



Mid Michigan Child Care Food Program

Mid Michigan Child Care Centers, Inc.

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Dear Child Care Center:

The United States Department of Agriculture (USDA) requires that each child care center that participates in the Child and Adult Care Food Program (CACFP) completes an Informal Procurement Log once per fiscal year. The procurement process is to ensure that the centers are making wise purchasing decisions with the federal funds provided to them through the CACFP. Procurement is making a comparison of the prices of a variety of food and non-food items at three different vendors (stores).

This is what you are required to do:

- 1) Select eleven (11) food items that you normally purchase on a regular basis. Examples would be: low fat milk, whole milk, whole grain rich bread, whole grain rich cereals, ground beef, chicken nuggets, apples, bananas, green beans, lettuce, natural cheeses, paper towels, garbage bags, etc. List the 11 items you choose on the enclosed form under the heading "Items to be Purchased – Food and Non-Food Items." (These 11 items you select must be foods and non-food item you normally serve in your day care center.)
 - a. You may need to do an additional Procurement Log in you typically shop at different stores for specific items. Example: if you usually buy all of your formula from Amazon, or all of your milk from a specific milk distributor.
- 2) Choose three (3) different vendors (stores) in your area in which you can compare the prices of the listed food and non-food items. List these vendors at the top of the page in "Vendor 1, Vendor 2, and Vendor 3."
- 3) You will have to compare the same size items at each store. For example: you cannot compare the price of 14.5 oz. can of green beans to 109 oz. can. One 14.5 oz. can of green beans will only serve 7 children (ages 3-5). You will need to figure out how many ounces you will need to buy to serve all children in your care for one meal. This should be figured into the "Quantity Expected to Buy". If you have 40 children (ages 3-5) you would need 80 ounces of green beans to meet the minimum portion size requirement for one meal.
- 4) You will need to get the price per unit from each vendor for each of the food and non-food items selected. You will calculate the "Extended Price" by multiplying the quantity by the unit price.
- 5) Prices can be acquired through a variety of ways. You may use store websites, by going to the store, by telephone or by store flyers (do not use sale prices). Complete the three columns for each vendor.
- 6) Select the box for the "Vendor Selected," this is the store you are going to shop at the most. Above the Vendor Selected box, you will list why you are choosing to shop at the selected vendor.
- 7) The center director must sign and date the form.
- 8) Return this form to Mid Michigan Child Care Food Program within three weeks of the Introductory Visit date by email to rachel@midmichigancc.com or fax to 989-695-5488.

Sincerely,

Rachel L. Appold

Center Manager

Mid Michigan Child Care Centers, Inc.
enclosure

Instructions for Completing Small Purchase Informal Procurement Log

The Small Purchase Informal Procurement Log is to be used to document all competitive price quotations obtained during the annual small purchase informal procurement procedure. The institution must contact at least three known suppliers of the food, services, and/or supplies commonly purchased on an annual basis and obtain competitive price quotations. The negotiation of prices and terms with one or more of the suppliers contacted is permitted as necessary. All information and prices discussed via telephone **should be followed up with a written document or communication from the vendor** and must be documented in program files. **Bid quotes/prices should be obtained in writing.** Institutions must ensure that all potential vendors receive the same information about the food, services, and/or supplies required. **It is not permissible for the institution to split a purchase into smaller units or subgroups for the purpose of avoiding the large purchase formal procurement process.** Procurement records must be kept for three years after the close of the current fiscal year or as long as there are unresolved audit findings or investigations related to those records.

Attached to this document is a "Small Purchase Informal Procurement Log" that may be used or may guide you in developing your own form. Below is a sample of how this form can be used.

Items to be Purchased	Vendor #1: Big Box Store			Vendor #2: Local General Store			Vendor #3: Bigger Box Store		
	Quantity Expected to Buy	Unit Price	Extended Price (Quantity x Unit Price)	Unit Price	Extended Price (Quantity x Unit Price)	Unit Price	Extended Price (Quantity x Unit Price)		
Milk, 1 % white	10 Gallons/wk	2.99/gal	29.90	3.09/gal	30.90	1.99/gal	19.90		
Apples	4 pounds	3.99/ 2 # bag	7.98	3.48/bag	6.96	3.50/bag	14.00		
Green Beans 15 oz cans	1 case	13.39/case	13.39	13.50/case	13.50	14.25/case	14.25		
Ground Beef	5 pounds	2.99/lb	14.95	2.99/lb	14.95	2.89/lb	14.45		
W/W Bread	5 loaves	1.25/loaf	6.25	1.30/loaf	6.50	1.25/loaf	6.25		
Toasty o cereal	3 16 oz box	2.99/box	8.97	3.49/box	10.47	2.49	7.47		
Infant cereal	2 16 oz box	1.99/box	3.98	1.99/box	3.98	1.50/box	3.00		
Total			85.42		87.26		79.32		

Although this example only shows food items, school and non-school institutions are expected to compare prices with three vendors for food, services, and/or supplies they commonly plan to purchase on an annual basis to ensure the best use of federal funds and free and open competition. Multiple logs may be necessary to document procurement decisions.

Vendor Selected	September 27	September 28	September 28
Date and Method of Contact	Store webpage (print out attached).	Price given per phone. Will confirm in writing via website.	Visited store and obtained prices from store flyer (see attached).
Additional Notes:	Best price but will need to drive 15 miles to pick up product. Estimate that this will raise costs by 10%, making this a more costly alternative than Vendor #2.	Slightly higher price, but 5 minute drive from site and has delivery service.	Will utilize for occasionally during sales or promotions but is farther away.

Signature of person completing this form: *Anna Sampels* Date: *10/30/2011*

