

Food and Nutrition Services Procurement News

October 2018



National Farm to School Month

To celebrate National Farm to School month in Missouri, the Farm to School team would like to invite your school to take part in the *Missouri, Take a Local Bite* contest throughout the month of October. To help you incorporate fresh, local foods into your meal plan, the Missouri Department of Elementary and Secondary Education (DESE) Food and Nutrition Services (FNS) in partnership with the Missouri Department of Health and Senior Services (DHSS) Culinary Skills Institute (CSI), and the University of Missouri Extension created a menu of seasonal, taste-tested, student-friendly recipes. Interested in earning a great prize to help your school kitchen prepare fresh, local foods? Share with us your great strides Missouri schools are making in incorporating local produce into its lunch program. Get creative, have fun, and help us celebrate.

Missouri, Take a Local Bite Menu
Click here to see menu and contest rules

[Farm to School | Missouri Department of Elementary and Secondary Education](#)



MSNA Annual Conference

November 2-4, 2018 Tan-Tar-A Osage Beach

Visit our Farm to School booth to pick up helpful resources and enter to win a salad spinner.

School Gardening Tools and Grants

USDA's *new* Farm to School Month Celebration Toolkit and download resources at farmtoschool.org/month.

Annie's Grant for Edible School Gardens- Want a school garden? Annie's believes that showing future generations how sustainable food is grown changes their lives. Applications are due Nov. 1, 2018. [Learn more and apply here.](#)

Whole Kids Foundation Garden Grant Program supports edible educational gardens located at a school or non-profit organization. NOW OPEN! Application available Sept 1 - Oct 15. [Whole Kids Foundation - Schools - Garden Grant Program](#)

MU Extension, Eating From the Garden- A nutrition and gardening program for fourth- and fifth-grade students.

Over 700 school gardens are sprouting up all over Missouri.

2018-2019 Procurement Reviews

An updated list of LEAs receiving a procurement review is posted on the Procurement section of the DESE FNS website. All LEAs received an email with the link to check if a procurement review is scheduled for the district.

Child Nutrition Resources (CNR) will send a notification letter via email. Barbara Shaw, Nutrition Procurement Specialist, is available to provide technical assistance throughout the process and prior to the closing of the review.

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Procurement Update

New Thresholds



On June 20, 2018, Office of Management and Budget (OMB) released a memo that changed:

- Micro purchase threshold from \$3,500 to **\$10,000**
- Simplified acquisitions (small purchase) threshold from \$100,000 to **\$250,000**

Missouri's Fiscal Guidance for Federal Grants Programs follows federal procurement guidelines and plans to continue to do so. New thresholds should be allowed immediately if your district does *not* have more restrictive guidelines. Please make any updates if applicable to the district procurement plan.

Latest Procurement Q&As

What to Look for in Price Adjustment for a Contract Renewal?

Refer to USDA Memo SP 10-2009. The economic price adjustment must be tied to an appropriate standard or cost index. In a CPI all fees can adjust upward or downward in renewing 1 year terms. Contracts do not automatically renew but without this price adjustment factor in the solicitation prices cannot adjust in renewing years. To compare average change over time in the prices refer to <https://www.bls.gov/CPI/>. The vendor will likely advise you when cost go up, but they will not necessarily notify the LEA when cost go down. A contract with an economic price adjustment is appropriate when:

- Contract performance will or may cover an extended period of time;
- There is serious doubt concerning the stability of market conditions during the period of the contract;

Adjustment standards or indices agreed to are based on contingencies outside of the contractor's control; and

Important price adjustment tips:

1. The initial solicitation must allow for this provision and state it so all potential vendors know that this is a consideration of their proposal. The response could even include item price with an adjustment option and a firm fixed price for the duration of the contract. If these documents failed to include language, allowing a price adjustment during renewal years may create a material change.
2. The timing of when this will be allowed and implemented.
 - a. For example: "The contract pricing will adjust on the first day of each month" or "such increases shall be effective on a prospective basis on each anniversary date of this Contract and will be allowed only if approved in advance by LEA. CPI fee increases for the upcoming contract renewal year must be submitted to the LEA by (date) of each year. No other fee increases will be allowed".
 - b. The LEA could set this up to be once a quarter, weekly (as for produce), once a year, or only upon renewal if elected. Specify dates are even better (February 15, May 15, etc).
 - c. The index will vary based on the type of contract and the product. Milk may use the "US Producer Price Index: Farm Products: Raw Milk Index" and produce may use an Agriculture Market System report.
 - d. The economic price adjustment clause is intended not only to give vendors an option to increase prices but also for the LEA to demand price reductions when appropriate. Market adjustments can go down as well. If the cost of something decreases, a required price de-escalation should be reflected in the initial solicitation and contract as well.

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<https://dese.mo.gov/financial-admin-services/food-nutrition-services>

