**NC Department of Public Instruction – Office of School Nutrition**

**Special Milk Program**

**Procurement Method Reporting**

Federal regulations require that all milk purchased for the Special Milk Program (SMP) be purchased through competitive bidding methods that ensure free and open competition. If you anticipate purchasing more than a total of $90,000 of milk or an amount over the agency’s formal purchasing threshold which is lower than $90,000 in the school year, please contact our office for further instructions.

If you will be purchasing **less than $90,000 or less than the agency’s formal purchasing threshold** (whichever is less) of milk in the school year, the following applies to your program:

* Solicitation for quotes (telephone contact is sufficient) from all potential milk suppliers in your area must be made, documented, and kept in file.
	+ - Your documentation should include at a minimum:
			* The date/time of the call,
			* The company/person contacted, and
			* The outcome of the call (i.e. company refused to bid, prices quoted, and any other pertinent details related to the call).
* Your contract for milk for the SMP must be awarded to the lowest priced bidder that can provide the service you need.
	+ If the lowest bidder cannot meet your service needs (i.e. cannot meet delivery schedule, etc.) then document the reason and award the contract to the next lowest bidder.
	+ A copy of the contract between your organization and your milk supplier must also be kept in file.
	+ **Submit a copy of the document indicating which vendor’s quote will be used for the purchase of milk for the SMP.**

**Please submit one of the following documentations with your application:**

* A copy of the contract awarding your milk bid to the lowest successful bidder; and the price list they provided you with.

**OR**

* A copy of the documentation of your phone calls to all potential bidders, along with a written assurance from you that only one of the companies was responsive to your quote request (needs) and was subsequently awarded the contract this year.

**OR**

* A written assurance from you that only one supplier of milk is available in your area, therefore, you will be purchasing milk on the sole source basis from that supplier. A copy of the quote received from the supplier.

**Your application for participation in the Special Milk Program cannot be approved until the above information has been received by our office.**