



## SECTION 8: Procurement, Meal Preparation, and Contracting

Adult Day Care Centers participating in CACFP who plan to purchase meals or services from outside sources must follow procurement procedures.

- Procurement of Goods and Services
- Meal Preparation and Contracting for Food Services
- Production Record (CACFP-660)
- Daily Meal Receiving Log (CACFP/SFSP-645)
- Meal Communication and Credit Log (CACFP/SFSP-646)



# Procurement of Goods and Services

Sponsors participating in the Child and Adult Care Food Program (CACFP) who plan to purchase meals or services from outside sources must follow proper procedures in purchasing these services.

All procurement of food, supplies, goods, and other services with program funds must comply with procurement standards in [7 CFR 226.22](#), [2 CFR 200.317-326](#), and [Food and Nutrition Services \(FNS\) Instruction 796-2, Rev. 4](#). These standards ensure that such materials and services are obtained for the program efficiently and economically and in compliance with applicable laws and executive orders.

## Important Terms

- **Bid** means an offer to perform for a fixed price in accordance with the specifications and conditions set forth in an invitation for bids.
- **Food Service Management Company (FSMC)** Under the CACFP, an FSMC means an organization other than a public or private nonprofit school with which a sponsor may contract for preparing and, unless otherwise provided for, delivering meals, with or without milk for use in the program (7 CFR 226.2).
- **Procurement** means the process of obtaining goods and/or services in accordance with applicable rules and regulations.
- **School Food Authority (SFA)** means the governing body that is responsible for the administration of one or more schools and has legal authority to operate the National School Lunch Program (NSLP) or School Breakfast Program (SBP) therein or be otherwise approved by FNS to operate the program.
- **Vendor** means a merchandiser of complete meals, meal components, or raw materials.

## Methods of Procurement

- **Micro-purchases** are those purchases that do not exceed \$10,000 per transaction. These purchases can be awarded without soliciting competitive quotations if the price is reasonable based on research, experience, purchase history, or other information and the sponsor maintains related documentation on file. The sponsor should also equitably distribute purchases among qualified suppliers rather than buying all supplies from one source.
- **Small purchases** are those between \$10,000 and \$250,000 per transaction. These purchases can be made using informal methods, such as price or rate quotations for securing products or services. The methods used must ensure

free and open competition. The sponsor must contact at least **three** reputable companies to obtain price quotations on the meals they plan to serve. This information must be documented.

A bid packet that includes the competitive bid procedures and forms for meal service contracts \$250,000 or less is available at the following link: [Missouri Department of Health \(mo.gov\)](#).

- **Large purchases or Competitive Sealed Bids:** When purchases are estimated to exceed the small purchase threshold of \$250,000, a sponsor must conduct a price analysis and follow a formal competitive sealed bid process. Bids are publicly solicited from **two or more** responsible bidders, and a bid opening evaluation must be completed by the Department of Health and Senior Services, Community Food and Nutrition Assistance (DHSS-CFNA). Competitive sealed bid procedures include preparing the invitation for bid, publicly announcing not less than 14 days before bids are opened, notifying the DHSS-CFNA of the time and place at least 14 days before bid opening, publicly opening all bids, and submitting a selected bid to the DHSS- CFNA before accepting the bid.

A bid packet that includes the competitive bid procedures and forms for meal service contracts greater than \$250,000 is available at the following link: [Bid Packet for Contracts greater than \\$250,000.00 \(mo.gov\)](#).

# Meal Preparation and Contracting for Food Services

The best method of meal preparation will depend upon factors such as the type of menu desired, the availability of food service equipment, space and personnel, and the budget of the organization.

## Meal Preparation Methods

- **On-Site:** On-site preparation, commonly called “self-prep,” is the most commonly used food service method. Meals are prepared at the same physical location where they are served. This is the most economical method when the center has a kitchen, sufficient food preparation equipment, and available staff. The sponsor will follow the basic recordkeeping requirements of the Child and Adult Care Food Program (CACFP).

All or part of the food may be prepared on-site, and the remainder purchased by the sponsor from an outside source, such as a school, hospital, commercial vendor, or farmers market. The [Food and Nutrition Service \(FNS\) Instruction 796-2, Rev. 4](#) provides guidance for funding food grown by and used in the center’s meals. This option offers education opportunities and may decrease food costs.

- **Central Kitchens:** Meals are prepared in a kitchen at one of the sponsor’s physical locations or sites by the sponsor’s employees and delivered to another one or more of the sponsor’s sites. The sponsor will follow the basic recordkeeping requirements of the CACFP. When applicable, the central kitchens should use daily meal delivery tickets when delivering food to the sites, such as the [Daily Meal Receiving Log](#), which is available on the CACFP webpage at [www.health.mo.gov/cacfp](http://www.health.mo.gov/cacfp) under Forms. Contact the Department of Health and Senior Services-Community Food and Nutrition Assistance (DHSS-CFNA) for specific requirements for your circumstances.
- **Vended:** Meals are purchased from a School, a Food Service Management Company (FSMC), or a Commercial vendor. This includes an FSMC that operates within a school.
  - **Purchasing from a School:** Meals may be purchased from a public or private nonprofit school that participates in the National School Lunch Program (NSLP) or the School Breakfast Program (SBP), either in bulk or as individually packaged units. An independent center that receives meals from a school must enter into a written agreement with that school or district. An example of this type of agreement is when a school provides meals to a Head Start center.

This annual agreement must contain the basic provisions of the program requirements and non-competitive bid process. A sponsor may use the [Sponsor Agreement with a School or Affiliated Organization to Furnish Food Service for the CACFP](#) located on the CACFP website. Federal regulations exempt organizations from having to bid competitively for catered meals when those meals are purchased through schools participating in the NSLP or SBP. Signing an agreement with a school to provide meals does not relieve the independent center of its program responsibilities for monitoring and recordkeeping.

Additional recordkeeping is required when a sponsor obtains meals from a school; recordkeeping requirements are listed below.

- **Purchasing from another Department within the Organization:** Organizations that receive meal services obtained through a competitive process by another department of the same organization may also use a non-competitive process to obtain CACFP meals. Such organizations may sign an agreement with the food service caterer contracted by the organization to provide meals for the entire organization. This type of situation is common in large organizations such as hospitals, nursing homes, schools, governmental entities, and universities where food services are centralized. As long as the meals provided to the centralized food service were obtained through a competitive manner within a formal bid process, those same services may be used by the CACFP organization. A sponsor may use the **Sponsor Agreement with a School or Affiliated Organization to Furnish Food Service for the CACFP** located on the CACFP website when obtaining meals in this manner.
- **Purchasing from a Food Service Management Company:** Food service management companies are organizations that prepare and deliver meals. An independent center that purchases meals from an FSMC must enter into a written contract with the company. The bid prototypes and CACFP guidance on meeting procurement standards are located on the CACFP website. Signing a contract with an FSMC does not relieve the center of its program responsibilities for monitoring and recordkeeping. Regulations require that a copy of the contract be submitted to DHSS-CFNA before the beginning of program operations under the contract, and all bids totaling over \$250,000 shall be submitted for state agency approval before the sponsor accepts and signs any contract. In addition, all bids shall be submitted to the state agency for approval before accepting a bid that exceeds the lowest bid. DHSS-CFNA shall respond to any request for approval within ten working days of receipt (7 CFR 226.21).
- **Purchasing from a Commercial Vendor:** Commercial vendors are public organizations, hospitals, college cafeterias, etc., private commercial enterprises, caterers, or individuals that provide non-food items or individual food items but not complete meals. An independent center that purchases from a commercial vendor must enter into a written contract with the vendor following the guidelines for the formal or informal competitive bid process, depending on annual meal expenditures.

**Additional recordkeeping is required when a CACFP sponsor obtains meals from a school.** The school or school district that provides meals to sponsors under an agreement must provide the following documentation to the CACFP contractor on a weekly or no less than a monthly basis:

- Food costs to substantiate the reimbursement.
- Daily dated menus using a minimum of a two-week menu cycle.
- Daily meal delivery tickets to verify the amount of food and/or number of meals provided to the center.
- Food Production Records.

**In addition to the records required under the agreement**, the commercial vendor must provide the following documentation to the CACFP sponsor on a daily, weekly, or no more than a monthly basis:

- Documentation of paid invoices to verify contractual accountability.
- Meals per labor hour recordkeeping to document staff allocation.

**Federal regulations prohibit sponsors from contracting out the management responsibilities of the CACFP**, including but not limited to:

- Ordering meals.
- Maintaining program records.
- Submitting claims for meal reimbursement.
- Training and monitoring.
- Determining eligibility for free or reduced-price meals.

The sponsor must monitor the conditions set forth in the food service contract and compliance with CACFP requirements. The DHSS-CFNA will not intervene in contract disputes.

It is the responsibility of the sponsor to monitor the requirements of the agreement for compliance with the CACFP requirements. First-occurrence meal disallowances will be taken at the CACFP monitoring reviews in the following instances when:

- There is no or inadequate processed food documentation, such as CN labels.
- There are no production records.
- The production records indicate that the caterer did not provide enough food to meet the minimum portion requirement.

A [Daily Meal Receiving Log](#) and a [Meal Communication and Credit Log](#) are available in this manual and at [www.health.mo.gov/cacfp](http://www.health.mo.gov/cacfp) under Forms for sponsors to document the date and time food was received at the center, food temperatures, and any problems with the foods received.

The procedures for the informal and formal bid processes are available on the CACFP website at <http://health.mo.gov/cacfp> - Food Service Management Contracts. These include:

- [Bid Packet for Contracts \\$250,000.00 or less](#)
- [Bid Packet for Contracts greater than \\$250,000.00](#)
- [Annual Extension for Contracts greater than \\$250,000.00](#)
- [Sponsor Agreement with a School or Affiliated Organization](#)



MISSOURI DEPARTMENT OF HEALTH AND SENIOR SERVICES  
 COMMUNITY FOOD AND NUTRITION ASSISTANCE (CFNA)  
 CHILD AND ADULT CARE FOOD PROGRAM (CACFP)  
**FOOD PRODUCTION RECORD**

SPONSOR

SITE NAME

DATE

**BREAKFAST (E X F = G)**

A Meal Components	B Food Items Used	C Serving Size	D Preparation Units (pans, lbs, cans, size, etc.)	E Servings per Preparation Units Used	F Number of Preparation Units Used	G Total Servings Prepared	H Number of Meals Served
Fluid Milk							
Vegetable/Fruit							
Grain/Bread							
Other Food							
Other Food							

**LUNCH/SUPPER (E X F = G)**

A Meal Components	B Food Items Used	C Serving Size	D Preparation Units (pans, lbs, cans, size, etc.)	E Servings per Preparation Units Used	F Number of Preparation Units Used	G Total Servings Prepared	H Number of Meals Served
Fluid Milk							
Meat/Meat Alternative							
Vegetable							
Fruit							
Grain/Bread							
Other Food							
Other Food							

**SNACK (Serve at least 2 of the 4 components.) (E X F = G)**

A Meal Components	B Food Items Used	C Serving Size	D Preparation Units (pans, lbs, cans, size, etc.)	E Servings per Preparation Units Used	F Number of Preparation Units Used	G Total Servings Prepared	H Number of Meals Served
Fluid Milk							
Meat/Meat Alternative							
Vegetable							
Fruit							
Grain/Bread							
Other Food							

At a minimum, columns B, C, G, and H must be completed.





