Instructions for Completing Food Supply Vendor Procurement:
Invitation to Quote, Procurement Form, and Procurement Log

Procurement is required by FNS regulation (7 C.F.R. §226.22). As with all other Federal funds, the primary objective of these procedures is to ensure maximum open and free competition. Although the program regulations do not specifically limit the term of CACFP procurement contracts, the State Agency will only allow, contract terms of one year.

Those institutions and Sponsoring Organizations who use food supply vendors such as Gordon Food, US Foods, or Sysco, must conduct procurement. Use the instructions and forms included in this handbook to assist you in conducting your food supply vendor procurement. Per State Agency policy, this procurement must be conducted within the first four weeks of the fiscal year.

Instructions

1. Fill out the Food Supply Vendor Contract with the items that you wish the vendors to bid on. Make three copies. (Form A)

2. Obtain the names, addresses, and email addresses of at least three food supply vendors.

3. Fill out the prototype *Invitation to Bid* letter with the necessary information (a modifiable document can be located on our website) (Form B)

4. Mail or email a Food Supply Vendor Contract and an Invitation to Bid to each of the food supply vendors with a date when bids should be returned**. Institutions must ensure that all potential food supply vendors receive the same information.**

5. When Food Supply/Vendor Contracts are returned to you, compile the bids, complete the procurement log, (Form C) and document which food supplier was selected. Sign the Food Supply Contract of the vendor you have chosen and send the selected vendor a copy of the signed contract. If the lowest price is not the reason for selecting a prospective bidder, you must document why the alternate food supply vendor was chosen.

6. Keep all contracts, the procurement log, and any correspondence with the food suppliers concerning the bid in your CACFP folder**.** Procurement records must be kept for three years after the close of the fiscal year.

**7 CFR 226.22*

Invitation to Bid (Form B)

Date

Contact Name
Address
City, State
Zip

Object: Invitation to Quote Price of Goods

Dear *(Contact Name)*

We are interested in purchasing *(describe goods.)*

Using the attached procurement form, please quote your ordinary unit price for supplying these goods together with your discount for volume purchases. Please include sales tax and delivery charges when applicable.

Please also indicate

A) Your terms of payment.

All price quotations must be firm and be good for a period of one year unless otherwise stated.

Please have quotes back to me by *(date.)*

Sincerely,

Your Name
Your Title
Your Phone Number
Your Email

**7 CFR 226.22*

Revised FY2015-2016

Food Supply Vendor Contract (Form A)

Please quote your ordinary unit price for supplying these goods as indicated in the attached letter. Sign and submit this back to the contact by _____.

Items to be Purchased	Quantity Expected to Buy	Food Supply Vendor Name:	
		Unit Price	Extended Price (Quantity x Unit Price)
TOTAL			$

I_____(name of vendor), agree to supply the above named items at the price quoted. Delivery costs and sales tax are included with this quote.

Terms of payment are _____
This contract may be voided by either party at any time.

_____Signature of Vendor Representative _____Date

_____ ___Signature of Sponsor or Institution Representative _____Date
(Sponsor or Institution Representative Signs AFTER bid has been accepted)

**7 CFR 226.22*

Revised FY2015-2016

Procurement Log (Form C)

The Procurement Log is to be used to document all competitive price quotations of food supply vendors during the procurement procedure. The institution must contact at least three known suppliers of the food, services, and/or supplies needed and obtain competitive price quotations.

Attached to this document is a "Procurement Log" that may be used or may guide you in developing your own form. Below is a sample of how this form can be used.

Items to be Purchased	Quantity Expected to Buy	Vendor #1: XYZ Company		Vendor #2: ABC Company		Vendor #3: LMN Company	
		Unit Price	Extended Price (Quantity x Unit Price)	Unit Price	Extended Price (Quantity x Unit Price)	Unit Price	Extended Price (Quantity x Unit Price)
Peaches, diced 6/10 cans	25 cs	$20.19	$504.75	$18.87	$471.75	$22.40	$560.00
Pears, sliced 6/10 cans	10 cs	$20.94	$209.40	$23.01	$230.10	$23.26	$232.60
Pineapple, chunks 6/10 cans	15 cs	$25.98	$389.70	$28.03	$420.45	$24.89	$373.35
Total			$1,103.85		$1,122.30		$1,165.95
Vendor Selected		☐		☑		☐	
Date and Method of Contact		September 27 Faxed in price quotes (quote sheets must be attached).		September 28 Price given per phone. Will confirm in writing.		September 28 Visited store and obtained (price sheets must be attac	
Additional Notes:		Best price but will need to drive 15 miles to pick up product. Estimate that this will raise costs by 10%, making this a more costly alternative than Vendor #2.		Slightly higher price, but 5 minute drive from site.			

Although this example only compares three items, school and non-school institutions are expected to compare <u>all the food, services, and/or supplies</u> they plan to purchase.

Signature of person completing this form:	Date:
Ima Sample	**10/30/12**

PROCUREMENT LOG (Form C)

Items to be Purchased	Quantity Expected to Buy	Vendor #1		Vendor #2		Vendor #3	
		Unit Price	Extended Price (Quantity x Unit Price)	Unit Price	Extended Price (Quantity x Unit Price)	Unit Price	Extended Price (Quantity x Unit Price)
TOTAL			$		$		$
Vendor Selected		☐		☐		☐	
Date and Method of Contact* *Selected vendor must be sent a copy of the signed contract.							
Additional Notes:							
Signature of person completing this form:						Date:	

7 CFR 226.22