Sponsor will receive a Findings Report that includes applicable Findings, expected Corrective Action and a summary of the technical assistance provided.
- Things to include and consider when completing corrective action:
 - What should be done to correct the issue?
 - Who should be responsible for implementing these corrective actions?
 - When and how often should the corrective actions be carried out?

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- Where should the corrective action documentation take place?
 - How can we make sure that these corrective actions prevent recurrence?
- Corrective Action and supporting documentation must be entered into GEMS/MARS. Once entered, the MDE Reviewer will either provide feedback and request revisions or approve the submitted corrective action.
 - Once the Exit Conference has concluded, and all corrective action has been approved, a close-out letter will be sent to the sponsor concluding the review.