POLICY ALERT

Date: September 22, 2006
Reference: # NSLP/SBP 2006-21
To: National School Lunch/School Breakfast Program (NSLP/SBP) Contractors
Subject: Procurement Thresholds
Effective Date: Immediately

Purpose
This Policy Alert REVISES Chapter 7, Procurement, under the following sections of the NSLP/SBP Handbook and provides the amended thresholds for procurements:
- Applying Federal Procurement Standards
- Formal Advertising/Competitive Sealed Bids
- Beverages and Snack Agreement

Implementation
Immediately

Procedure
The procurement threshold for purchases has been revised.

Purchases less than $25,000
For purchases less than $25,000, competitive procurement is not required. School Food Authorities (SFAs) will use the small purchase procedures. Small purchase procedures require the SFA to obtain price quotations from an adequate number of qualified sources.

Purchases greater than $25,000
For purchases greater than $25,000, competitive procurement is required. SFAs must use one of the following methods of procurement:
- Competitive sealed bid
- Formal advertising method

Contact
If you have any questions please contact your Area Program Office.