



GRANTS POLICY NOTICE

NOTICE: 0036-GPN-26-001-AM

ISSUED: 03/19/2026

EFFECTIVE: 03/01/2026

To: Resilient Food Systems Infrastructure Program (RFSI) Grantees
From: Lieutenant Governor’s Division of Grant Services (LG-GS)
 Indiana State Department of Agriculture’s Division of Economic Development Programs (ISDA)
Re: **Resilient Food Systems Infrastructure Program; Interim Policy for Procurement of Construction Services (Amended)**

SECTION 1: PURPOSE

This Grants Policy Notice (“Notice”) establishes new procurement guidance for grantees of the Resilient Food Systems Infrastructure (RFSI) Program and prescribes procedures for the procurement of construction services and professional architectural and engineering services.

SECTION 2: APPLICABILITY

This notice applies to procurement of construction services and certain professional services conducted by grantees of the RFSI Program administered by the Indiana State Department of Agriculture. This Notice in its entirety shall apply to procurement actions initiated after the effective date of the Notice. Pending procurement actions are subject to the implementation schedule in Section 6 of the Notice. This Notice does not apply to other procurement methods, or procurement actions carried out by grantees of another program administered by the Department.

SECTION 3: DEFINITIONS

The following definitions apply throughout this notice and should not be construed to apply to other grants policy notices or agency policies. If there is a disagreement between definitions in this notice and another document, the definitions contained herein shall prevail only for the purposes of this notice.

- Department – means the Indiana State Department of Agriculture (ISDA)
- Grantee – means a recipient of grant funds awarded by the Department
- Grant Services – means the Division of Grant Services (GS) within the Lieutenant Governor’s Office
- Non-governmental entity – means an individual person, sole proprietorship, for-profit organization, or nonprofit organization recognized under Sec. 501(c)3 of the Internal Revenue Code
- Public work – has the meaning set forth in Ind. Code §36-1-12-2.¹
- Procurement – means the process through which goods and services are purchased for a grant
- State – means the ISDA and GS, collectively
- Subrecipient – means a grantee or recipient of federal grant funds awarded by the Department

¹ Ind. Code §36-1-12-2. “Public work defined”. "public work" means the construction, reconstruction, alteration, or renovation of a public building, airport facility, or other structure that is paid for out of a public fund or out of a special assessment.
<https://iga.in.gov/laws/2025/ic/titles/36#36-1-12-2>

SECTION 4: APPLICATION OF STATE & FEDERAL POLICY

When conducting procurement transactions under a Federal award, subrecipients (e.g., RFSI grantees) must maintain and use documented procurement procedures consistent with state and local laws, regulations, and policies. These policies must also be consistent with the federal procurement standards prescribed at 2 CFR §200.317 – 200.327.²

Consistent with the federal procurement standards, Ind. Code requires entities to procure goods and services competitively, when using public funds. Indiana codified its procurement statutes for incorporated cities, towns, counties, political subdivisions, and certain state agencies at Ind. Code Art. 5-16 (public works by the State)³, Ind. Code Art. 5-22 (state and local purchases)⁴ and Ind. Code Ch. 36-1-12 (public works by local government)⁵.

Section 4(a): Application to State Agencies

State agencies must procure goods and services in accordance with Ind. Code Art. 5-22. State agencies must procure construction services for public works in accordance with Ind. Code Art. 5-16. State agencies are also subject to internal procurement policies and procedures codified at 25 IAC 1.1 (State Procurement) and 25 IAC 2 (Public Works).

Section 4(b): Application to Local Units of Government

Local units of government must also procure goods and services in accordance with Ind. Code Art. 5-22. Local units of government must procure construction services for public works in accordance with Ind. Code Ch. 36-1-12.

Governmental entities that are not covered under IC 5-16, 5-22, or 36-1-12 must procure goods and services in accordance with their own established procurement policies and procedures. Those policies and procedures must be documented and consistent with the federal procurement standards at 2 CFR §200.317 – 200.327.

Section 4(c): Application to Non-Governmental Entities

Indiana Code does not prescribe procurement policies and procedures for non-governmental entities, except in limited circumstances. In consultation with the Office of the Attorney General, the Lieutenant Governor's Office has determined that Ind. Code Art. 5-22 and Ch. 36-1-12 do not apply to grantees of the RFSI Program because federal funds passed through the State to a non-governmental grantee no longer meet the definition of "public funds".

Pursuant to Ind. Code §15-22-2-5, the Department is authorized to adopt rules to carry out its duties to administer programs. The Department is also authorized to adopt program-specific policies to enforce the federal procurement standards and develop procedures for grantees, so long as those procedures are not inconsistent with the federal procurement standards. Notwithstanding SECTION 2, RFSI grantees procuring construction services shall comply with the policies and procedures set forth in SECTION 5 of this Notice.

² 2 CFR §200.318. General procurement standards. <https://www.ecfr.gov/current/title-2/section-200.318>. The federal procurement standards are a bare minimum that all grantees and recipients of federal financial assistance comply with. When state and local procurement laws and regulations do not exist or apply, (sub)recipients must develop and use policies that comply with the bare minimum federal standards.

³ Ind. Code Art. 5-16. Public Works applies to the construction, alteration, or repair of public buildings, works, or improvements owned by the State. <https://iga.in.gov/laws/2025/ic/titles/5#5-16>. It does not apply to public works owned or maintained by local units of government, or non-governmental entities.

⁴ Ind. Code Art. 5-22. Public Purchasing applies to "every expenditure of public funds by a governmental body." <https://iga.in.gov/laws/2025/ic/titles/5#5-22-a>

⁵ Ind. Code Ch. 36-1-12. Public Works Projects applies to "all public work performed or contract for by political subdivisions and their agencies." <https://iga.in.gov/laws/2025/ic/titles/36#36-1-12>

SECTION 5: POLICY & PROCEDURES

Consistent with guidance from the Office of the Attorney General, non-governmental entities (e.g., RFSI grantees) do not need to comply with the competitive sealed bid provisions in Ind. Code Art. 5-22 and Ind. Code Ch. 36-1-12. Grantees must procure construction services in accordance with 2 CFR §200.320(b)(1). The sealed bid method requires grantees to solicit bids through an invitation and award a firm fixed-price contract (lump sum) to the bidder that is responsible, responsive⁶, and has the lowest bid. However, the federal procurement standards provide flexibility for grantees that are not local units of government. The Department is establishing the following policies and procedures for the RFSI Program.

Section 5(a): Content of Invitation for Bids, Posting Requirements

RFSI grantees are required to create an invitation for bid (IFB) to directly invite potential bidders to submit a bid. An invitation for bid and its supporting contents (“the solicitation packet” or “bid specs”) must be electronically posted on the grantee’s website, social media page(s) – if the platform allows large postings and multiple attachments – or a publicly accessible file sharing website. The grantee may also post to online bulletin boards and trade association pages that allow entities to advertise IFBs. Grantees must also have physical copies of the IFB and solicitation packet available for pickup at the prospective bidder’s request.

An invitation for bid must contain the following information:

- A statement that the grantee is seeking sealed bids for [insert project description];
- A statement that bids must be submitted using State Bid Form 96 and accompanied with;
 - A certified check or bid bond equal to five percent (5%) of the total bid amount – if the bid amount exceeds \$350,000
 - Contractor’s financial statement (required under Section C of the Bid Form)
 - Contractor’s non-collusion statement (required under Section D of the Bid Form)
 - Contractor’s drug-free workplace and employee drug testing policy, consistent with IC 4-13-18
 - Contractor’s employment eligibility verification (E-Verify) affidavit
 - *Deadline must be at least 15 days after the IFB is issued/posted, but may be up to 30 days.*
- A statement that bids must be submitted in a sealed envelope with the following information on the outside of the envelope:
 - Name of the project
 - Name, mailing address, phone number, and email address of the bidder
 - Bid submission deadline (date and time)
 - Statement “DO NOT OPEN”
- A statement that bids will be opened at a closed meeting with the ISDA on [date] because the project is not subject to the requirement for bids to be opened at a public meeting;⁷

⁶ “Responsible bidder” means one who is capable of performing the contract requirements fully and who has the integrity and reliability that will assure good faith performance. “Responsive bidder” means one who has submitted a bid or quote conforming in all material respects to the specifications. <https://iga.in.gov/laws/2025/ic/titles/36#36-1-2-15.5>

⁷ The date of the closed bid opening meeting must be included in the IFB. Schedule with the State before you post the IFB. Contact Emily Conwell with the Department at EmConwell@isda.in.gov to schedule your closed bid opening meeting.

- A statement that the grantee will notify all unsuccessful bidders their bids were rejected and provide a justification for the rejection;
- A statement that the IFB and bid specs are available online at [insert publicly accessible web link];
- A statement of where and when potential bidders can pick up a physical copy of the IFB and solicitation packet if they request one;
- A statement that the project and any construction services performed must comply with the State of Indiana’s and USDA’s federal construction contract provisions which are included in the solicitation packet.

Grantees are encouraged – but not required – to post an IFB in public places throughout the community where the project is to take place (e.g., municipal government building, library, community center, post office, other public bulletin boards throughout the community). Grantees are not prohibited from publishing an IFB in a local newspaper.

Section 5(b): Contents of the Solicitation Packet, “Bid Specs”

An IFB must be accompanied by a complete solicitation packet or set of bid specs. Bid specs must contain the following information:

- Bid Form 96 with required attachments;
- Detailed scope of work and project site information;
- List of required materials, expected quantities needed;
- Engineering report/builder’s site plans, designs, building specifications, site photos;
- RFSI Federal Construction Contract Provisions, Revised February 2026
 - *Note: Buy America, Build America (BABA) provisions and Federal Labors Standards provisions are included as boilerplate language in the Contract Provisions, but neither BABA nor the Davis-Bacon Act apply to this project because it is funded solely with American Rescue Plan funds and other non-federal matching funds.*

Section 5(c): Procedures for Soliciting Bids

Grantees are required to competitively solicit bids from at least five (5) construction contractors. Two (2) of the 5 solicited contractors must be a certified Minority or Woman Business Enterprise (MBE/WBE) or an Indiana Veteran-Owned Small Business (IVOSB).⁸

Grantees may send the IFB and solicitation packet via USPS., another mail carrier service, or by email. The following conditions apply:

By USPS/Equivalent Mail Carrier Services	By Email
<ul style="list-style-type: none"> ▪ IFB and solicitation packet must be sent via certified mail or with tracking information. ▪ It is recommended you also email the solicitation packet as a back up in the event the packet is returned as undeliverable. 	<ul style="list-style-type: none"> ▪ Delivery receipts (if option is available) and read receipts (required) must be used to track the delivery/opening of the email. ▪ If an email is returned as undeliverable, confirm the email address and make a second attempt on the same day it was first sent.

⁸ The Indiana Department of Administration (IDOA) is responsible for the certification of MBE/WBE/IVOSBs and maintains a list of currently certified entities in good standing. Visit <https://www.in.gov/idoa/mwbe/minority-and-womens-business-enterprises/certified-business-search/> to find eligible entities.

Grantees must give contractors at least 15 days to submit a sealed bid. Contractors must place their bid in a sealed envelope with the following information written on the outside of the envelope:

- Name of the project;
- Bidder name, mailing address, phone number, and email address;
- Bid submission deadline (date and time);
- In all CAPS “DO NOT OPEN”.

Contractors may hand-deliver their sealed bid or mail the bid. Contractors that choose to mail their submission must place the sealed bid package in another envelope for mailing to prevent the recipient from accidentally opening it before the designated time. Bids that are received after the deadline – whether being delivered in-person or by mail – must be rejected and may not be considered.

Grantees must log the receipt of each bid at the time it is received and record the following information on a register of proposals/bids:

- Bidder name, mailing address, phone number, and email address;
- Date and time the bid was received;
- Method of delivery – by mail or hand-delivered;
- Verification that the bid was sealed and unopened at the time of delivery
- Verification that the bid was timely delivered – or that the bid was late and rejected

Section 5(d): Procedures for Opening Bids

RFSI grantees are not local units of government; therefore, they are not required to open bids at a public meetings. In lieu of a public bid opening meeting, grantees must open bids in a closed meeting with the State. This meeting may occur in-person at the grantee’s preferred location or remotely via Microsoft Teams, Zoom Workplace, and equivalent online meeting platform approved the State.

During a closed bid opening meeting, the State will observe the grantee opening all timely submitted sealed bids, provide general guidance about the review and contract awarding process. Each bid must be opened, and the following additional information must be recorded on the register of proposals/bids:

- Total lump sum amount of the bid
- Itemized breakdown of costs for alternatives/divisions
- Verification that the bid was submitted using Bid Form 96 and was accompanied by the:
 - Certified check or bid bond in an amount equivalent to 5% of the total bid, if applicable
 - Contractor’s financial statement (required under Section C of the Bid Form)
 - Contractor’s non-collusion statement (required under Section D of the Bid Form)
 - Contractor’s drug-free workplace and employee drug testing policy, consistent with IC 4-13-18
 - Contractor’s employment eligibility verification (E-Verify) affidavit

The State is not a party to any contracts entered into for construction services procured under the RFSI Program. The State cannot provide legal advice, comment on the quality or reputation of a bidder or submitted bid, recommend or endorse a particular bidder over another, or select a winning bid on behalf of a grantee. The State recommends grantees have a project engineer or consultant available to assist with evaluating the bids.

Section 5(e): Bid Review; Selection for Contract Award; Rejection Notices

Grantees procuring construction services with RFSI Program funds are required to select the bid that is the lowest responsible, responsive offer. Grantees may choose to select a bid for contract award at the closed meeting with the State, or consult with an engineer, consultant, or legal counsel to review bids and make final selection no later than 15 days after the closed meeting with the State. The State must be notified in writing of the grantee's intent to award a contract to a successful bidder.

Grantees should consult with an engineer, consultant, or legal counsel to review the completed bid and determine whether a bidder is "responsible". Grantees may consider the bidder's responses provided in Part II, Sections A – C of the Bid Form.

Grantees should use the following criteria to determine if a bid is responsive:

- Was the bid timely submitted to the correct location and in a sealed envelope with the required identifying information written on the envelope?
- Was the bid form filled out completely? Are all required questions filled out or marked as not applicable ("N/A") where appropriated?
- Were all scope items and activities stated in the solicitation package addressed by the contractor's bid, and were itemized bid amounts also provided for any alternatives, addendums, or divisions?
- Are all required affidavits, statements, and attachments included?
- Was a certified check or bid bond in amount equivalent to 5% of the total bid amount attached to the bid?

Grantees may reject the lowest bid and select the next lowest responsible, responsive bid, but only if it determines the lowest bid is not responsible or responsive. All bid rejections must be justified and include a written statement why the bid was rejected. All bidders must be notified in writing that their bids were rejected within a reasonable time period after a bid has been selected for contract award⁹.

Section 5(f): Minimum Contract Standards; State Review Required Prior to Execution of Contracts

Grantees must inform successful bidders of the minimum contract standards and applicable federal and state contract provisions. Contracts for construction services must be a firm, fixed price (lump sum) and contain the following components:

- Effective date of the contract;
- Detailed description of the work or services to be performed;
- Specifications of materials or other services to be provided;
- Time for performance and completion of contracted services;
- Method of compensation;
- Conditions and terms under which the contract may be terminated, and remedies for violation or breach of contract; and
- Printed and signed names, titles of signatories for all contract parties.

⁹ Grantees may exercise judgement in determining what is a reasonable timeframe for delivering rejection notices to bidders. However, the State would recommend delivering rejection notices no later than 15 days after a bid has been selected for contract award.

Contracts must also incorporate by reference or attach the RFSI Federal/State Construction Contract Provisions, Revised February 2026. Before grantees may execute a contract for construction services, the following information must be submitted to the State for review and approval:

- Draft, unsigned construction contract with Contract Provisions attached
- Contractor name, current business address, federal entity identification number (FEIN), and SAM.gov Unique Entity Identifier number (UEI)
 - If UEI is unknown, the State will locate it using the other information requested above.
- Finalized scope of work, detailed budget, and timeline for construction.

The State will review the information within 15 calendar days of receiving it and notify grantees in writing if the contract can be executed or requires revisions and resubmission. Construction work may not begin until the State has approved the contract, and it has been fully executed by the grantee and the contractor.

SECTION 6: COMPLIANCE; PHASED IMPLEMENTATION; MONITORING

Grantees that have not initiated a procurement action for construction services must comply with this Notice in its entirety. Grantees are considered to have initiated a procurement action if they already posted/published an invitation for bid or directly solicited contractors to seek competitive sealed bids.

Grantees that initiated a procurement action but have not received bids yet should make a good faith effort to implement the policies and procedures set forth in Sections 5(d) – 5(f) of this Notice. Grantees that are in the process of reviewing and selecting bids must contact the State for technical assistance on Sections 5(e) – 5(f). Grantees that have already made a contract award should review their existing contracts for compliance with Section 5(f) of this Notice. Grantees must notify the State if existing construction contracts do not meet the minimum contract standards in Section 5(f) to identify a remedy.

Compliance with the federal procurement standards at 2 CFR §200.317 - §200.327 is required for all procurement actions, regardless of the effective date of this Notice. The State will monitor projects periodically for compliance with this Notice and other program policies and requirements. Technical assistance is available to aid grantees in implementing these requirements. To mitigate risk of noncompliance, grantees should maintain a record of all procurement actions. Section 6(a) provides a monitoring checklist for documents and records that will be inspected as part of monitoring.

Section 6(a): Monitoring Checklist

Grantees are required to maintain sufficient documentation to demonstrate all procurement actions were carried out in accordance with the federal procurement standards, RFSI program policies, and this notice. For the purposes of this monitoring checklist, “bid” is used interchangeable for “quote” or “proposal”. All documents related to the procurement actions prescribed in this notice must be retained in project file. The checklist below is not exhaustive. If you have questions about required documentation, please reach out to the contacts listed at the end of this notice.

- Copy of all requests for quotes, requests for proposals, or invitations for bids posted, mailed, or published
 - If sent electronically, copy of email sending request and read/delivery receipt
 - If mailing, copy of tracking information showing sender address, recipient address, and date sent.
 - If publishing in a newspaper, copy of publisher’s claim/affidavit and copy of the published ad in the newspaper or the newspaper’s website.

- Register of Quotes/Proposals/Bids logging all responses received
- Copy of all responses received
- Copy of notices to successful bidders
- Copy of notices to unsuccessful bidders with an explanation for why their bid was rejected
- Copy of justification for selecting or rejecting a bid
- Copy of all contracts, purchase orders, purchase agreements, or other documents memorializing a contractual agreement to provide goods and services.

Grantees should contact Emily Conwell at EmConwell@isda.IN.gov for questions regarding the RFSI Program. Questions regarding procurement should be referred to Alissa Ferguson at alferguson@lg.IN.gov or Tim Parthun at lgpolicy@lg.IN.gov.