



TODD STAPLES, COMMISSIONER

# POLICY ALERT

**Date:** August 18, 2009

**Reference:** # CACFP DCH 2009-24

**To:** Child and Adult Care Food Program-Day Care Homes (CACFP DCH) Sponsors

**Subject:** Procurement

**Effective Date:** October 1, 2009

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## Purpose

**ADD CACFP DCH Handbook Items:**

- 7310, Invitation for Bid and Contract for Purchased Meals
- 7310.1, Contract Renewal Options
- 11150, Invitation for Bid and Contract for Purchased Meals

The Texas Department of Agriculture (TDA) has developed a standard contract to be used by all sponsors who procure for Food Service Management Companies (FSMCs)/purchased meals. The following describes the process and implementation procedures to be used.

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## Implementation

October 1, 2009

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## Procedure

**Add the following Items:**

7310, Invitation for Bid (IFB) and Contract for Purchased Meals

A sponsor and providers may contract with a company to provide meals to be used in the sponsor's or provider's food service. TDA has developed a standard IFB and contract that must be used for purchased meal procurements and contracts. The *Invitation for Bid and Contract for Purchased Meals* can be found in Section 11000, Resources. The sponsor or provider must submit the contract to TDA Food and Nutrition Division for review and approval before it is signed. Contact your Food and Nutrition Field Operations Office (F&N FOO) for questions regarding the procurement process.

Sponsors or providers who want to contract with a school for meals should contact their F&N FOO for guidance.

It should be noted that the procurement process for purchased meals can take up to six months, so sponsors and providers should plan accordingly to ensure they have a plan for preparation of meals before a contract is awarded.

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This Policy Remains in Effect Until Further Notice

**Procedure**  
continued

7310.1, Contract Renewal Options

A sponsor may renew an existing FSMC contract during each of the two consecutive years following the base year (procurement year) of the contract, if the scope and purpose of the contract does not change.

Examples of changes that would affect the original scope and purpose of an existing FSMC contract include:

- The addition of new services, such as providing catering or vended meals to facilities not under the sponsorship of the CACFP-DCH sponsor, concessions, or vending machines;
- Adding participation in another FND-administered program;
- Changes in fees or the basis for fee increases not reflected in the original request for proposal;
- A major shift in responsibilities for the CACFP sponsor or the FSMC staff; or
- Changes to the formula that is used to identify a meal.

A sponsor must follow established procurement procedures when obtaining an FSMC contract for the base year. The procurement method that the sponsor conducts must be appropriate to the total value and scope of services provided by the contract. The sponsor then has an option to renew the FSMC contract each of the two consecutive years following the base year without conducting a procurement method. After the base year and two renewal years have passed, the sponsor must conduct the full procurement method as appropriate when obtaining a FSMC contract.

**NOTE:** The base year coincides with the program year for which current sponsors file a new application for the CACFP. In the CACFP-DCH, the first base year available for establishing the procurement year began with Program Year 2002 (October 2001 through September 2002).

**Add Item 11150, Invitation for Bid and Contract for Purchased Meals, to your handbook:**

The Invitation for Bid and Contract for Purchased Meals will be added to the Resources section of the handbook.

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**Implementation**  
**Procedures**

Beginning with PY 2010 (October 1, 2009 – September 30, 2010), sponsors must use the *Invitation for Bid and Contract for Purchased Meals* provided in the Resources section of your handbook for all new procurements and contracts for purchased meals.

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**Implementation  
Procedures**  
continued

Sponsors who have existing FSMC contracts can continue under their existing contracts, including renewals, with the following exceptions:

- The scope and purpose of the existing contract has changed. The contractor would then be required to re-procure using the new *Invitation for Bid and Contract for Purchased Meals*.
- The existing contract does not meet the requirements and guidelines and is therefore unallowable. The sponsor would need to terminate the existing contract and re-procure using the *Invitation for Bid and Contract for Purchased Meals*.

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**Authority**

7 CFR 226.6.

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**Contact**

If you have any questions please contact your Food and Nutrition Field Operations Office.

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