

# Working with a Food Service Management Company

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NH Department of Education

**Office of  
Nutrition Programs  
& Services**

# Objectives

- SFA responsibilities
- Managing the Contract
- Timing of completion of Request for Proposal (RFP)
- Timing of completion of Contract Renewal

# Acronym Legend

SFA = School Food Authority

SA = State Agency

ONPS = Office of Nutrition Programs and Services

FSMC = Food Service Management Company

RFP = Request for Proposal

USDA = United States Department of Agriculture

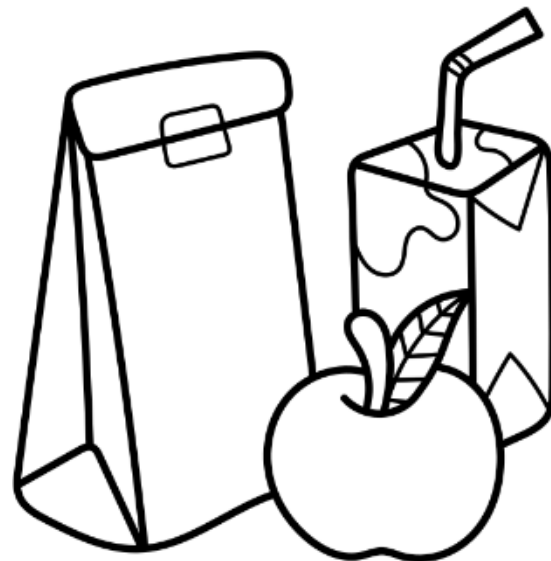
# Contracting with an FSMC

**DOES NOT**

relinquish the SFA's responsibility to meet all program requirements as attested to in the Permanent Agreement.

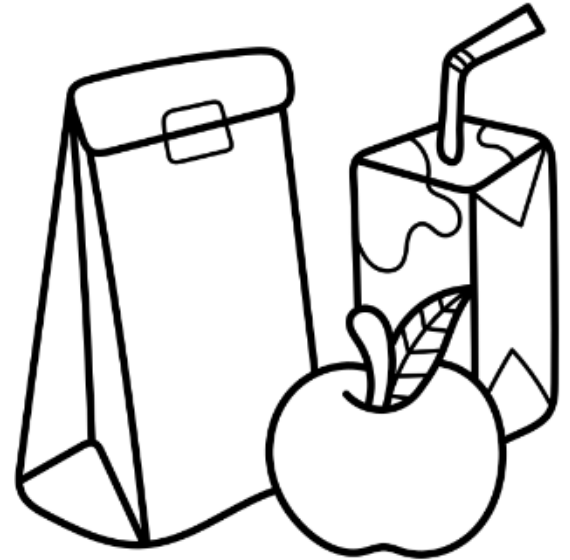
# Responsibilities that MAY NOT be delegated to FSMC

- Preparation of solicitation & contract documents
- State Agency Contract Review
- SFA Program Oversight
- Signature Authority
- Internal Control/Edit Checks
- On-site Monitoring
- FSMC Monitoring



# Responsibilities that may be delegated to FSMC

- Free & Reduced Priced Price Meal Process
- USDA Foods
- Health Certificates
- Establishment of Advisory Board
- Development of 21-Day Cycle Menu
- Control the Quality & Nature of Food Service



# FSMC Contract Types

## 1. Fixed Meal Price

FSMC sells meals for a fixed price including the profit

## 1. Cost Reimbursable

FSMC passes along all costs and adds a fixed fee for profit and overhead





Nov/Dec  
Complete  
RFP

January  
Submit  
for ONPS  
approval

February  
ONPS  
approves  
release!

February  
Public  
Release

**Timing of  
RFP  
Process**

March  
Site Visit

June  
Submit  
signed  
contract  
to ONPS

May  
Award  
Contract

April  
Proposal  
Due



# RFP Reminders

1. When does to go out for RFP?
2. Full and open competition
3. Use of Advisory Group/Menus
4. Solicitation Documents (p. 20)
5. Scoring Criteria
6. Insufficient time
7. Submit the ONPS RFP Information Checklist w/ requested documentation!

**PUBLIC SCHOOLS  
NEW HAMPSHIRE**

**REQUEST FOR PROPOSAL  
FOOD SERVICE MANAGEMENT COMPANY**

# RFP Reminders

## 1. When to go out for RFP

- After 4th & final renewal
- Transition from self-prep to FSMC
- One party decides not to renew contract



# RFP Reminders

## 2. Full and Open Competition

“The foundation of all procurement, regardless of methods used, is that the procurement be conducted in a manner that provides maximum full and open competition. Procurement procedures must not restrict or eliminate competition.”

- p.22 USDA Guidance for School Food Authorities



# RFP Reminders

Examples of **restrictions** that prevent *full and open competition*:

- ❑ Unreasonable requirements
- ❑ Noncompetitive Pricing Practices
- ❑ Organizational Conflicts of Interest
- ❑ Inappropriate Practices
- ❑ Insufficient Time
- ❑ Overly Responsive
- ❑ Value-Added Responses

# RFP Reminders

## 3. Use of Advisory Groups/Menus

- The SFA must establish and maintain an advisory board composed of parents, teachers, and students to assist in menu planning (7 CFR § 210.16(a)(8)).
- The RFP must include a 21-day cycle menu developed in accordance with the provisions of 7 CFR 210.10.

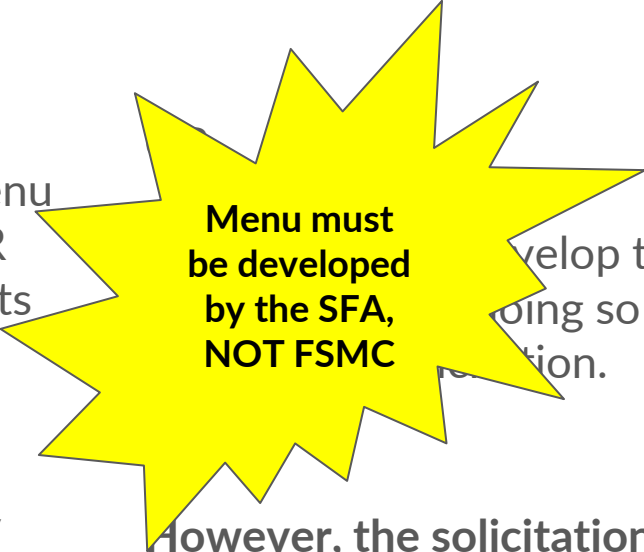


# RFP Reminders

## 21-Day Cycle Menu

RFP must contain a 21-day cycle menu developed in accordance with 7 CFR 210.10 for meal pattern requirements

If the SFA lacks the capacity to prepare a 21-day cycle menu, with State Agency approval, the SFA may include a requirement in the RFP that each FSMC include a 21-day cycle menu to be considered a responsive and responsible offeror.



**Menu must  
be developed  
by the SFA,  
NOT FSMC**

However, the solicitation must include how the menu will be evaluated and scored in determining contract award.

Develop the 21-day cycle menu. Doing so was a requirement of the solicitation.

# 21-Day Cycle Menu

## Recommended criteria include:

- Compliance with all meal pattern requirements for components & quantity
- Dietary specifications
- Affordability
- Student acceptability
- Ability to source from local producers



# RFP Reminders

## 4. Solicitation Documents

“SFAs must not use information prepared by FSMCs in the RFP as doing so prohibits the FSMC that prepared that information from the contract award (2 CFR 200.319(a)). Full and open competition cannot be compromised by allowing potential contractors to provide product and/or service specifications, technical requirements, minimum liability insurance requirements for vendors, or “brand name” products that only one FSMC or its distributors can supply as doing so potentially restricts competition.”

In addition....

FSMC-developed contracts or amendments are never allowed.

- p. 20 USDA Guidance for School Food Authorities





# RFP Reminders

## 5. Scoring Criteria

“Proposals must be evaluated using the weighted criteria stated in the RFP. A determination must be made by the SFA as to whether the proposal is responsive to the requirements of the solicitation and whether or not they are responsible and capable of furnishing the goods and services solicited. Contractor integrity, compliance with public policy, record of past performance, and financial and technical resources are valid factors in determining contractor responsibility. **SFAs must not change or by-pass the published evaluation and scoring criteria in order to circumvent full and open competition.**”

- p. 53-54 USDA Guidance for School Food Authorities

### SECTION XXII – EVALUATION OF PROPOSALS

#### 22.1 Proposal Evaluation Criteria

- A. Proposal will be evaluated by a committee against the following criteria with assigned weights as indicated. Each area of the evaluation should be addressed in detail in the proposal.

<u>Weight</u>	<u>Criteria</u>
20 points	Budget
10 points	Experience, References and Service Capability
5 points	Accounting and Reporting Systems
10 points	Financial Condition
10 points	Personnel Management and Training
10 points	Innovation, Promotion, Marketing and Merchandising of the School Lunch Program
5 points	Involvement of Student, Staff, Patrons and the community
10 points	Menus, Concepts of Service, Commodities, Food Quality & Portion Size
5 points	Recommended Staffing
5 points	Clear Methodology on Return of Discounts, Rebates & Credits
5 points	Code of Conduct
5 points	Procurement Procedures

# RFP Reminders

## 6. Insufficient Time

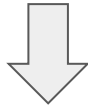
- Not allowing bidders/offerors sufficient submission time when advertising/soliciting the RFP may result in the SFA being required to go out for bid again the following year.
- ONPS requires SFAs allow 45-60 calendar days for the contractor to review, develop, and submit a response.



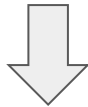
# RFP Reminders

## 7. RFP Submission to ONPS

**ONPS MUST approve the RFP before it is released for solicitation**



SFA releases the bid for solicitation, reviews proposals, selects chosen vendor



SFA submits the RFP Information Checklist to ONPS. Once approved, the contract is sent by ONPS to the SFA

### Place on SAU Letterhead

Office of Nutrition Programs and Services (ONPS)  
Request for Proposal (RFP) Information Checklist

SAU/RA Name and Number [Click or tap here to enter text.](#)

DATE RFP CHECKLIST COMPLETED [Click or tap to enter a date.](#)

- Provide the PDF of the Final RFP
  - The Date When RFP Posted? [Click or tap here to enter text.](#)
  - The Date the RFP Closed? [Click or tap here to enter text.](#)
    - \*NH Statewide Union Leader Newspaper -RFP Advertised
    - \*SAU/DISTRICT Website(s) -RFP Advertised
    - What other Media Outlets were used to advertise? [Click or tap here to enter text.](#)
  - What vendors responded? [Click or tap here to enter text.](#)
  - Why was the chosen vendor selected? [Click or tap here to enter text.](#)
- Provide All copies of the evaluation sheet used.
- Include All Advertisement Tear Sheets with Invoices
- Provide a copy of each vendor's submitted budget.

Return Checklist and Documents to: [bridget.r.resse@doe.nh.gov](mailto:bridget.r.resse@doe.nh.gov)

Please note: The RFP **must** be advertised in at least the statewide newspaper (Union Leader) and the SAU/District website(s)



Dec.  
SAU Receives  
Renewal  
Contract from  
ONPS

Dec-May  
Work  
with  
FSMC to  
complete

**Timing of  
FSMC  
Contract  
Renewal**

June 1  
Submit  
unsigned  
draft to  
ONPS

June 30  
Fully  
signed  
contract  
due

June  
Work w/  
ONPS &  
FSMC to  
finalize

# DEADLINE

All contracts must be fully signed (by all parties) and executed by the USDA-required deadline June 30th.

Please note: if June 30th falls on a Saturday or Sunday, the contract must be fully signed (by all parties) and executed by the Friday prior to this deadline.

\*\*\*Please plan ahead to avoid a late submission.\*\*\*

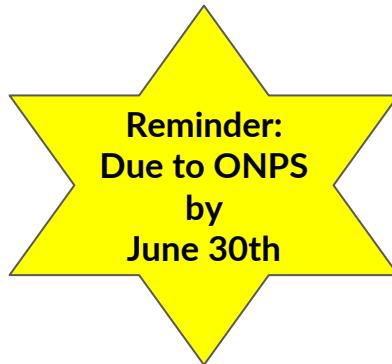
Out of 44 SAUs completing FSMC Contracts this year for SY 24-25....

**23/44 (52%)** were completed by the USDA June 30th deadline.

**Goal for SY 25-26 Contracts: ≥ 85%**

# Awarded FSMC Contract

- One year term
- Starts July 1 or after
- Must end June 30
- 4 One-year Renewals



# Exceptions and Deviations

- Terms and conditions in the RFP included in Awarded Contract
- No exceptions or deviations considered after Proposal due date



# FSMC Contract Reminders

1. Material Changes
2. ONPS Sample Contract Template
3. Meal Programs Operated
4. Appendices

## SCHOOL FOOD SERVICE AGREEMENT

**Date:** [Click or tap here to enter text.](#)

**Client:** [Click or tap here to enter text.](#)

**Contractor:** [Click or tap here to enter text.](#)

**School Sites:** [Click or tap here to enter text.](#)

### INDEX

Article I. Introduction

Article II. Relationship of the Parties

Article III. Food Service Program

Article IV. Management and Personnel

Article V. Inventories, Facilities, Equipment, and Maintenance

Article VI. Financial and Payment Terms

Article VII. General Terms and Conditions



# FSMC Contract Reminders

## 1. Material Change

*Any change made to a contract after it has been awarded that alters the terms and conditions of that contract substantially enough that had other respondents known of these changes in advance, they could have bid differently and more competitively.*



# FSMC Contract Reminders

## 2. ONPS Sample Contract Template

- Amendments vs. Full Contracts to be submitted beginning for SY 25-26 renewals
- SFAs to use the ONPS Sample Contract Template for initial contract year (following the RFP process)
- Contract document protection features prevent required regulatory language from being removed



# FSMC Contract Reminders

## 3. Meal Programs Operated

- Section 3.3 of the FSMC Contract requires SFAs to indicate which meals programs are to be provided by the FSMC
- Ensure accuracy of selected programs!

3.3 Meal Program. The FSMC shall provide nutritious, high-quality **(check only available options):**



- |   |   |
|---|---|
| <input type="checkbox"/> Breakfasts (SBP)   | <input type="checkbox"/> Lunches (NSLP)                               |
| <input type="checkbox"/> Snacks (At-Risk Afterschool Snack - NSLP)                  | <input type="checkbox"/> Milk Service Only (SMP) Special Milk Program |
| <input type="checkbox"/> A La Carte Food (Smart Snacks)                             | <input type="checkbox"/> Vending (Smart Snacks)                       |
| <input type="checkbox"/> Fruit/Vegetables (FFVP) Fresh Fruit and Vegetables Program | <input type="checkbox"/> Supper (At-Risk Afterschool Program - CACFP) |
| <input type="checkbox"/> After School Snack Program (ASSP)                          | <input type="checkbox"/> Vended Meals                                 |

Anticipated Summer Food Programs  
(Require Separate Budget)

- |   |  |
|---|--|
| <input type="checkbox"/> Summer Food Service Program (SFSP) | <input type="checkbox"/> Extended NSLP |
| <input type="checkbox"/> NSLP- Seamless Summer Option (SSO) |  |

# FSMC Contract Reminders

## 4. Appendices

Required to be submitted with the FSMC Contract:

1. FSMC Budget
2. FSMC Budget for applicable summer programs the FSMC will be involved in (Extended NSLP, SSO, SFSP)\*
3. School Locations
4. Price List
5. Price List for applicable summer programs the FSMC will be involved in (Extended NSLP, SSO, SFSP)\*
6. Payment Schedule
7. District Calendar



\* if applicable

# Monitoring Requirements

- SFA must monitor the food service operation of the selected FSMC ( 7 CFR 210.16)
- New ONPS required FSMC monitoring form
- Topics include:
  - Meal Pattern
  - USDA Foods
  - Meal Count System
  - Financials
  - Facilities
- Complete bi-annually (2x per year)\*
- Completed by SFA, not FSMC



\*per FSMC

# Record Retention

The SFA must retain the following for record retention:

- Copy of fully executed FSMC Contract (all pages) with signatures
- A copy of any amendments, addendums, and attachments to the FSMC Contract
- All invoices related to the awarded contract



# FAQ #1: What should the SFA consider when deciding to contract with an FSMC?

- Management
- Quality
- Costs
- On-Site Visits

# FAQ #2: What should the SFA consider when deciding whether to renew the contract?

## Considerations for renewing a contract:

- Performance
- Meal Quality
- Costs
- Financial Status
- Unexpected Costs
- Participation
- Advisory Board
- Adjustments to Payments
- Crediting for Value of USDA Foods
- Corrective Actions



## FAQ #3:

If my district only receives one bid, do we still need to evaluate and score the bid before awarding the contract?



## FAQ #4

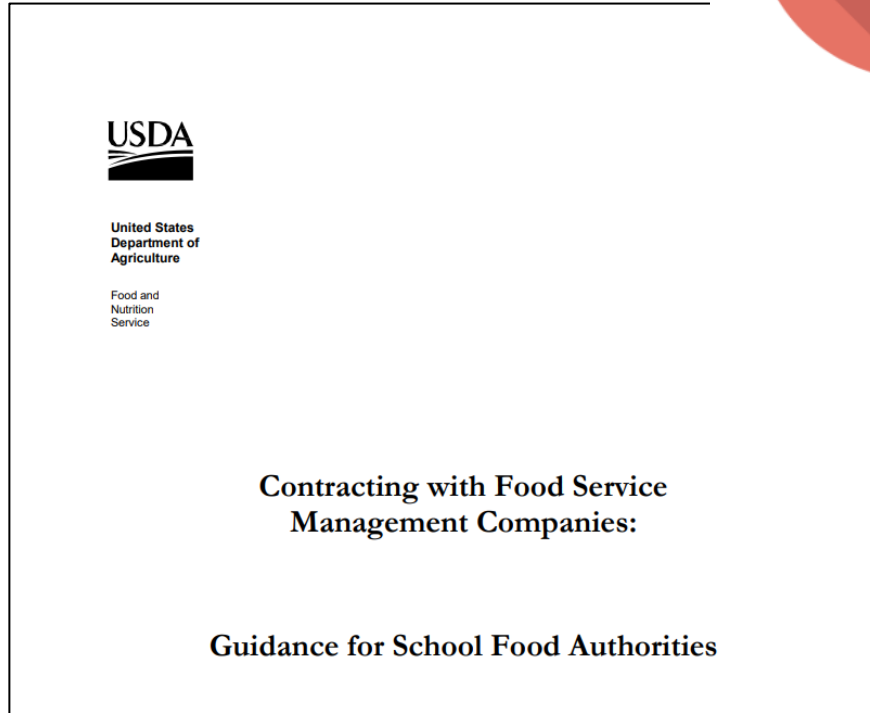
How can I learn more about the specific regulations and procedures for contracting food service operations with a food service management company?

LEARN MORE



# Resources:

1. [USDA Guidance for School Food Authorities](#)
1. [USDA SP-13-2023 Best Practices for Contracting with FSMCs](#)
1. [Code of Federal Regulations: Federal Financial Management and Procurement Requirements](#)
1. [Information Buffet \(12/2023\) RFP & Contracts](#)



# Questions?

FSMC and Procurement:

Amanda Marshall, ONPS Administrator

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603-271-3860

