

A new way to bid food service

How to bid when HB 426 passes

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Introductions

Todd Drafall, Asst. Superintendent for Business, Downers Grove SD58, Speaker



Curtis Saindon, CSBO, Asst. Supt./Business, Woodridge Elem. SD68, Speaker



Angela Smith, CSBO, Asst. Supt./Operations, Aurora West SD129, Speaker



Michelle Kovar, Business Office Coordinator, Community Unit School District 300, Moderator



Presentation

- Current bid process for NSLP programs
- USDA NSLP requirements (different from Illinois law)
- Ideas on how to select food service without low bid
- HB 426 language
- How to file a witness slip
- Discussion

Goal of changing the system

HB 426 is about the following three things:

1. Improving the quality of food and level of service in NSLP food service.
2. Giving Districts autonomy to select a nutrition service program that best meets their needs, outside of lowest bid.
3. Remove the idea of lowest bidder and lowest common denominator from NSLP food service. (It's an equity issue!)

Why Lowest isn't Always Best or Fair

- Districts who are a part of NSLP aren't given the same ability to customize - even if they are net revenue producers
- Bidding process currently relies on district knowing EXACTLY what they want- doesn't give you ability to have experts provide their best solution
- Districts with high participation and high F/R percentage may actually run a surplus, but can't easily reinvest those funds back into program without running afoul of procurement process
- High free and reduced lunch districts left with fewer options and less flexibility than their more affluent peers- equity issue

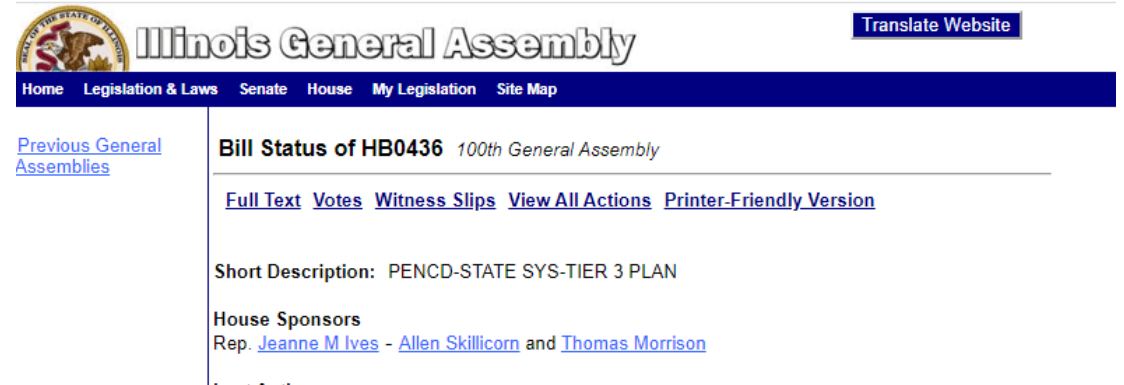
What is HB 426?

HB 426 (17th exclusion to low bid)

105 ILCS 5/10-20.21)
Sec. 10-20.21. Contracts.

(a) To award all contracts for purchase of supplies and materials or work involving an expenditure in excess of \$25,000 or a lower amount as required by board policy to the lowest responsible bidder, considering conformity with specifications, terms of delivery, quality and serviceability, after due advertisement, except the following:

and (xvii) contracts for goods, services, or management in the operation of a school's food service, including a school that participates in any of the United States Department of Agriculture's child nutrition programs.



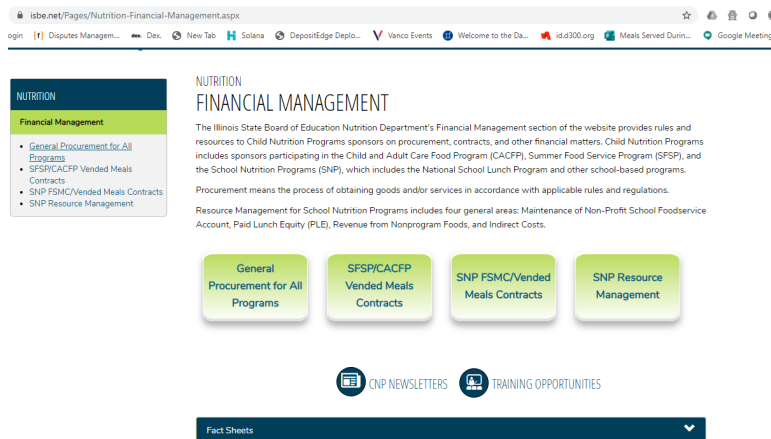
The screenshot shows the Illinois General Assembly website. At the top left is the state seal and the text "Illinois General Assembly". To the right is a "Translate Website" button. Below this is a navigation bar with links for "Home", "Legislation & Laws", "Senate", "House", "My Legislation", and "Site Map". On the left side, there is a link for "Previous General Assemblies". The main content area is titled "Bill Status of HB0436 100th General Assembly". Below the title are links for "Full Text", "Votes", "Witness Slips", "View All Actions", and "Printer-Friendly Version". The "Short Description" is "PENCD-STATE SYS-TIER 3 PLAN". Under "House Sponsors", it lists "Rep. Jeanne M Ives - Allen Skillicorn and Thomas Morrison".

Current Bid Process for NSLP

- The current bid process (IFB) is a low bid format according to State (not Federal) law.
- Bid lays out criteria to be used, successful bidder must meet all criteria (pass/fail only) AND have lowest meal price.
- Current environment is driving some providers out of Illinois as it has become a “race to the bottom” in terms of price

Current Bid Process for NSLP

- Current process can result in a price that is unsustainable, resulting in program disruption.
- Current process is time consuming, compliance driven and not designed to help find your best partner on typically one of your top 3 vendor relationships based on expense size.



What if we didn't have to use low bid....?

- Still need an objective criteria to assess FSMC, price must be highest weighted item (does not have to be majority of points.)
- **Write your own format of what's important to the District**

Bid Criteria Example - Wisconsin

Weight (i.e.) Criteria

35 points	Cost / Financial Proposal
15 points	Menu Selection, Food Quality, Use of fresh ingredients and scratch cooking / Taste Test
10 points	Experience, References and Service Capability
10 points	Staffing level, employee wages and benefit offering / Management team / Company support
5 points	Professional Development / Training Opportunities for employees
10 points	Promotion of the School Food Service Program / Increased Participation / Student Feedback
10 points	Involvement of Students, Staff and Patrons / Community Engagement / Sustainability
5 points	Financial Condition / Accounting Reporting Systems / Compliance

Total: 100 Points

Each criteria can have several additional qualifiers as specified in the bid document

FAQ

Q: Can I still use low bid if HB426 passes?

A: Yes, you can if you decide to use the same format used currently to select FSMC

Q: What can we do if HB 426 passes compared to what we do now?

A: If you are an NSLP school district, you will need to follow the USDA guidelines that require no single option be more important than price. But, price doesn't need to be 51%. You can determine what is most important to your district. You can include taste tests in the evaluation process.

Q: When will HB 426 go into effect if it passes?

A: Hopefully before bidding season in 2021. But it could depend on legislature.

Q: Outside of using different bid criteria and a value points matrix for bid evaluation will there be other things that are changing in the bid process with HB 426 in place?

A: No, you would still have your mandatory bid meeting, site tour, bid review & evaluation process

How Can I Help?

Go online to <https://my.ilga.gov/Home/FAQ>

Register on the dashboard to make it easier and faster to weigh in on legislation by creating a witness slip

Consider registering for your District and as an individual

During committee hearings, you will be able to use the links on the left hand navigation to find the bill you want to commit on and submit

Link details process and outlines how to see what bills are in committee and accepting witness slips

https://www.aclu-il.org/sites/default/files/how_to_file_an_illinois_witness_slip.pdf

How Can I Help?

Make sure your local Senators and Representatives know you are supportive- reinforce this is a local control, flexibility and equity issue- this is not anti-union

Inform your local BOE members of why this is important

Understand your bid rate and the have a sense of the program enhancements you would like to make if given the freedom

Keep in mind that food service programs have nuances district to district- dropping low bid only allows us all to select what works best for our kids

Discussion ?

We thank you for your time!

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