



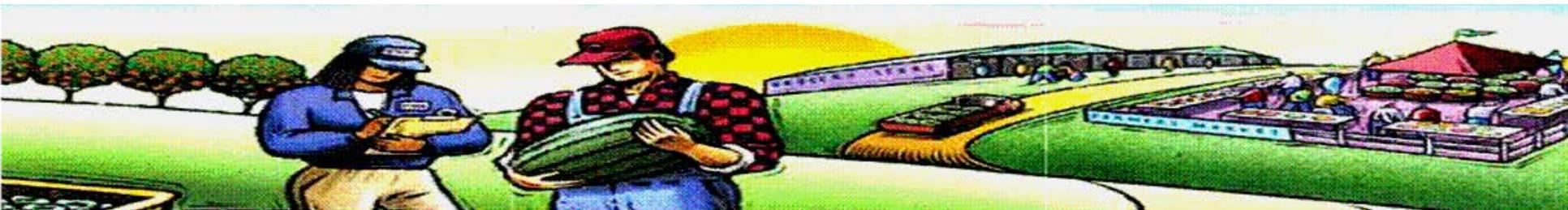
Agricultural Marketing Service
Commodity Procurement Division

Commodity Purchase Programs

Sara Hernandez
CPD Operations Branch

The Department of Agriculture and the Department of
Commerce

Training and Matchmaking Event

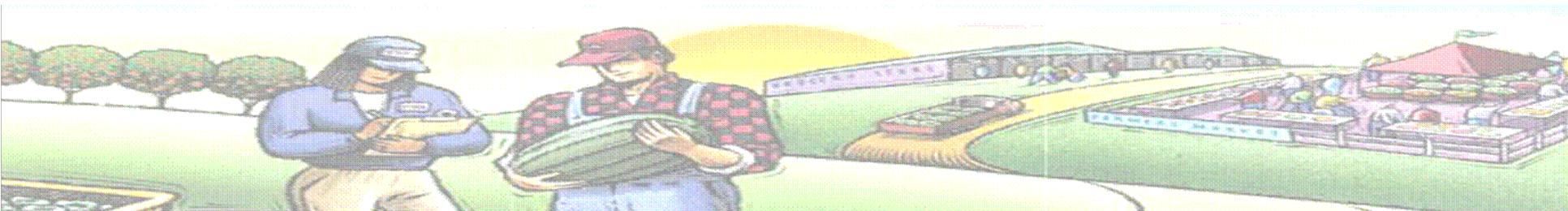




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Mission

AMS Commodity Procurement Division purchases a variety of domestic food products in support of the National School Lunch program and other nutrition assistance programs. These purchases also help to stabilize prices in agricultural commodity markets by balancing supply and demand.

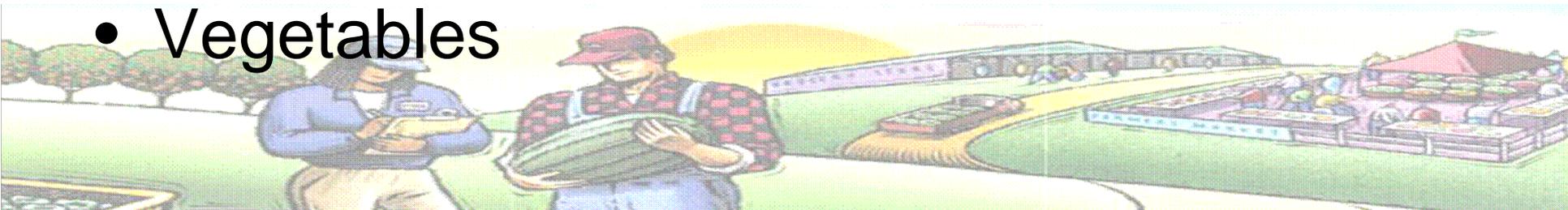




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Product Categories

- Meat (beef, ham/pork, other)
- Poultry (chicken and turkey)
- Fish
- Eggs (shelled and egg products)
- Fruits (and nuts)
- Vegetables





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Types of Products

- Frozen
- Canned
- Fresh products that ship and store well
- AMS typically does not purchase highly perishable products
- All products must be of domestic origin, both grown and processed in the United States.

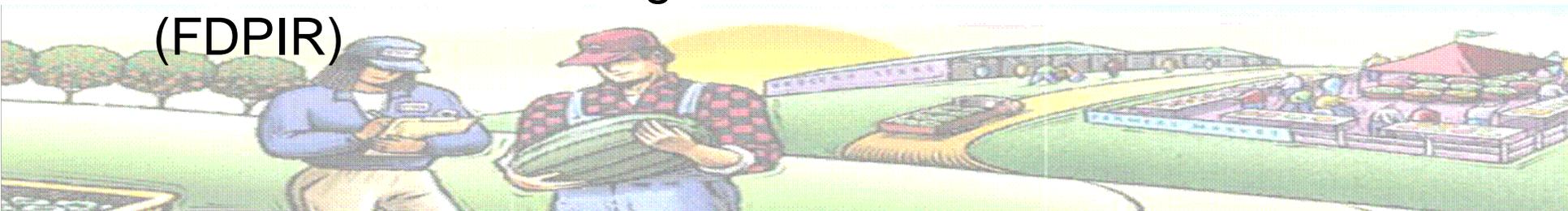




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Nutrition Assistance Programs

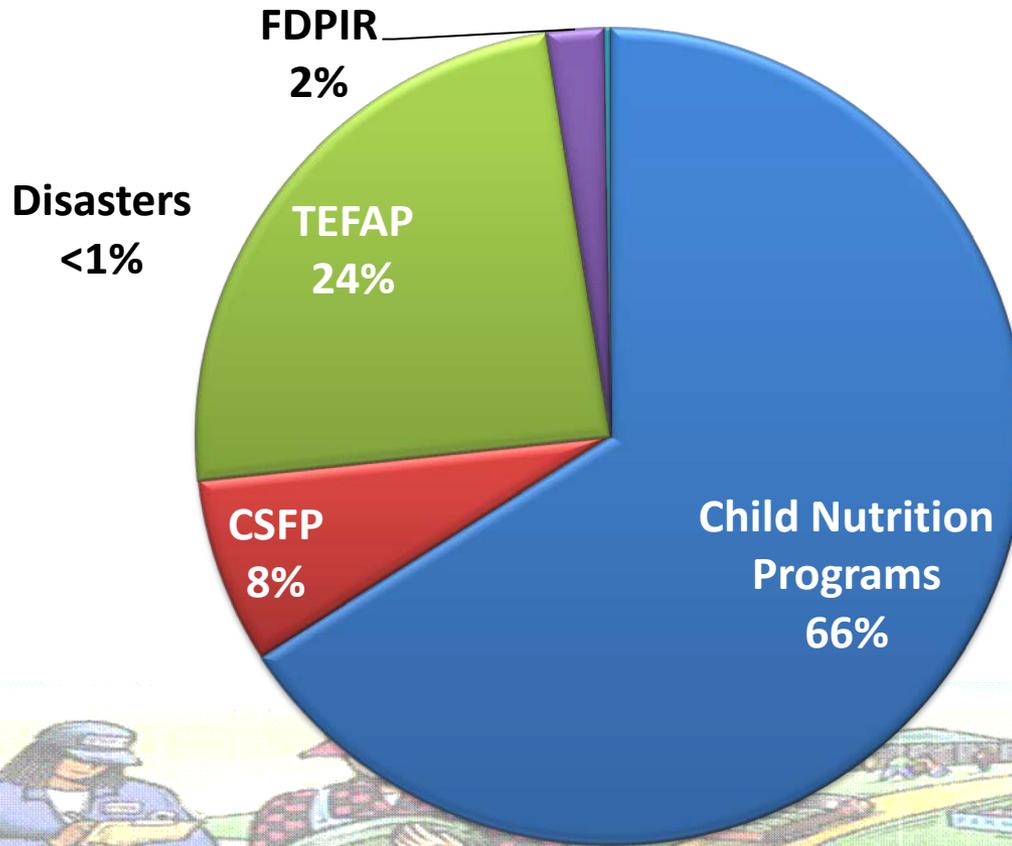
- National School Lunch Program (NSLP)
- Child and Adult Care Food Program (CACFP)
- Summer Food Service Program (SFSP)
- Nutrition Services Incentives Program (NSIP)
- The Emergency Food Assistance Program (TEFAP)
- Commodity Supplemental Food Program (CSFP)
- Food Distribution Program on Indian Reservations (FDPIR)





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Percentages for Each Program





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AMS Commodity Purchases, FY 2011

PRODUCT	MIL. LBS.	MIL. DOLS. ¹
Fruit and Vegetable	1,094.2	\$ 533.7
Chicken	292.3	\$ 260.5
Beef	165.0	\$ 357.1
Turkey	54.9	\$ 95.6
Pork	40.3	\$ 66.9
Aquatic	11.0	\$ 26.8
Egg Products	16.2	\$ 13.4
Shell Eggs	(131,000 cs.)	\$ 2.6
GRAND TOTAL:	1,673.9²	\$ 1,356.6

¹ Estimated Delivered Cost

² Total Lbs. does not include cases of shell eggs



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Approved Vendors

- To become an approved vendor, see the topics under Vendor Selling Kit (www.ams.usda.gov/commoditypurchasing)
- Or call our office for assistance, 202-720-4517
- Anyone can be on our electronic distribution lists: request form available on the website under “Form Store”

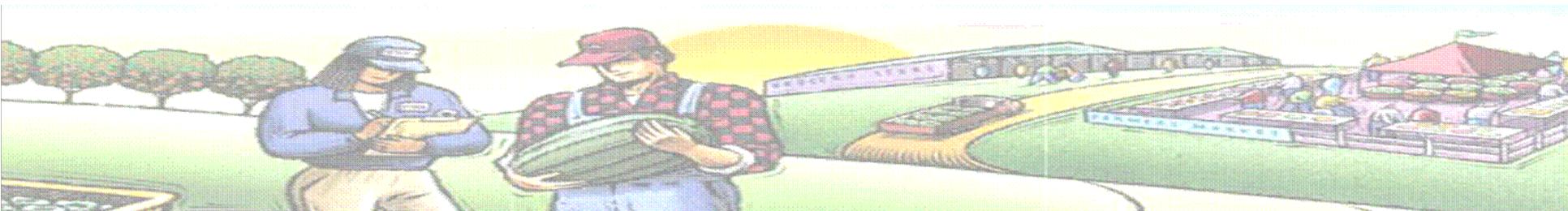




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How to Get Started

- Administrative Requirements
 - Central Contractor Registration (CCR)
 - Online Representations and Certifications Application (ORCA)
 - Small Business Administration (SBA) Certification, if applicable
 - Financial Responsibility:
 - Dun and Bradstreet (D&B) number
 - Latest financial statement
 - Web-Based Supply Chain Management (WBSCM) registration

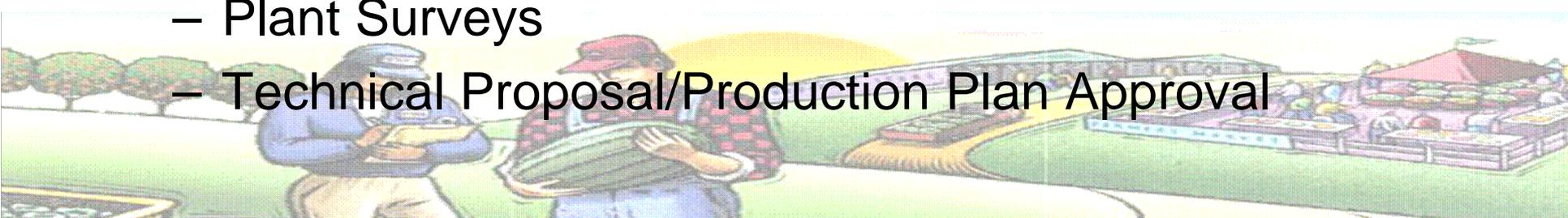




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How to Get Started

- Capability Requirements
 - Evidence of capability
 - 3 Reference Letters
- Technical Requirements
 - Food Defense Plan
 - Plant Surveys
 - Technical Proposal/Production Plan Approval

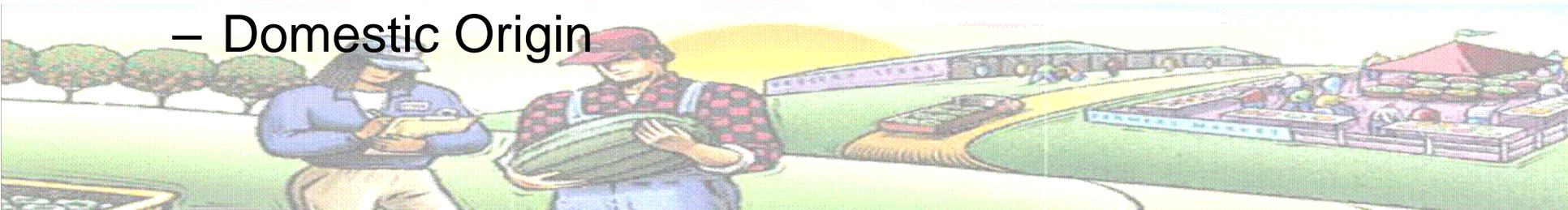




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Contract Requirements

- AMS Master Solicitation and Solicitation,
or
- Request for Proposal and Technical Proposal,
- Plus:
 - Product Specifications
 - Domestic Origin

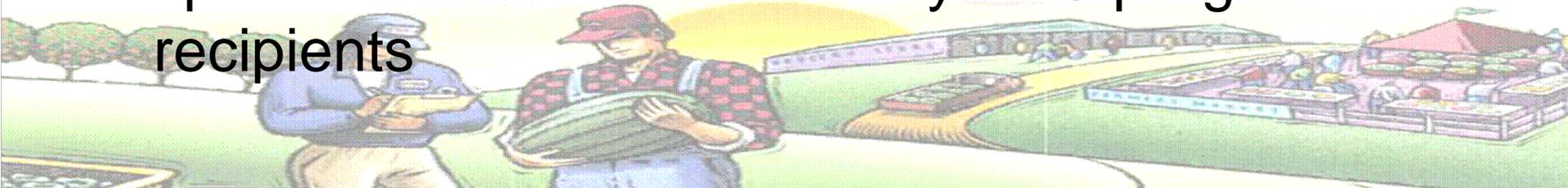




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AMS Pre-Award Process

- FNS receives orders, reviews them, and provides them to AMS for purchase
- AMS issues a solicitation
 - Email sent to vendors on distribution list
 - Public release on AMS website
- Usually, all line items are FOB Destination to the specific locations indicated by FNS program recipients

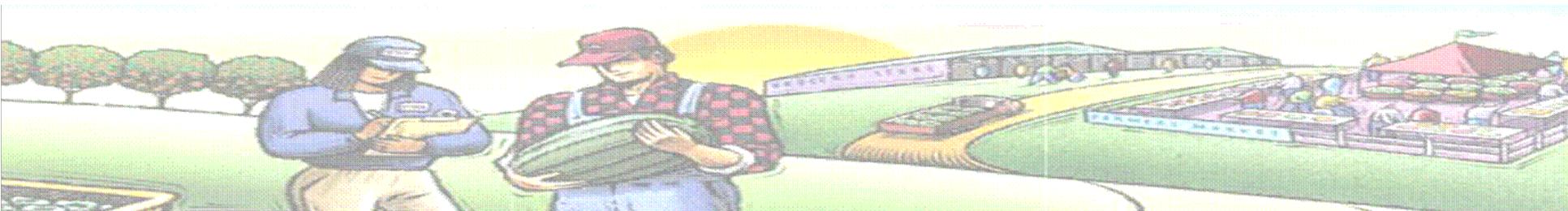




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Solicitation Process

- Solicitation Issued with:
 - Quantities and destinations
 - Delivery periods
 - Bid submission deadline date and time
 - Expected contract “award-no-later than” date

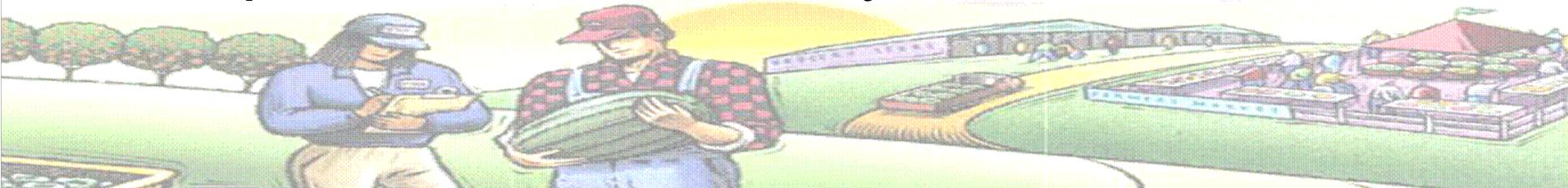




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Bid Process

- Approved vendors use ID and password to enter bidding website (WBSCM)
- Bids are placed by line item to specific destinations and specific delivery periods
- Bids must include cost of product, inspections and delivery to destination

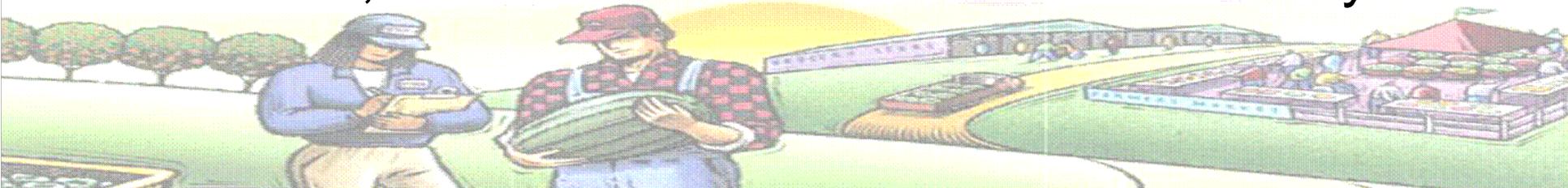




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Award Process

- Bids are opened electronically, and evaluated to determine the awards that are most advantageous to the Government
- Once bids are evaluated, contracts are then awarded and winning vendors are notified
- All documents are publicly displayed on our website, and are accessible for at least one year

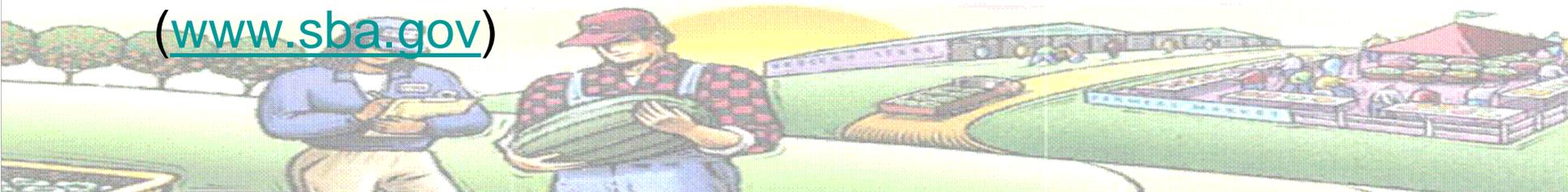




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Small Business Set Asides

- Government is required to support various categories of small businesses
 - Small: Processor < 500 empl, Farms < \$750K revenue
 - Historically Underutilized Business Zone (HUBZone)
 - Small disadvantaged (8a)
 - Service disabled veteran owned (SDVOSB)
- Administered by the Small Business Administration (www.sba.gov)





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Initiatives

- Procurement Methods:
 - Indefinite Deliver, Definite/Indefinite Quantity (IDIQ, DQID); Multi-Year (Options); Negotiated Contracts; etc.
- Health Initiatives:
 - Dietary Guidelines for Americans & New School Meal Patterns
 - Reducing Sodium, Fat, Added Sugar





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New Products

- Determine Usability by Recipients (FNS)
 - Different assistance programs have different needs and restrictions
- Provide Nutrition Information
 - USDA/FNS Dietary Guidelines and Goals
- Cost: in the best interest of the Govt. to purchase as opposed to something else
- Availability: from more than a single vendor

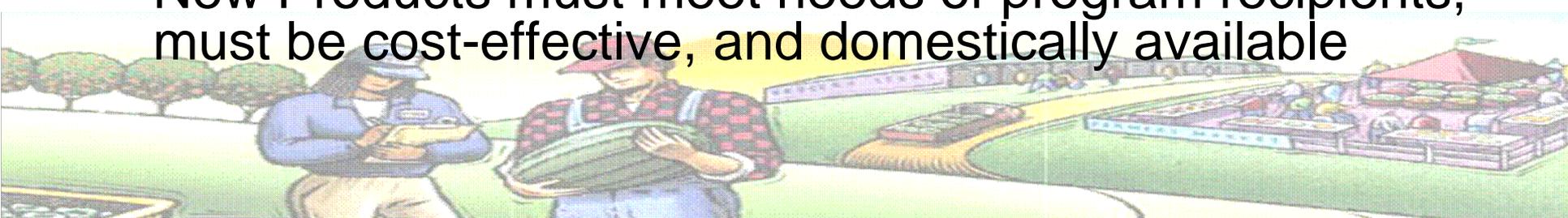




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Conclusion

- AMS' Commodity Procurement Division purchases nearly \$1.4 billion in domestic agricultural products
- Any vendor that can meet AMS and Federal requirements can become approved to participate
- The process to bid is not too difficult, and assistance is available from the Division
- Vendors may qualify for set-asides if they meet specific small business requirements
- New Products must meet needs of program recipients, must be cost-effective, and domestically available





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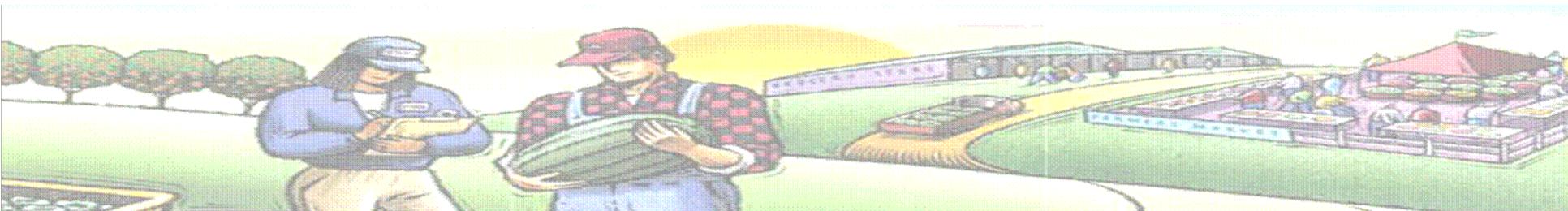
Contact Information

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Questions?

