

# Procedures for Contracting With a Food Service Management Company

School Year 2013 - 2014

## New Bids or Re-bids

School Food Authorities (SFAs) that are considering contracting with a food service management company (FSMC) must follow the procedures below. These procedures apply to the Request for Proposal (RFP), contract and renewal amendments.

The requirements are not exhaustive. SFAs and FSMCs should carefully review the National School Lunch Act, the Child Nutrition Act of 1966 and all applicable regulations, and the Indiana Request for Proposal (RFP) Template.

1. Before contracting with a FSMC, SFA should review its current food service operation, including:
  - Financial Analysis - Profit/loss over the last five years;
  - Costs - Food costs, labor costs, direct costs and food service director cost;
  - Operational considerations - Facilities, equipment and food service staff; and
  - Other factors, such as public relations both internal and external.

SFA should also note that even though you may be contracting with a food service management company to operate SFA's food service, there are responsibilities that the SFA may not delegate.

2. If SFA is intending to contract with a FSMC for the first time, it should notify the Indiana Department of Education (IDOE) School and Community Nutrition Division (SCN) as soon as possible (contact information is below). Information about procedures and requirements for contracting with a FSMC are located on the IDOE School and Community Nutrition Procurement web pages.
3. SFA may use the RFP template provided by IDOE. Changes to the template are not permitted without prior approval from IDOE. If you choose to not use the IDOE template, you will need to ensure all the same requirements are in your RFP. The RFP should also be reviewed and approved by SFA's legal counsel.
4. SFA must provide a completed copy of the RFP with supporting documentation and the criteria for evaluation to IDOE for approval **before advertising**. If the SFA does not allow enough time to complete the required approval process by the end of the current school year, the SFA would have to self-operate its food service operation.
5. Once approved, the SFA shall advertise its Request for Proposal (RFP) (7 CFR § 3016.36(c) and (d)). SFAs are required to advertise the RFP as follows per the Indiana law (Indiana Code, IC 5-3-1-2 (e)) - notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date

the bids will be received. Therefore SFAs need to allow at least 3 weeks **minimum** for advertising of the RFP.

6. SFA may choose to conduct a pre-proposal conference for all potential bidders. It is recommended this be held at least two weeks after the date of the last advertisement and allow time after the pre-proposal conference to give offerors time to respond. All offerors must be invited to the pre-proposal conference. SFA must respond in writing to all questions asked and provide a copy to all offerors. If only one FSMC responds to the public advertisement, then SFA may conduct a walk-through of the facility instead of a pre-proposal conference.
7. If additional information is requested at the pre-proposal conference or if the Request for Proposal is amended by questions or requests from the pre-proposal conference, then more time should be provided to allow vendors time to develop a responsive proposal. Consideration should be given to procurement time allocations so that SFAs have enough time to make an adequate decision, and the deadlines in place for contracts to be executed for the upcoming year are met. (SFA may elect at any time to stop the process.)
8. Once the submission date has passed, the SFA will have a pre-selected committee evaluate the proposals using the evaluation method detailed in the RFP. Upon selection of the FSMC, the SFA will create a contract for approval by IDOE **before** implementing the contract.
9. SFA must furnish IDOE SCN with the following documents for approval of the contract by May 31 (for contracts beginning on July 1) or one month before the planned contract start date if different than July 1:
  - A final copy of the Request for Proposal and Contract
  - All attachments related to the contract
  - Any other documents related to the food service contract

The contract must be approved by IDOE before it is signed by SFA and the FSMC. SFA and FSMC may not begin operations under the contract until the contract is approved by IDOE and fully executed.

**NOTE: Please be advised that if the Request for Proposal and Contract is altered in any manner without prior approval, it may be considered an unapproved contract and may result in SFA being required to pay its FSMC using funds other than the school nutrition funds;**

### **FMSC Renewals**

SFA must notify IDOE each year of the remaining four years of the contract of the SFA's intent to renew the contract by submitting the following documentation to IDOE for approval by May 31 (for contracts beginning on July 1) or one month before the planned contract start date if different than July 1:

- Letter stating that SFA has elected to renew the contract with the FSMC for the upcoming school year. Include the original contract date and the renewal number (the contract can be renewed for up to four additional years so please indicate which renewal year this will be).
- Attestation Statement ensuring the changes due to the Healthy Hunger Free Kids Act (HHFKA) did not cause a material change in the FSMC contract.
- Copy of any amendments, subcontracts, letter agreements, or any other documents related to the contract for food service management that are being updated for the new school year.
- Required federal certifications. These may be incorporated by reference if signed with the original contract.
  - Suspension Debarment Certification Form
  - Clean Air and Water Certification Form
  - Lobbying Certification Form
- A current list of SFA sites served by the FSMC.

**CONTACT INFORMATION:**

If you have any questions please contact Tina Herzog with IDOE:

Indiana Department of Education  
School & Community Nutrition  
115 W. Washington Street  
South Tower, Suite 600  
Indianapolis, IN 46204  
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