



West Virginia DEPARTMENT OF  
**EDUCATION**

## Office of Child Nutrition

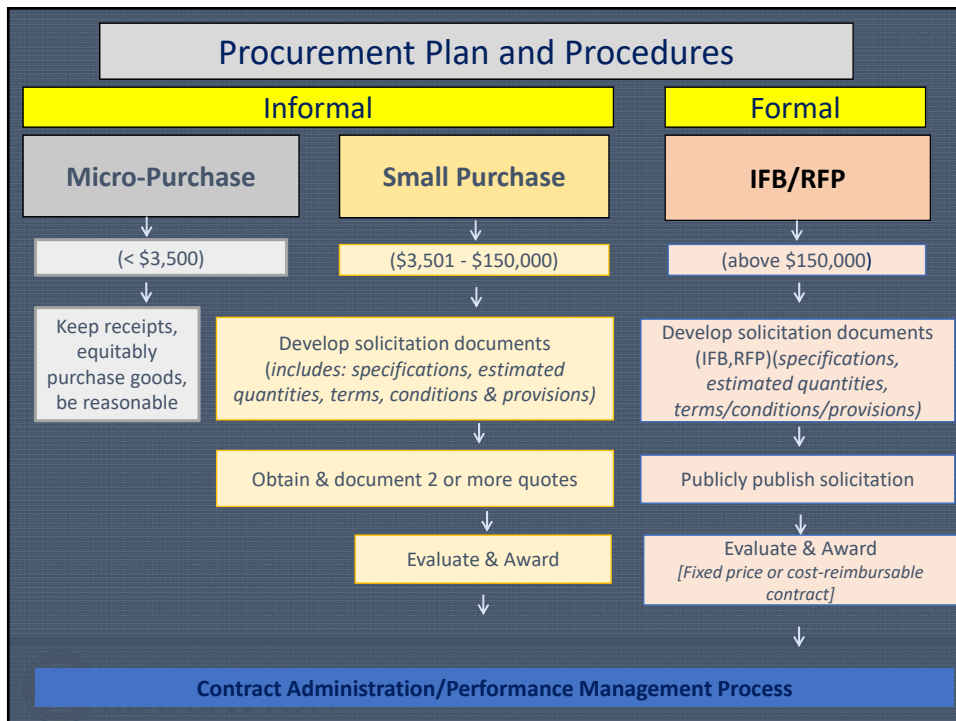
Procurement Reviews/Financial Updates

### USDA Procurement Review Requirement

- Starting in SY2017, USDA requires State Agencies to review the procurement practices of SFA's to ensure compliance with Federal guidelines.
- USDA Provides a Tool that the OCN must complete to monitor SFA Compliance.
- In order to complete this tool, OCN needs a vendor transaction list showing all payments made to vendors for child nutrition related products/services.

## Federal Procurement Requirements

- Written Code of Conduct
  - Code of Conduct must:
    - Contain language that prohibits real, or apparent conflicts of interest for employees engaged in selection, award, and administration of contracts.
    - Prohibit the acceptance of gratuities or favors from contractors.
    - Provide for disciplinary actions for violations.
  
- Written Procurement Procedures
  - SFAs are required by regulation to maintain documented procurement procedures.
  - Procurement Procedures should provide the specific roadmap for how the SFA is conducting procurement in compliance with regulations.
  - Policy 8200 or a more strict local policy.



## Micro-Purchase

- Procurement by micro-purchase is the acquisition of food, supplies or services not exceeding \$3,500; may be awarded without soliciting competitive bids if price is reasonable.
  - Still subject to the buy American Provision.
    - To the maximum extent practical, products are produced in the U.S. or is processed in the U.S substantially using agricultural commodities that are produced in the U.S.
- Benefits
  - Districts can react quickly to changing markets and urgent needs.
  - Helpful for small SFA's.
  - Makes purchasing local/seasonal foods easier.
- School Districts cannot intentionally divide purchases if the only justification is to keep the price below the federal, state, or local small-purchase or micro-purchase Threshold.
- Policy 8200 is less strict with the Micro-purchase threshold at \$5,000 or less.

## Small Purchase

- Purchases with a value greater than \$3,500 but less than \$150,000.
- Require a minimum of two price quotes.
- Policy 8200 is more strict as a minimum of three quotes begins at \$5,000.

## Formal Procurement

- Value of purchase exceeds Federal (\$150,000), State, or local small purchase threshold, whichever is less.
- More rigorous and prescriptive.
- Formal methods include Competitive Sealed Bids, also called Invitation for Bids (IFB), Competitive Proposals, also called Request for Proposals (RFP), and Noncompetitive Proposals which may only be used under certain unusual conditions.
- Must publicly publish the solicitation.
- SFA must perform cost or price analysis for all formal procurements.
- SFA must maintain all documentation related to formal procurements.
- SFA must include the Buy American Provision in all formal procurements.
- Policy 8200 is more strict with sealed bids being required starting at \$50,000.

## Procurement Review Process

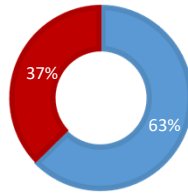
- OCN is completing the reviews at the same time, or at least in the same year, as your normal Child Nutrition Administrative Review.
- Obtain a detailed transaction list by vendor for the entire school year.
  - Kim Harvey created a query that pulls the information from WVEIS.
- OCN formats and sorts the transaction list and enters the information into the USDA Procurement Tool.
- The Vendor Table of the tool is sent to the Food Service Director to review and answer questions related to the small purchase and formal procurement transactions.
- OCN selects vendors for review from each category (micro-purchase, small purchase, and Formal) based on criteria built into the review tool.
- Invoices and all documentation related to small purchases and formal procurements are requested. Food Service Directors can scan and email, when possible, or the documents can be viewed onsite if needed.

## SY2016 Procurement Review Results

- Procurement Reviews completed for SY2016.
  - Clay
  - Greenbrier
  - Lincoln
  - Mineral
  - Mason
  - Mingo
  - Monongalia
  - Putnam
  - Randolph
  - Wayne
- The only issue on any Procurement Review was not having the proper Buy American Provision language in Formal Bids.

## SY2016 Student Eligibility

2015-2016 Student Eligibility

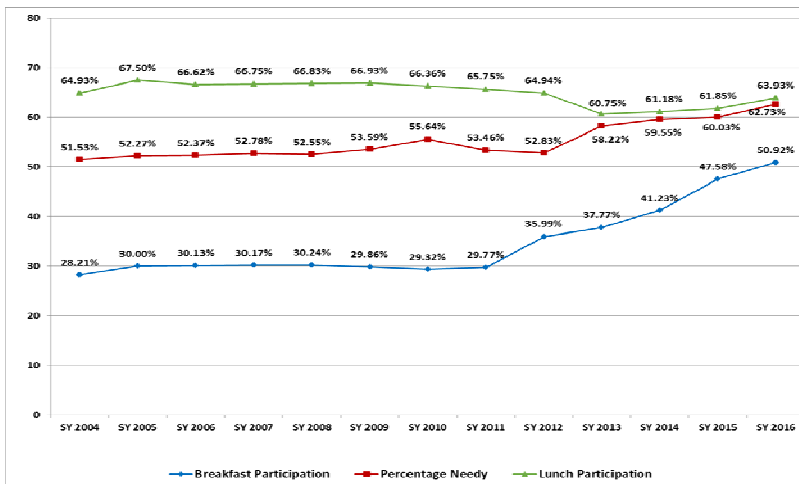


<b>Free &amp; Reduced Eligible</b>	<b>63%</b>
<b>Full Paid</b>	<b>37%</b>

2014-2015

<b>Free &amp; Reduced Eligible</b>	<b>60%</b>
<b>Full Paid</b>	<b>40%</b>

## Participation VS. Needy %



## Breakfast Participation

- Innovative Breakfast Strategies
  - Grab and Go Breakfast
  - Breakfast in the Classroom
  - Breakfast after 1<sup>st</sup> Period
- Accomplishments
  - The Food Research and Action Center (FRAC) ranked WV as the top performing state in the country for serving school breakfast for two consecutive years.
  - 82.3 of every 100 low-income students, that participated in school lunch, ate breakfast in SY2016.
  - WV served 24.6 million total school breakfasts in SY2016.



## Breakfast Participation

STATE	RATIO OF STUDENTS IN SBP TO NSLP	RANK
West Virginia	82.3	1
New Mexico	70.6	2
District of Columbia	66.6	3
Maryland	64.2	4
Texas	62.4	5
Kentucky	62.2	6
Arkansas	61.8	7
Tennessee	61.6	8
South Carolina	61.6	9
Vermont	61.1	10

## Breakfast/Lunch Participation

- Top 10 Highest Meal Participation Rates

Breakfast		Lunch	
1.	Mason 83.80%	1.	McDowell 83.68%
2.	Mercer 79.78%	2.	Clay 80.09%
3.	Calhoun 75.77%	3.	Wirt 79.96%
4.	Lincoln 75.28%	4.	Grant 79.20%
5.	Clay 73.20%	5.	Calhoun 78.89%
6.	Grant 72.74%	6.	Wyoming 78.81%
7.	Summers 71.72%	7.	Summers 78.55%
8.	McDowell 71.64%	8.	Lincoln 78.49%
9.	Wyoming 69.06%	9.	Gilmer 77.73%
10.	Wirt 68.37%	10.	Ritchie 76.74%

## Community Eligibility Provision (CEP)

- Allows all students in a School, Group of Schools, or entire County to eat free breakfast and Lunch.
- All meals served are reimbursed at the free or paid rate based on the direct Certification rate.
  - $DC \text{ students} / \text{Total Students} = DC \%$
  - $DC \% \times 1.6 = \% \text{ of Students Reimbursed at the Free Rate.}$
  - $DC \% = 50\%; 50\% \times 1.6 = 80\% \text{ Reimbursed at the Free Rate.}$
- Schools must have a DC Rate of 40% to qualify on their own.
- Schools with a DC Rate less then 40% can be grouped with Schools over 40% as long as the total DC rate is still above 40%
- A DC rate of 62.5% = 100% of Students reimbursed at the free rate.

## Direct Certification Rate

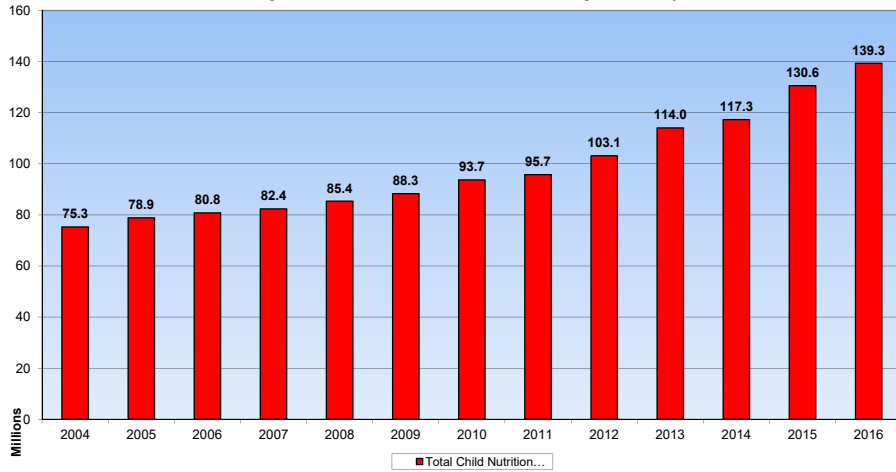
- Who are the identified students?
  - Identified students are defined as the students certified for free meals not through the submission of individual applications.
- This definition includes students directly certified through SNAP, TANF, and FDPIR participation as well as homeless on the liaison list, Head Start, pre-K Even Start, migrant youth, runaways, and non-applicants approved by local officials. Foster children certified through means other than an application are also included.
- Starting in SY2018, **Medicaid** has been added to this list.
  - Adding Medicaid as a matching mechanism has caused most counties to have a large increase in identified students, causing their CEP claiming %'s to go up as much as 10%.



## CEP Statistics

	SY 2012-2013	SY 2013-2014	SY 2014-2015	SY 2015-2016	SY2016-2017
Number of counties with at least one CEP eligible school	54	52	54	54	55
Number of counties participating in CEP	35	39	40	46	47
Number of counties implementing CEP countywide	11	14	17	19	29
Number of schools participating in CEP	283	335	374	429	458
Percentage of schools implementing CEP statewide	41%	49%	55%	62%	76%
Number of students impacted	90,000	>110,000	128,041	145,702	166,202

West Virginia Office of Child Nutrition Federal Funding Trend Analysis



SY 2017 total Projected Funding = 145 Million

## Federal Funding

- Breakdown of SY2016 Total Funding

National School Lunch/Breakfast/Snack	118,195,447
Child & Adult Care Food Program	16,934,750
Summer Food Service Program	1,773,301
Fresh Fruit & Vegetable Program	2,183,895
Other Grants (Equipment, Farm 2 School, etc.)	216,779
<b>Total</b>	<b>139,304,172</b>



## Questions??

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