Reply to
Attn. of: SP-05-25
CACFP-755
SFSP-516

Subject: Recent Procurement Procedure Questions

To: STATE AGENCY DIRECTORS - Colorado ED, Colorado DPHE, Iowa, Kansas, Missouri ED, Missouri DH, Montana OPI, Montana DPHHS, Nebraska, North Dakota, South Dakota Utah and Wyoming

Periodically, we receive questions concerning the procurement requirements of 7 CFR Parts 3016 and 3019 and certain procurement procedures used by public and nonprofit School Food Authorities (SFA). Attached are a number of these recent questions and their corresponding answers. In addition, we have attached a copy of a useful handout on procurement that has been updated by our National Office since it was distributed at an American School Food Service Association meeting in Minneapolis, Minnesota, in June 2002.

Please share this information with your SFAs. We also encourage each SFA to share this information with their legal counsel and recommend you share this information with the chief State legal official.

If you have any questions, please contact our office at (303) 844-0354.

DARLENE SANCHEZ
Regional Director
Special Nutrition Programs

Attachments
Question 1: If all our schools are equipped with a specific brand of coolers, for which we maintain a supply of replacement parts, and for which our maintenance staff is trained to repair, would we be able to request a specific brand, make, and model as a replacement?

Answer: Yes, with the approval of the State Agency (SA). Generally, restricting the procurement to a brand name or specific product is not permitted (§3016.36(e)(viii)). However, situations do arise when a School Food Authority (SFA) has a compelling need, such as compatibility with current equipment, to purchase a brand specific item. In this example, when supporting its request for permission to conduct a procurement for a specific brand of cooler, at a minimum, the SFA would need to document all of the following: The other available brands of coolers are not compatible with the SFA's: (1) current equipment, (2) replacement part inventory, and (3) maintenance staff's expertise. The SA can impose additional requirements prior to approving a brand name procurement.

If approved, the SFA would still need to maximize competition in the brand specific procurement. In the situation presented, there may be more than one equipment distributor carrying the specific product. When an adequate number of equipment distributors did exist, the SA would approve the SFA to conduct a sealed bid procurement to acquire the replacement cooler. In conducting this procurement, the SFA needs to be alert to situations where suppliers are affiliated or associated, which could result in collaboration or restrict competition. On the other hand, if only one supplier is available nationally, the SA can authorize the SFA to conduct a noncompetitive negotiation with that one supplier, if noncompetitive negotiation is allowed under applicable State and local rules.

Question 2: Is the situation described in Question 1 a sole source procurement?

Answer: No. Although a situation exists in which a specific make and model is needed, this is not a sole source procurement. In the Child Nutrition Programs, a sole source procurement occurs only when the goods or services are available from only one manufacturer through only one distributor or supplier. While the specific cooler described in question 1 is only available from one manufacturer, it is highly unlikely that there will be only one national distributor of that cooler.

Question 3: What is the difference between a noncompetitive negotiation and a sole source procurement, since both involve negotiating with a potential supplier?

Answer: Noncompetitive negotiation is a procurement method used to compensate for the lack of competition, while sole source describes a condition of the procurement environment.

As stated in the answer to question 2, a sole source situation occurs when the goods or services are only available from one manufacturer through only one supplier. In a true sole source situation conducting a traditional solicitation (sealed bid, competitive negotiation or small purchase) is a meaningless act, because the element of competition will not exist. When faced
with an actual sole source situation, an SFA must first obtain SA approval, and then go directly to the one source of supply to negotiate terms, conditions and prices.

Often, a sole source situation is confused with a lack of competition, which occurs when an SFA receives an inadequate number of responses to its solicitation. This lack of competition may result from overly restrictive solicitation documents, an inadequate number of suppliers in the area, or the procurement environment may have been compromised by inappropriate supplier actions, i.e., market allocation schemes. Unlike sole source in which a solicitation is not issued, noncompetitive negotiation occurs after the solicitation (sealed bid, competitive negotiation or small purchase) has been issued, but competition on that solicitation has been deemed inadequate.

Noncompetitive negotiations are restricted to specific situations and may only be used when: (1) there is inadequate competition in a formal competition, (2) a public emergency exists, or (3) the awarding agency provides prior approval. Regardless of the circumstance, due to the absence of full and open competition, a contract cannot be awarded unless negotiations are actually conducted with one or more potential contractors. Negotiations must include both price and terms using the same procedures that would be followed for competitive proposals.

Question 4: Can a distributor, that carries multiple brands of pizza, bid and receive an SFA’s pizza contract if the distributor wrote the SFA’s pizza specification?

Answer: No. 7 CFR Part 3016.36(b) prohibits an SFA from entering into a contract with a potential contractor that develops or drafts specifications, requirements, statements of work, invitations for bids, requests for proposals, contract terms and conditions or other documents for use in conducting a procurement. Regardless of the number of pizza products available through the distributor, if a distributor wrote the specification used in the SFA’s pizza bid, the distributor is not eligible for the award.

However, if the distributor simply provided information to the SFA about all or only one of its pizza products, and the SFA wrote its own pizza product specifications, the distributor would still be eligible to compete for the procurement. 7 CFR Part 3016.36(b) is not concerned with potential contractors that simply provide information, but rather with those individuals and firms that are actually writing specifications, evaluation criteria, and other contract terms and conditions.

SFAs must have sufficient information to develop well-written specifications and procurement solicitations. SFAs can obtain adequate and pertinent information through a variety of sources, including trade shows, market research, conferences, and discussions with manufacturers and suppliers. Using all of these resources allows the SFA to develop a well-written solicitation that promotes full and open competition, which in turn leads to competitive responses and the best products and services at the best price.
Question 5: What are the "other documents" referenced in this phrase from 7 CFR Part 3016.60(b): "In order to ensure objective contractor performance and eliminate unfair competitive advantage, ...a person that develops or drafts specifications, requirements, statements of work, invitations for bids, requests for proposals, contract terms and conditions or other documents for use by a grantee or subgrantee in conducting a procurement under the USDA entitlement programs...shall be excluded from competing for such procurements."

Answer: "Other documents" refers to any documents that are used in any aspect of a procurement. This can include, but is not limited to, evaluation criteria, ranking criteria, bidder responsibilities, bidder requirements, SFA procurement practices, contract terms and conditions, payment terms, and SFA contract administration procedures. It is important to remember, that a procurement is not limited to the solicitation process but includes all of the elements of the process from the initial determination that goods or services are needed through the retention of records following the expiration of the contract.

Question 6: We would like to use a pre-approved product list. Do SFAs need to get prior approval from the SA to use a pre-approved products list?

Answer: Yes. While 7 CFR Part 3016.36(c)(4) allows for the use of pre-approved or pre-qualified lists of persons, firms, or products, an SFA should always check with its SA concerning applicable State laws. The SFA should also check with appropriate local procurement officials to ensure pre-approved product lists are permitted under applicable local procurement laws.

Question 7: Can I limit bidders to a pre-approved suppliers/pre-approved products list?

Answer: Yes, as long as you are not prohibited from using such lists under applicable State and local laws and the SFA’s procurement procedures still ensures maximum open and free competition. The procedures the SFA will follow when conducting a procurement using a pre-approved suppliers list depends on the procedures that were used to place the suppliers on the list. Some pre-approved supplier lists are nothing more than mailing lists of potential suppliers, i.e., any supplier that may be interested in competing for the SFA’s business can be included on the list. In other cases, suppliers and their products are subject to a comprehensive competitive evaluations and must compete with other suppliers before being included on the list.

When using the "mailing list" form of a pre-approved supplier list, the SFA must still develop comprehensive procurement documents, complete with adequate specifications and evaluation criteria and must still publicly announce the solicitation, in addition to contacting the potential suppliers on the list.

With the second form of pre-approved suppliers list, a technical evaluation of the supplier’s products and eligibility to participate in a contract with the SFA occurs prior to adding the supplier’s name to the list. In some cases, the prices of the products have been established through this competitive process, but not delivery or handling charges. When using this form of pre-approved supplier, the SFA would initiate a competitive procurement for those features that
had not previously been subject to competition, but can limit responsive bidders to those suppliers/products on the pre-approved list.

In all cases, the SFA must make sure that (1) the list is current; (2) a suitable number of qualified sources exist on the list; (3) when applicable, the product or services on the list are specific in nature, not just a general such as food, supplies, etc.; (4) all potential suppliers had the opportunity to be included on the list; (5) when applicable, all potential suppliers were subject to the same evaluation and ranking criteria; (6) suppliers that did not request or when applicable, compete, for inclusion on the list are not on the list; (7) lists are updated at least annually; (8) the opportunity exists to add new qualified suppliers; (9) potential suppliers are not prohibited from qualifying for inclusion on the list during the solicitation period; and (10) a system exists to remove listed suppliers, for cause.

Question 8: We have received a memo from FNS dated October 13, 2004, regarding SFAs copying specifications directly from Horizon Software materials for their solicitations. Is FNS aware of SFAs directly copying specifications from other companies associated with school food service?

Answer: Our office has received anecdotal information regarding SFAs directly copying specifications and feature descriptions from companies, other than Horizon, for use in solicitation documents for software services, as well as for management company services, food purchases, and food service equipment purchases.

The purpose of the memo, dated October 13, 2004, was to remind SFAs of the provisions of §3016.60(b). As you are aware, §3016.60(b) prohibits an SFA from entering into a contract with a person that develops or drafts specifications, requirements, statements of work, invitations for bids, requests for proposals, contract terms and conditions or other documents for use in conducting a procurement.

In many instances, the company may not be aware that an SFA has copied available company information verbatim, or a SFA may utilize the specifications from another SFA’s solicitation without knowing that the original solicitation itself was improperly copied from a company’s literature, specification, website, etc.

Question 9: Often SFAs will share bid specifications and other documents. What steps should a SFA take to make sure that these documents were not drafted by a potential contractor?

Answer: An SFA that uses another SFA’s solicitation or contract documents, should always inquire as to the origin of the information so that they do not unintentionally violate the provisions of §3016.60(b). The SFA should pursue its inquiry until the original author of the documents is identified.

Question 10: A few years ago, I attended a session at the American School Food Service Annual Conference in Minneapolis, Minnesota on factors to consider when writing bid specifications for
software systems. Is it a problem if I use information from the handout I received at that session to help me prepare the specifications for my software procurement?

Answer: No. FNS encourages SFAs to obtain information from as many sources as possible when developing procurement specifications. The referenced handout from the Minneapolis meeting provided general information and was not specific to any one potential contractor’s system. We have attached a copy of the handout, which we have updated to reflect current Department procurement requirements, since it may be of interest to SFAs.

Question 11: Are Farm-to-School efforts exempt from the prohibition on using in-State or local geographic preferences?

Answer: No. Section 4303 of the Farm Security and Rural Investment Act of 2002 adds a new paragraph (j) at the end of section 9 of the Richard B. Russell National School Lunch Act pertaining to purchases of locally produced products. The provision requires the Secretary to encourage institutions participating in the school lunch and breakfast programs to purchase locally produced foods, to the maximum extent practicable.

However, in review of the Committee Notes to the 2002 Farm Bill, page 124 (note 53), although encouraging the purchase of locally produced product, Section 4303 does not allow for geographic preferences, “It is not the intent to create a geographical preference for purchases of locally produced foods or purchases made with grant funds.” The notes continue by stating, “The Managers want to make clear that SFAs are still required to follow federal procurement rules calling for free and open competition and limit local product purchases to those that are practicable.”

Therefore, although school food authorities participating in the National School Lunch and School Breakfast Programs are encouraged to purchase locally produced foods, to the maximum extent practicable, this provision does not permit SFAs to use in-State or local geographical preferences. SFAs should always remember that all purchases must be made competitively, consistent with Federal and State procurement laws and regulations.

Question 12: Does USDA’s efforts to promote Farm-to-School mean schools do not have to follow procurement rules?

Answer: No. Although the Farm-to-School initiative was developed to encourage schools to purchase fresh fruits and vegetables from small, local farmers and growers, SFAs must make all purchases in accordance with all Departmental procurement regulations and applicable State and local laws and statutes. However, this does not preclude SFAs from identifying potential local farmers or providing these farmers with its procurement solicitations. Further, an SFA can inform its local farmers of its interest in particular fresh fruits and vegetables so that the local farmers may plan future crop plantings accordingly. It is important to note that Farm-to-School purchases are often less than the applicable small purchase threshold. In these cases, SFAs are able to use these relatively simple, informal procedures to obtain these desirable products.
Finally, all produce purchases made through the Department Of Defense (DOD) meet USDA procurement regulatory requirements and SFAs may pursue Farm-to-School goals through coordination with the designated DOD Produce Buying Office.

Question 13: Our State laws exempt SFAs from following procurement rules. Does this mean that we are exempt from the requirements of Part 3016?

Answer: No. State or local laws may not exempt SFAs from following the Federal requirements of the National School Lunch Program (NSLP). In the absence of State or local laws, rules and statutes, a public SFA must follow minimum procurement requirements at §§3016.36(b) through (i) and 3016.60.

Question 14: Our State laws exempt the purchase of perishable products from procurement rules. Does this mean that we are exempt from the requirements of Part 3016?

Answer: No. Similar to Question 13, State or local laws may not exempt SFAs from following the Federal requirements of the NSLP. When purchasing perishable products such as produce and dairy, one effective approach is to use a fixed price contract with economic adjustment for the product and fixed fee for the delivery. This form of contract provides for upward and downward revisions of the stated contract price based upon specified events using indexes or standards, such as the CPI or Dairy Market Measures. This allows suppliers to protect against wide price fluctuations in the market, thereby providing more competitive and favorable bids for SFA solicitations.

Question 15: Our SA requires that we use a mandated prototype contract when contracting with a food service management company. The management company we selected has returned our State prototype contract with a couple of adjustments that they say will help us save money. Can I allow them to do so?

Answer: Since the prototype contract was developed and its use is mandated by the SA, only the SA can decide whether it will permit changes to that document. In making its assessment, that SA needs to determine if the changes are material (i.e., other potential contractors may have chosen to bid differently had they known of the change) or are in violation of the requirements of §3016.60(b), which prohibits awarding a contract to a contractor that develops contract terms and conditions. Generally, if the proposed changes are material and the SA agrees that the changes are beneficial, the SA should amend its current prototype contract and the SFA should undertake a new procurement. If the SA determines the changes are not material, the SFA or the SA, not the contractor, would develop the actual contract terms and conditions.

Question 16: With the price of rising fuel costs, my distributor asked me to include a price adjustment in our current contract to help him recover some of his costs associated with these increases. I can see his argument. Can I give him an increase?"

Answer: Price changes are permitted only when the SFA included terms for these price changes in its solicitation and contract documents. When the SFA agrees that a price adjustment factor is
appropriate but did not include the adjustment factor in its procurement documents, the SFA needs to conduct a new procurement that includes the adjustment factor.

Question 17: My contract with a distributor is a fixed price for the products for the entire term (12 months) of the contract with a fixed fee for delivery and service expressed as a percentage of the product fixed price as. Is this a "cost plus percentage of cost" contract?

Answer: No. The contract described in question 17 is a fixed price for goods with a service fee expressed as a percentage of the fixed cost. In an actual cost plus percentage of cost contract, the percentage mark-up is added to the cost of the product, which is not fixed but changes over the term of the contract. This is the type of cost plus percentage of cost contract that is prohibited by §3016.36(f)(4). An example of a prohibited cost plus percentage of cost contract provision would be: "The distributor will be paid the cost of goods plus 10% of these costs." In this type of pricing structure the distributor is rewarded for increased costs, and therefore has no incentive to provide the SFA with the best pricing available.

In the contract described in the question, the contractor will receive a fixed price for the product, and a distribution fee based upon the percentage of the fixed product cost. Since the price of the goods does not change for the contract period, the distribution fee in effect will remain the same, and therefore it is also fixed. The distributor only increases its revenue based upon the actions of the SFA, i.e., increased purchase volume, and not through its own actions, i.e., the purchase of higher-priced product.
PROCUREMENT – GETTING WHAT YOU WANT

ASFSA Annual National Conference
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"Developing an OPEN Process for the Purchase of a Software System"

Prepared & Presented by

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Developing an "OPEN" Process for the Purchase of a Software System

Developing an open process for the purchase of a software system is a challenging and time-consuming task. Software is a rather unique procurement; the foodservice department is not seeking a relatively inexpensive item or a commonly purchased consumable supply, such as milk, groceries or paper goods. Rather, this is a "big ticket" purchase that should effectively enable the district to run a more efficient foodservice operation for a number of years. The district needs to select a vendor and the system that meets and/or exceeds its current and future needs at a price it can afford.

Individuals responsible for "public purchases" are more visible and subject to scrutiny than those in private firms. Federal, state and most local laws can be summarized as follows:

- Maintain open and free competition.
- Maintain comparability of products and price comparisons.
- Document the decision-making process.
- Develop a procurement plan that is approved by the governing authority, such as the board of education.

Often, the easiest way for a district to create a software RFP or bid is to use specifications from a specific vendor. The district should avoid this practice for the following reasons:

- Using specifications drafted by a vendor prohibits such vendor from submitting a bid or receiving a contract award regardless of the procurement method used. [Public Law 105-336, the William G. Goodling Child Nutrition Reauthorization Act of 1998 at Section 104(e).]
- Using a specific vendor's specifications severely limits the ability of other vendors to respond. In the end, the district may not be able to procure a system that best meets the district's business needs at a price it can afford.

Generally, the following steps are a part of the critical path plan for software purchases:

- Identify products desired
- Identify quantities (number of buildings, serving lines, etc.)
- Draft RFP or bid and send to potential vendors, including announcements about questions and the pre-bid conference
- Conduct pre-bid conference
- Distribute answers submitted and/or arising at pre-bid conference
- Open RFPs, bids or price quotes
- Evaluate vendor offers
- Notify vendors of successful offer
- Finalize contract
- Schedule installation and training

On the following pages are some guidelines for developing an open process for a software system procurement. Many of the sections apply to the development of either an RFP or bid. The district may desire to use "parts" or "all" of the sections depending on its needs and procurement policies.
Creating an Open Procurement Process – Sample RFP Guidelines

SECTION 1: RFP Overview, Calendar, Terms/Conditions, Contacts, and Evaluation

Overview
The RFP Overview should be a summary paragraph(s) describing the reason for the RFP, the District in general terms, and the overall RFP process.

Helpful items to include in the overview are:

1. The type of system needed in general terms (example: An integrated software and POS hardware system to manage K-12 POS and back office functions).
2. District demographic information (i.e., Location, # of schools, # Child Nutrition employees, % free/reduced, # meals served daily, annual Child Nutrition budget).
3. Current technology systems (i.e., any currently used foodservice software application, student information system, library system, district’s technology plan).
4. General timeline for RFP return, evaluation, award, and implementation start.
5. # of copies of the RFP response desired and where to deliver the response.

Calendar:
This subsection lists some important events and suggested timelines associated with the RFP process. The district should list desired dates for each event to occur:

- Identify products desired (Date)
  - 1-2 months to research potential products & vendors
- Draft RFP and send to potential vendors, including announcements about questions and the pre-bid conference (Date)
  - 2 weeks
- Conduct pre-bid conference (Date)
- Distribute answers submitted and/or arising at pre-bid conference (Date)
  - 1 week following the pre-bid conference
- Public opening of RFPs, bids or price quotes (Date)
  - 2 weeks following the distribution of answers to questions
- Evaluate vendor offers (Date)
  - 2 weeks
- Notify vendors of successful offer (Date)
  - 1 week
- Finalize contract (Date)
  - 2 weeks
- Schedule installation and training (Date)
  - TBD by district in conjunction with successful vendor
- Desired Completion Date (Date)
  - TBD by district

Questions
The purpose of this subsection is to clearly state to whom questions should be addressed and in what format. In the RFP, describe the following:
Contacts for questions, such as - 

- Questions regarding the RFP Process should be addressed to: (Purchasing contact – name, phone, address, email)
- Questions pertaining to Food Service should be addressed to: (Foodservice contact – name, phone, address, email)
- Technical questions should be addressed to: (Technology contact – name, phone, address, email)

How are questions to be asked? 
By phone (verbally) or in writing? 
By FAX? 
By email? 
By letter?

Describe how the answers of to the questions will be addressed (by email, fax, posted to website?)
Describe if all vendors will receive responses to all vendor inquiries.

Pre-Bid Conference

Many Districts find it useful to conduct a pre-bid conference for vendors. The purpose of such a conference is for the district to thoroughly explain the RFP process, as well as for the vendors to ask specific questions.

Clarify if the district has scheduled a pre-bid conference, the date, and location and if attendance is mandatory. In the interest of the district and the vendors, scheduling a teleconference may be more desirable. In the end, it reduces the costs associated with setting up and attending the meeting.

Evaluation – Presentations, Site Visits, and References

The purpose of this subsection is to describe to the vendors the district’s anticipated evaluation process. Describe in the RFP:

Who will evaluate the RFP responses?

What are the evaluation criteria? (For example, how much weight will be placed on specific functions to meet a particular business need versus price versus reference, etc.)

Will “finalists” be selected? If so, will the finalists be asked to conduct software presentations at the district? (Note: It is recommended that the district “scripts” what functions they wish to see in the demonstration.)

Will there be an evaluation pilot? (Note: Competitive pilots as a means of evaluation are not recommended, as they are expensive for both the vendors and ultimately the costs must be passed onto the districts. Furthermore, pilot evaluations at difference school sites do not necessarily result in an equitable evaluation due to differences in school personnel abilities and attitudes.)
Will the district visit other districts currently using the software ("site visits")? (Note: This is often a very effective evaluation tool, particularly if the visited districts are of the same size and economic makeup as the district evaluating the RFPs.)

References: The RFP should require references. Request that these references reflect districts currently using the proposed software, and preferably, that these districts have a similar demographic make-up.

Terms & Conditions, Contractual Matters

The purchasing department usually has standard language and forms for inclusion in the RFP. There are some items that are unique to a software procurement and which the district should consider for inclusion:

1. Is the vendor's software placed in escrow? Should the vendor cease doing business or become insolvent, the district would obtain access to the software source code—protecting its investment in the technology.
2. If not placed in escrow, is the district given the source code?
3. "Piggyback"/Statewide provision: Does district/state allow a "piggyback" provision, or have a state-wide contract, whereby any district in your County or State can purchase products and services from an approved contract?
4. Is there a software license agreement that must be signed? If so, the district should require that prospective vendors should include copies of their agreements with their RFP responses.

SECTION 2: SCOPE OF SERVICE

Scope of Service

This section clarifies the scope of the project for the vendor. It includes a description of the district’s goals, the functionality desired, the products and services that the district wishes to procure from the vendor, as well as a description of the products and services that will be provided by the district.

By providing the overall goals of the district, a vendor can be more responsive in describing how the functionality of the software addresses the district needs. Some common district goals of software automation include:

CRE Preparation and Performance
Increased Free/Reduced Participation
Increased Participation by Full-Pay Students
Increased Prepayment Activity
Improved POS Line Speed
Tightened POS Cash Controls
Increased Efficiency in Free/Reduced Application Processing
Control/Reduce Food Costs
Control/Reduce Labor Costs and Paperwork
Interface/Share Data with other District Administrative Systems
Improved Warehouse/Central Kitchen Management

Describe in broad terms what functions the district seeks from the system, such as:

| Point of Sale Accountability | Free/Reduced Application Processing |
| Credit Card Prepayments     | Free/Reduced Application Scanning   |
Internet Prepayments: ID Card Production (photo or no photo)
Data Entry/Modification: Purchasing Management
Bank Reconciliation: Ordering
Inventory Management: Receiving
Bidding/Purchasing: Nutrient Analysis
Menu Planning/Forecasting: Central Kitchen/Satellites
Production: Truck Routing
Warehouse Management: 

What products and services are you requesting in this RFP? In order for vendors to prepare a meaningful response, they need to know what products and services are to be provided by them, and what the District will provide. Be clear regarding who is to provide each item:

1. Software: There are several types of software. The vendor always provides the "application software"; this is the software the vendor is proposing. The operating system software (Windows 98, 2000, NT, XP, UNIX) is typically provided by whoever is providing the computer hardware. Database software licenses (SQL Server, Oracle, FoxPro, etc.) may be required in order to use the vendor's application software. (Be sure to ask what database license(s) may be needed; the District typically purchases these licenses.)

2. POS Hardware: This is the hardware that sits on the serving lines at the cafeterias. There are two basic types of POS units, proprietary and non-proprietary. A proprietary POS unit must be purchased from the specific vendor; a non-proprietary POS unit can be purchased from the specific vendor or can be purchased "off the shelf" by the District. This product category also includes the ID input devices that attach to the POS, such as PIN pads, bar code scanners, bar code slot readers, or biometric devices.

3. Computer Hardware: Computer hardware is usually required at the managers' offices and in the Central Office location. Computer hardware includes servers, workstations, printers, and all necessary peripherals such as network switches, hubs, UPS, backup units, etc. Computer hardware is typically purchased by the District through existing hardware contracts. Some districts may already have computer hardware in place.

4. Desired Timeline for Implementation: Describe the District's desired timeline for implementation and training. Keep in mind both the software vendor and district personnel will need adequate advance notice. Some Districts present a "phased" approach to the implementation; others present a complete implementation within a specific time period. Some examples of timeline:

"The District desires to implement the software functions as described in a phased approach. Phase 1 will include implementation at the Central Office and 5 secondary schools during the period Sept. 1, 2002 through December 31, 2002. Phase 2 will include implementation at the remaining 15 (elementary) schools during the time period Jan. 1, 2003 through June 30, 2003."

"The District plan is to implement Free/Reduced and POS first, in Phase One, at all 20 schools and the Central Office. This should occur between Sept. 1 and Dec. 31 2002. Phase 2, which shall occur before May 1, 2003, will include implementation of Ordering, Receiving, Inventory Management, Menu Planning/Forecasting, and Production at Central Office and all 20 schools."

5. Wiring: If necessary, who will install cabling to the POS units and network drops to the cafeterias? The District typically performs this.

6. Computer Installation: If necessary, who will install the computer hardware and configure to the District network? This is typically most economical if performed by the District.
7. **POS Installation**: Who will be responsible for placement and configuration of the POS hardware? The vendor typically does this.
8. **Software Installation**: Who will load the application software onto the servers/workstations? The vendor typically performs this.
9. **Database Initialization**: Who will populate your database for the new system?
10. **Training**: Who will provide training for the District employees? The vendor typically performs this. Would the District prefer a "train-the-trainer" approach or for the vendor to provide all training services?
11. **Go-Live Support/Rollout**: Who will assist at the schools as they roll-out ("go live") with the new system, after training?
12. **Project Management**: For larger Districts (i.e. Districts with more than 15 schools), project management is key to success. Will the District provide a project manager, or does the District prefer the vendor to provide the project manager?
13. **On-Going Support**: Vendors typically provide some level of on-going maintenance and support. Be specific about the type(s) of support you expect (toll-free phone, remote via modem, remote via Internet, in-person, etc.).
14. **User Conferences**: Does the vendor to provide periodic User Conferences?

**Section 3: District Information**

Providing potential vendors with District demographics and technical information is instrumental in preparing a thoughtful response that best meets the District’s needs. Such information may include, but is not limited to:

- Total Schools
- Enrollment
- Description of Operational Environment (central kitchen, warehouse, on-site preparation, etc.).
- Number of free and reduced applications processed, individual vs. family application, where applications are processed/or desired to be processed (school site vs. central office)
- Current POS and back office data collection methods, such as cards, rosters, etc.
- Total number of serving lines per school site
- Pre-payment policy and/or future plans
- District Technology Plan
- Database Applications; Network and Local Workstation Operating Systems
- Internet availability at the District office, school sites and cafeterias
- Current District software applications, including foodservice, transportation, student information, library, etc. including data integration between applications
- User support at the District, District training capabilities, staff that will be assigned to the project

**Schools Interoperability Framework**

The Technology Department will be interested in a vendor’s ability to conform to the “Schools Interoperability”, or “SIF” initiative for data exchange among disparate administrative systems. Sample questions for inclusion in an open RFP may include:

**SIF Recommended RFP Language for School District Software Purchases**

**Administrative Efficiency** (from the SIF website, [www.sifinfo.org](http://www.sifinfo.org)):

1. Describe your company’s commitment to SIF.
2. Is your company registered as a SIF endorsing participant?
3. SIF Involvement:
   a) List your company’s Primary Business and Technical SIF contacts.
   b) List SIF leadership positions held by staff in your organization.
c) List SIF working groups in which your company actively participates and staff hours of company involvement in each working group.

4. Proposal Applications:
   a. List applications that will be provided by your company as part of this proposal, and identify those with SIF agents.
   b. Indicate whether each agent is available for implementation.
   c. Identify the agents that have been tested and implemented in a SIF Showcase, Beta Site, or other school district.
   d. Identify the version of the SIF specification for each agent.
   e. Identify the SIF object(s) that the agent handles.
   f. Are costs for your agent(s) included in the costs for your software or are they separate costs?
   g. How are upgrades to your agent(s) priced?
   h. Describe installation support and its cost, if any.
   i. Describe on-going support and its cost, if any.
   j. Are upgrades included in software maintenance or annual service agreement?
   If not, why?

5. Zone Integration Server (ZIS):
   a. Does your company provide or market a Zone Integration Server (ZIS)? (If not proceed to letter f)
   b. Is the ZIS available for implementation?
   c. Identify the SIF specification version that the ZIS supports.
   d. Has the ZIS been tested and implemented in a SIF Showcase, Beta Site, or other school district? Please identify all tests/implementation sites.
   e. Does your proposal include the cost of the ZIS and implementation?
   f. Is there an additional cost for upgrades?
   g. Are training and support for the ZIS included, or are there additional costs?
   h. Describe the training and support provided (documentation, phone support, etc.).
   i. What additional software needs to be installed and operational in order for your ZIS to run properly?
   j. If you are not supplying a ZIS in your proposal, which have you successfully interoperated with?
   k. Which ZIS will you use in this installation?
   l. What additional software needs to be installed and operational in order for your ZIS to run properly?

6. SIF Experience. Describe any specific work your company has done at SIF Showcase sites, Compliance Beta Sites, or other school district implementations. For each site, provide the following information:
   a. The scope, timeline, and brief history of each project.
   b. The role your organization played in implementation and support.
   c. The function(s) supported by your application(s) (i.e., subscriber, provider, etc.).
   d. Duration of your company’s involvement in the installation.
   e. Other agent vendors involved in the project.
   f. SIF data objects shared within the project.
   g. The ZIS used.
   h. Customer contacts (references) for each project.

7. Describe your company's plans for making your application(s) SIF compliant:
   a. Assuming the formal SIF compliance testing process is ready, enter date, does your company anticipate that your application(s) be ready for SIF compliance testing at that time?
   b. Identify the version(s) of your application(s) that are anticipated for formal compliance testing.
   c. Any additional comments on your compliance plans?

8. SIF Support:
a. Will your company assist the district in using SIF to interface your application with other internal and external legacy information systems used by the district?

b. What specific training, support and development assistance will be provided?

SECTION 4: PRICING – Require pricing that allows objectivity in evaluation. Consider requiring line item pricing for software modules, terminals and hardware, on-site and remote installation services, and on-going support and maintenance. Request that the vendor include any and all payment options available to the District.

SECTION 5: EVALUATION CRITERIA – Include information regarding how the District will evaluate the submitted proposals. Criteria must include the relevant factors that are necessary for the offeror to demonstrate responsibility and the ability to perform successfully. The evaluation of contractor capability can be on a pass/fail basis or a point scoring methodology, or both. When a combination of pass/fail and point scoring will be used, the solicitation documents must identify how each element will be evaluated.

SECTION 6: APPENDICES – Request that the vendors supply additional information that will assist in the evaluation of the overall proposal, including:

- Product specifications
- Product brochures
- Letters of reference from similar district installations and software partners
- Documentation of financial stability
- General "List Price" for all products
- Master Software License Agreement