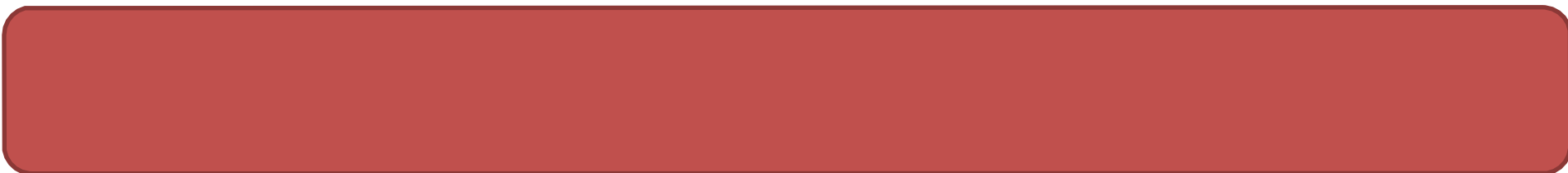
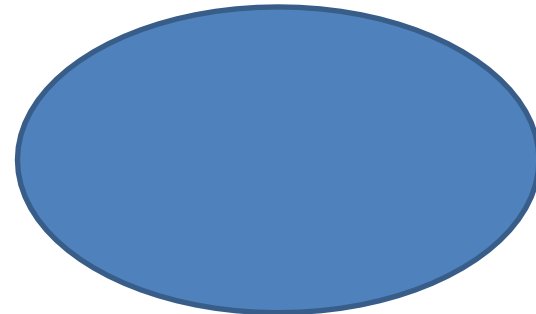
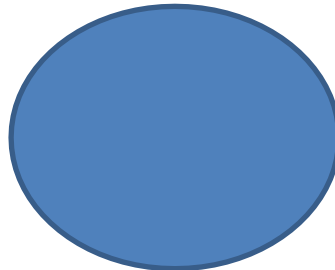
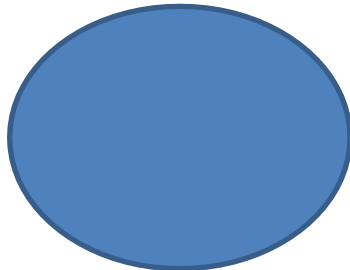
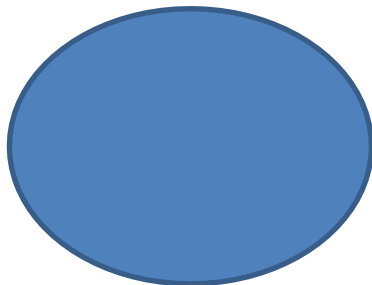


# HCNP's Procurement Review Process

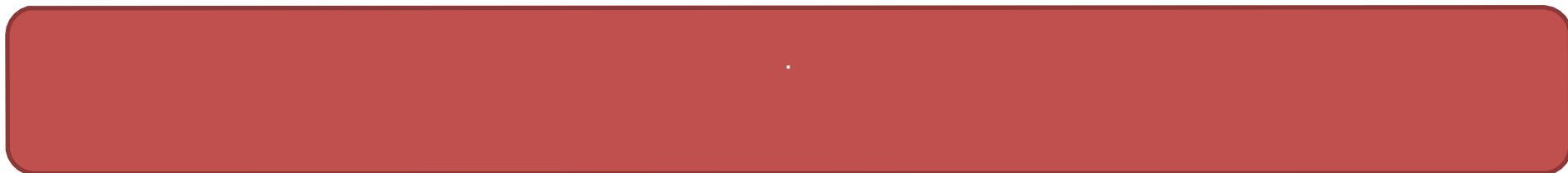
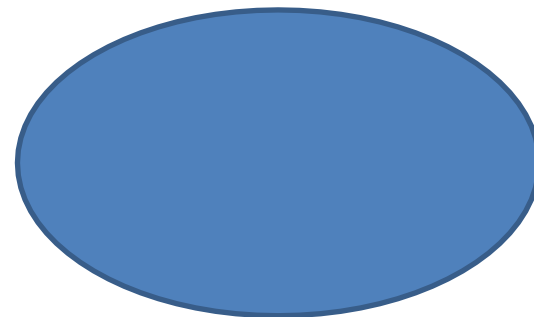
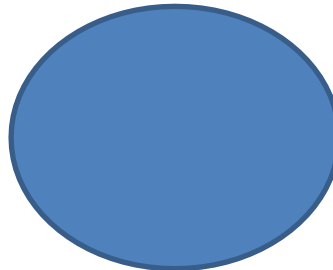
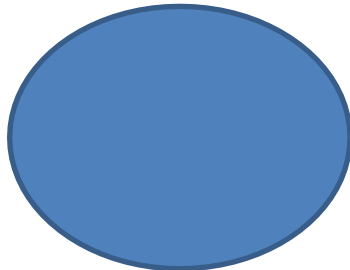
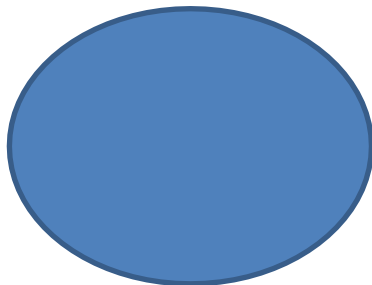
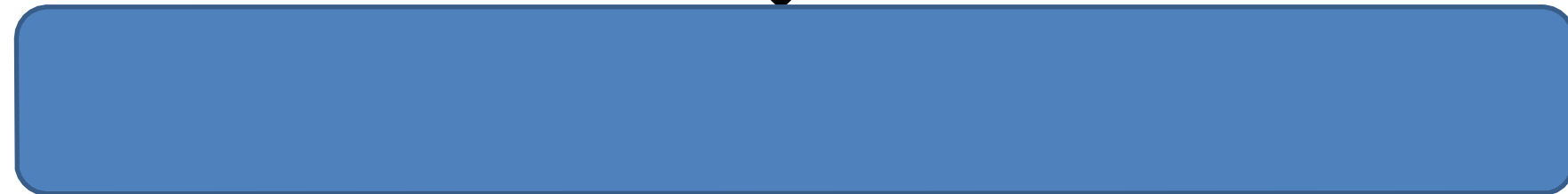
October 2017

# State Agency (SA) Procurement Review Proces



# State Agency (SA) Procurement Review Process

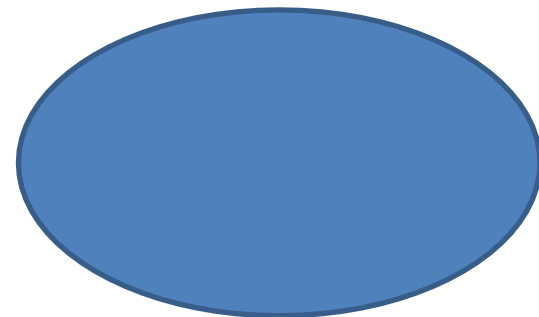
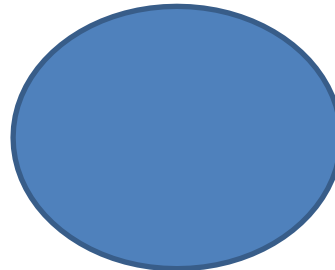
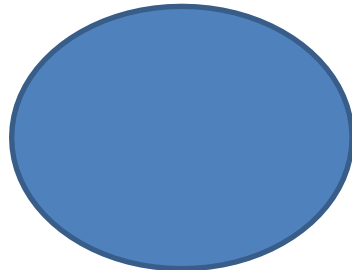
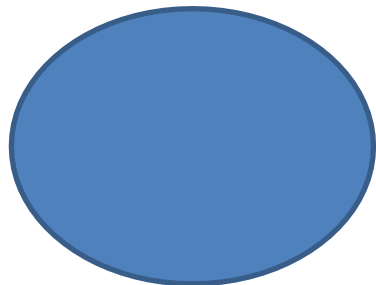
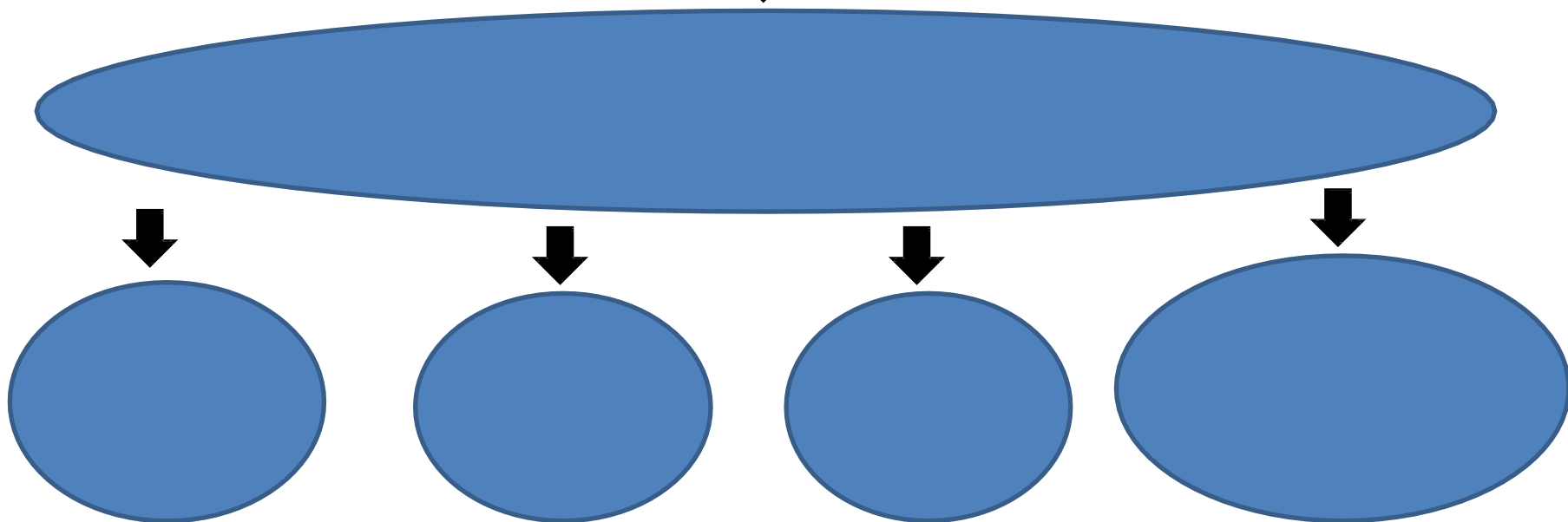
SA provides SFA Procurement Tool to SFA's selected for review; SFA completes and returns chart to SA



# State Agency (SA) Procurement Review Process

SA provides SFA Procurement Chart to SFA's selected for review; SFA completes and returns chart to SA

The SA reviews the SFA's responses: number/types of procurement contracts, i.e., formal, informal, group purchasing organization, processing, sole source and emergency contracts, FSMC contracts

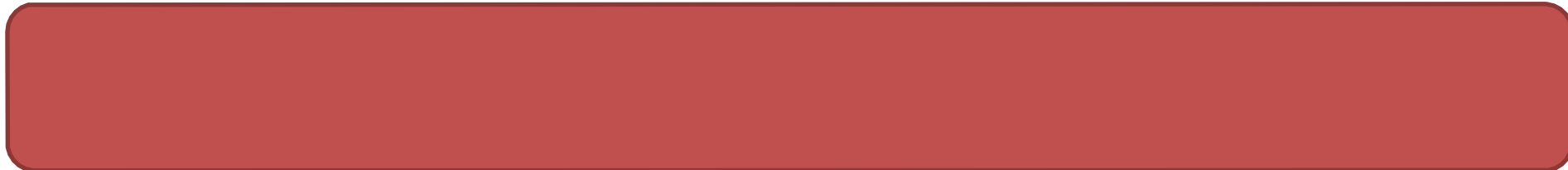
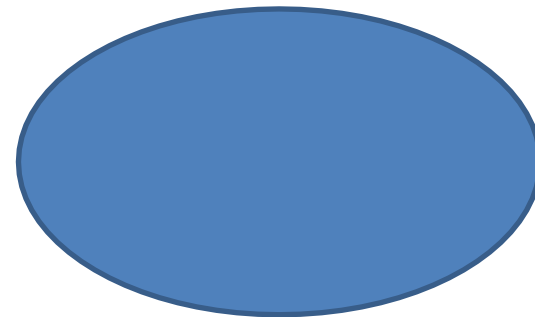
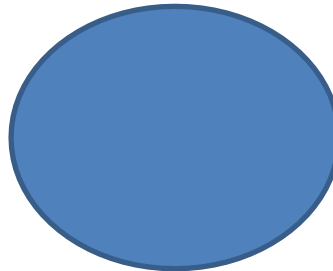
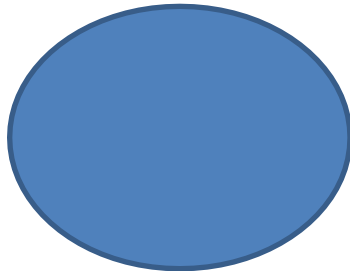
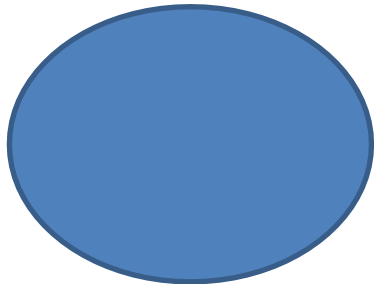


# State Agency (SA) Procurement Review Process

SA provides SFA Procurement Chart to SFA's selected for review; SFA completes and returns chart to SA

Using the SFA Procurement Tool, the SA identifies the number/types of procurement contracts the SFA has and applies the Contract Selection Chart to select the sample of SFA formal, informal, group purchasing organization, processing, sole source and emergency contracts it will review. Also identify all FSMC contracts

The SA answers yes/no/not applicable to questions in the Tool.  
SA examines documentation from SFA to review the following areas in the selected contracts:



# State Agency (SA) Procurement Review Process

SA provides SFA Procurement Chart to SFA's selected for review; SFA completes and returns chart to SA

Using the SFA Procurement Chart, the SA identifies the number/types of procurement contracts the SFA has and applies the Contract Selection Chart to select the sample of SFA formal, informal, group purchasing organization, processing, sole source and emergency contracts it will review. Also identify all FSMC contracts

The SA answers yes/no/not applicable questions in the SA Procurement Review Workbook & examines documentation to review the following areas in the selected contracts:

Written Code of Standards of Conduct

Contract Solicitation

Contract Evaluation and Award

Contract Performance Management Process



## State Agency (SA) Procurement Review Process

SA provides SFA Procurement Chart to SFA's selected for review; SFA completes and returns chart to SA

Using the SFA Procurement Chart, the SA identifies the number/types of procurement contracts the SFA has and applies the Contract Selection Chart to select the sample of SFA formal, informal, group purchasing organization, processing, sole source and emergency contracts it will review. Also identify all FSMC contracts

The SA answers yes/no/not applicable questions in the SA Procurement Review Workbook & examines documentation to review the following areas in the selected contracts:

Written Code of Standards of Conduct

Contract Solicitation

Contract Evaluation and Award

Contract Performance Management Process

Findings identified during the SA Procurement Review will be documented in the "Summary of Findings" tab of the tool; the SFA will be responsible for developing the corrective actions for any findings.

# Procurement Reviews SY2017-18

Malama Honua

Na Wai Ola

Volcano School for Arts & Sciences PCS

Waialae Elementary PCS

Child and Family Services

Ka Waihona o ka Na'auao PCS

Ke Kula O Nawahi

Hookakoo – Kualapuu

HAAS

St. Joseph

Kua o ka La

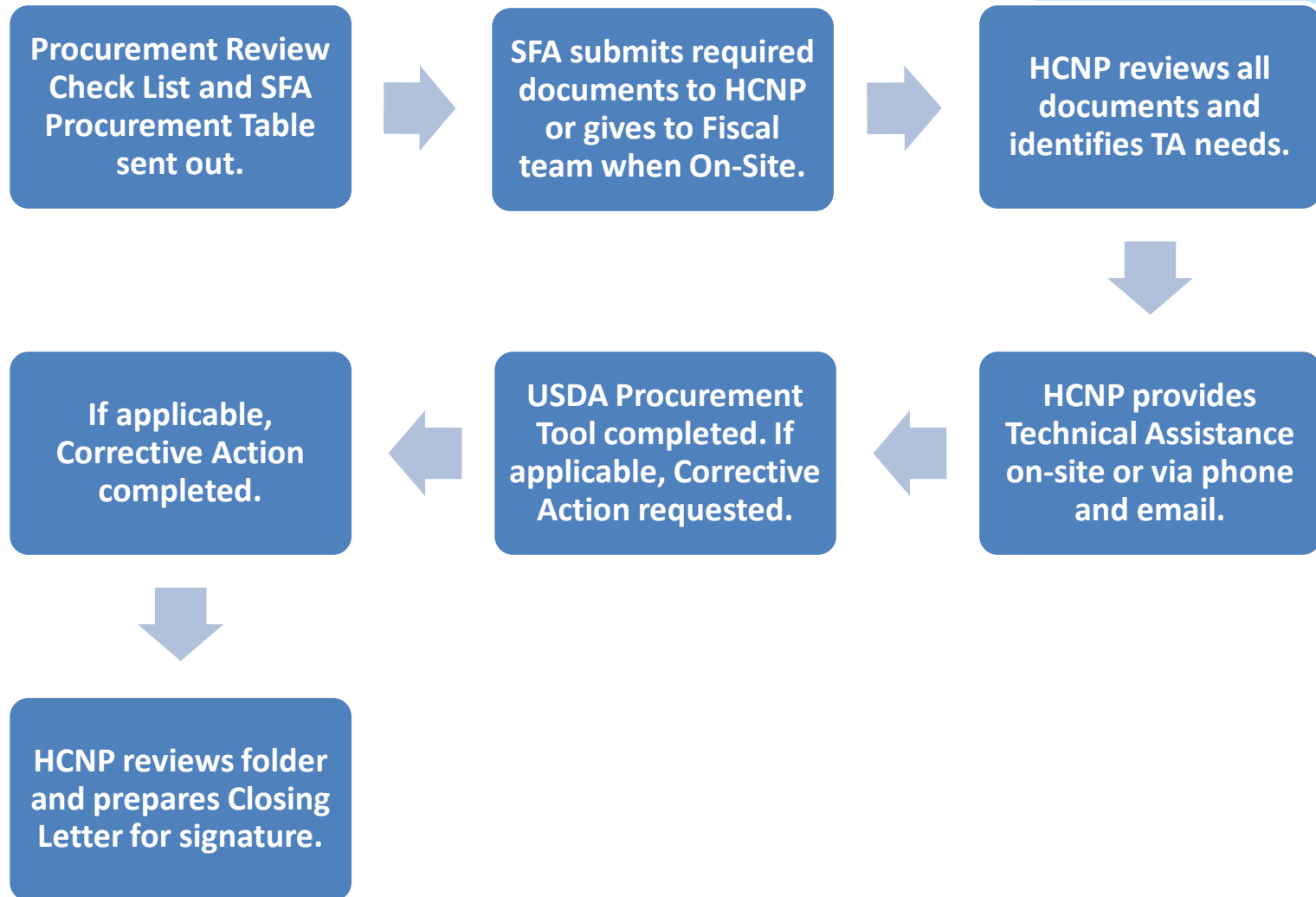
Connections

Ka Umeke

Ke Ana Laahana



# HCNP Procurement Review Process:



# Documents needed for Procurement Review:

- **Procurement Authority Form**
- **Procurement Plan**
- **SFA Code of Conduct if not in Procurement Plan**
- **Procurement Documentation**
  - Copy of solicitations
  - Advertisements
  - Documentation of responses
  - Quotes or bids/offers
  - Evaluation and scoring results used to select vendor or contractor
  - Final contract awarded and contract notification
  - Amended contract language if applicable.
- **Paid Vendor List from prior SY**
- **Completed SFA Procurement Table**

# Procurement Authority Form:

The person(s) listed below have Procurement Authority for Name of Child Nutrition Program Sponsor in categories indicated.

Name: Name of Person

Title of Person: Title or Position

Email: Email

Phone: Phone

Fax: Fax

Micropurchasing

Small/informal

Formal

Equipment

Name: Name of Person

Title of Person: Title or Position

Email: Email

Phone: Phone

Fax: Fax

Micropurchasing

Small/informal

Formal

Equipment

Name: Name of Person

Title of Person: Title or Position

Email: Email

Phone: Phone

Fax: Fax

Micropurchasing

Small/informal

Formal

Equipment

## **Simplified SFA Procurement Table:**

- **SFA emails completed Simplified SFA Procurement Table**
- **Provides the details on the procurement: formal vs informal solicitation type, contract award, amount paid to vendor, etc.**
- **The procurement information will be evaluated by HCNP to determine which procurement actions will be selected for review.**

# Simplified SFA Procurement Table:

1	<b>[SFA NAME HERE]</b>			
2	<b>SFA Procurement Table</b>			
3	<b>Procurement Authority (List staff at the LEA/SFA level responsible for procurement)</b>			
4	<i><b>SFA Instructions:</b> List name(s), position(s)/title(s) and contact information of those person(s) authorized by the LEA/SFA as</i>			
5	Name	Position/Title	Responsibilities (Ex: conducts micropurchases, small purchase procedures, develops IFB/RFPs, monitoring etc.)	Contact Information
6				
7				
8				
9				
10				
11				
12				
13	<b>Small Purchase Threshold Information: <i>SFA Instructions:</i> Answer questions below.</b>			
14	What is the small purchase threshold for the LEA/SFA?			
15	What is the small purchase threshold for the State, if applicable?			
16	<b>Group Purchasing Organizations and Third Party Entities <i>SFA Instructions:</i> Answer questions below</b>			
17	Did the SFA pay a membership fee/pay for the services of a Group Purchasing			
18	If YES, is the SFA currently receiving rebate checks from this organization?			
19	If YES, how often does the SFA receive checks (monthly, quarterly, annually, other)?			
20	account from checks received from these companies in the prior year?			





## General Procurement Questions:

List LEA/SFA staff responsible for procurement:	(name of LEA/SFA here)	Comments & Technical Assistance
<b>Review of LEA/SFA Written Standards of Conduct</b>		
1. Does the SFA/LEA have <b>written codes of conduct</b> that include <b>prohibiting real, or apparent conflicts of interest</b> for employees engaged in selection, award, and administration of contracts?		
2. Does the code of conduct include officers, employees and agents <b>may not solicit or accept gratuities, favors or anything of monetary value</b> from contractors or parties of subcontracts?		
3. Does the code of conduct provide for <b>disciplinary actions for violations</b> by officers, employees, or agents?		



## Small Purchase Procedures Questions:

<b>Small Purchase Procedures Review Worksheet</b>	<b>Vendor Name</b>	<b>Comments &amp; Technical Assistance</b>
<b>STATE AGENCY INSTRUCTIONS:</b> <i>Obtain copies of LEA/SFA small purchase procedures documents, ...needed to evaluate solicitation and performance for each procurement selected for review.</i>		
<b>Solicitation</b>		
3. Were <b>price or rate quotations obtained</b> from an adequate number ( <b>2 or more</b> ) of qualified sources?		
<b>EVALUATION AND AWARD PROCESS FOR SMALL PURCHASE PROCEDURES</b>		
4. Did the SFA <b>maintain records</b> sufficient to detail the significant history of the procurement		

## Formal Procurement Questions:

<b>Sealed Bid/Competitive Proposals -</b> Worksheet ( $\leq$ \$150,000/most restrictive threshold)	<b>Vendor Name</b>	<b>Comments &amp; Technical Assistance</b>
<b>STATE AGENCY INSTRUCTIONS:</b> <i>Prior to answer the questions in this tab, obtain copies of SFA procurement solicitation documents, specifications, evaluation criteria and contract terms for each contract reviewed per the contract selection chart.</i>		
<b>General Solicitation Process</b>		
4. <b>Was cost/price analysis</b> conducted to estimate the cost of goods or services prior to soliciting		
<b>Solicitation –Sealed Bids/ Competitive Proposals</b>		
8. Did the solicitation, Invitation for Bid (IFB) or Request for Proposal (RFP):		
a. Identify all specifications, <b>evaluation factors and their relative importance with price as the primary factor?</b>		

## Micropurchase - Summary of Findings

Review Question	Reviewer Comments	Finding	Corrective Action
Did the SFA <b>distribute purchases equitably</b> among qualified suppliers? ( <b>2 CFR Part 200.320(a)</b> )	Provide SFA will technical assistance that Walmart cannot be the only source used when making purchases under the micro-purchase threshold. Purchases must be equitably distributed among qualified sources.	When using the micro-purchase method, SFA must distribute purchases equitably among other qualified sources. 2 CFR Part 200.320	SFA must identify other qualified sources that will be used when making purchases using the micro-purchase method and adjust procurement procedures to identify these sources.

## Material Change - Summary of Findings

Review Question	Reviewer Comments	Finding	Corrective Action
Were <b>any material changes</b> made to the contract?	The guaranteed return changed from \$300,000 to \$200,000 without a justification for the reduction in guaranteed return and if this change was considered material.	Observation: The guaranteed return was reduced by \$100,000 without justification for the change.	SFA must identify document the justification for accepting the reduction in the guaranteed return and why this was not a material change.



Questions?



**USDA is an equal opportunity provider.**