POLICY ALERT

Date: August 22, 2007
Reference: # NSLP/SBP 2007-12
To: National School Lunch Program/School Breakfast Program (NSLP/SBP) Contractors
Subject: Procurement Thresholds
Effective Date: Immediately

Purpose
This Policy Alert:
- REPLACES Policy Alert NSLP/SBP 2006-21, Procurement Thresholds;
- CLARIFIES the appropriate formal advertising methods of procurement; and
- REVISES the thresholds for procurement in Chapter 7, Procurement, under the following section of the NSLP/SBP Handbook:
  - 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 SFAs 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 formal advertising methods of procurement:
- Competitive sealed bid
- Request for Proposal (RFP)

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

This Policy Remains in Effect Until Further Notice