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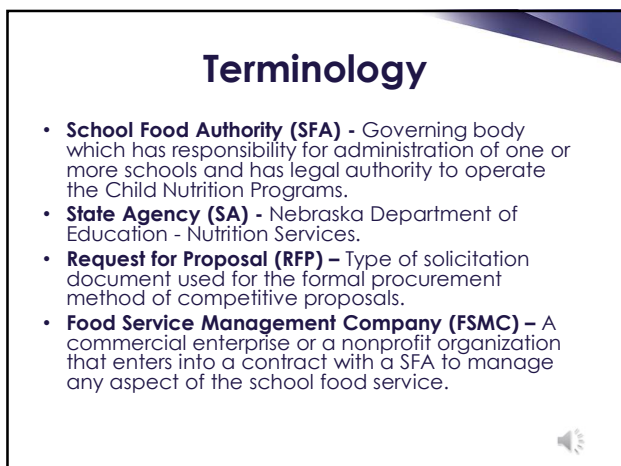
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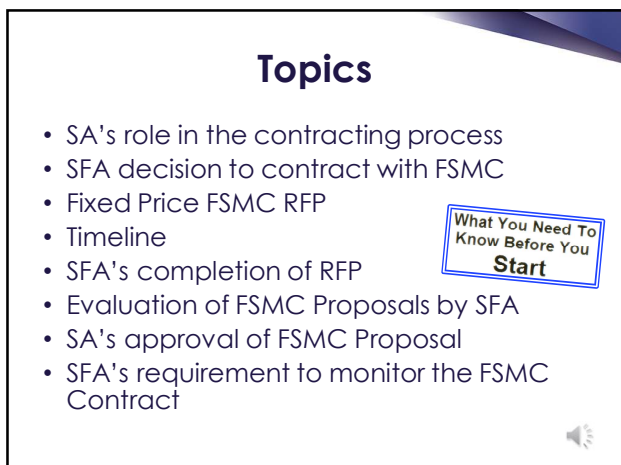
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graph LR
    A[State Administering Agency  
NDE Nutrition Services] --> B[SFA Agreement with SA to  
Participate in Child Nutrition  
Programs]
    B --> C[SFA contracts with a  
FSMC to operate food service program]
  
```

- The SA administers the USDA Child Nutrition Programs in NE
- The SFA is responsible for operating the school nutrition programs under its jurisdiction in agreement with its application with the SA
- The SFA is responsible for all FSMC contractual agreements

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### SA's Role

- Oversight of Child Nutrition Programs
- Provides technical assistance to the SFA throughout the contracting process
- Provides the Fixed Price Per Meal RFP Template and Exhibits for the SFA's completion
- Required to review and approve the SFA's completed RFP and Exhibits prior to solicitation

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### SA's Role continued

- Required to review and approve the FSMC's proposal prior to contract signing
- Conducts 1<sup>st</sup> Year FSMC Contract Review, for assurance the SFA is monitoring the contract
- Conducts required USDA Administrative Reviews, which includes review of FSMC operations in the SFA

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## SFA Considers Contracting with a FSMC

- A FSMC has contact with the SFA
- The SFA has contact with another SFA, who contracts with a FSMC



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## SFA - State Agency

When considering the "idea" of contracting with a FSMC the SFA should contact the SA for information.

 ALL 402-471-2488 or 800-731-2233



[nde.nsweb@nebraska.gov](mailto:nde.nsweb@nebraska.gov)



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## State Agency



Resources available on the Nutrition Services website:

- USDA Guidance Manual, "Contracting with FSMCs: Guidance for SFAs"

<https://www.fns.usda.gov/sites/default/files/cn/FSMCguidance-sfa.pdf>

- List of SFAs with FSMC Contracts

(FSMC Companies operating/expressing interest in operating in NE)



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## SA Recommendations

- Contact and visit SFAs", who contract with different FSMCs
  - Food Choices/Quality/Appearance
  - Sanitation
  - Staffing
  - Customer Satisfaction
  - Cost of Services Provided

**After observing and gaining more information, the SFA may want to answer this question:**

*Could changes be made to improve the current food service program without contracting with a FSMC?*



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## SFA Decides to Pursue FSMC Proposals



**The SFA is under no obligation to accept a FSMC proposal if it is found not to be in the best interest of the SFA**



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## Procurement

- SFA must use competitive procurement procedures in compliance with Federal (2 CFR 200), State, and local procurement regulations  
(Full and Open Competition)
- SFA consults with their legal counsel throughout the procurement process



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## The Fixed Price Per Meal FSMC Contract

- The FSMC charges a set price per meal type
- Includes operational and administrative costs (*food, labor, expendable equipment, FSMC's administrative costs and profit*)



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## The Fixed Price Per Meal FSMC Contract, continued:

- Ala Carte sales and non-program meals are converted to meal equivalents for billing purposes
- An annual economic cost adjustment provision tied to a standard index is included in the contract
- This allows for the fixed price per meal charged by the FSMC to increase as food and labor increases each year



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## Fixed Price Per Meal FSMC Contract, continued:

- **One Year Contract** – Effective Date: July 1  
End date: June 30
- Option for up-to **four** annual renewals
- Termination Clause for cause or convenience by either the SFA or FSMC



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## Fixed Price Per Meal FSMC Contract, continued:

- Contains provisions specifying the FSMC manages the food service program in accordance with Child Nutrition Regulations, the SFA-SA agreement, and the goals the SFA has specified.
- Identifies responsibilities of both SFA and FSMC

Roles & Responsibilities



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## The Timeline

- **November 1** – RFP Template and Exhibits are released
- **December 1** – Deadline for requesting RFP packet. Start completing information.  
*Gathering the required information takes time.*
- **January 15** – Submit completed RFP package to SA for approval.  
*Your availability to make modifications is critical for the approval process to be timely.*



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## The Timeline, continued:

- **March 1** - Last date for RFP notification to appear in the Omaha World Herald. On this same date, the notification is sent to all FSMCs operating or who have expressed interest in operating in NE.
- **60 Calendar Day** - Solicitation period required once notification appears.
- Approximately 10-14 days after the notification a pre-proposal meeting, requiring mandatory FSMC attendance, is held on-site at the SFA



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## The Timeline, continued

- In the RFP, the SFA has established the due date and time for when proposals are to be received in the RFP
- **May 15** - Deadline for SA to receive SFA's selected FSMC Proposal for review and approval.
- **July 1** - Start of the new program year and FSMC contract



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## SFA Completes RFP and Exhibits

- The RFP details the SFA's current and anticipated foodservice needs:
  - Programs SFA participates in **now**
  - Feeding Sites:
    - Enrollment, Grade Levels, Type of Kitchen
    - Number of Serving Periods
    - Mealtimes
    - Number of Operating Days
  - Programs planned in the **future**



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## SFA Completes RFP and Exhibits

- Foodservice Budget
  - Labor Costs
  - Food Costs
  - Other Costs
  - Revenue
  - USDA Foods Entitlement/Actual Usage
- Reimbursement Claims (reflective of participation)
- Current/Anticipated Paid Student/Adult Meal Prices and Ala Carte Prices
- Charge Policy



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## SFA Completes RFP and Exhibits

- Food Service Staff
  - Food Service Director employed by FSMC
  - Food Service Staff – are either employed by FSMC or remain SFA employees
  - Transition of SFA staff to FSMC staff within the contract period is not allowed



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## SFA Completes RFP and Exhibits

- What aspects of the current program do you want to keep or change?
- Are there additional services, menu choices, or reports the SFA wants?



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## SFA Completes RFP and Exhibits

- Proposal award criteria is specified in RFP/Contract.
- SFA must assign points to each criteria
- Cost must be assigned the highest number of points in the scoring criteria.



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## RFP Package is Submitted to SA

- The entire RFP packet, which includes the RFP, and all Exhibits must be submitted to the SA for approval prior to notification in the newspaper with state-wide distribution
- Notification must appear once and must be emailed to all FSMC contacts on the list provided by the SA



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## Solicitation Period

- 60 calendar days from the notification date until due date for proposals
- Pre-proposal on-site meeting
- SFA documents and responds to questions received from FSMCs both at the pre-proposal meeting and those received throughout the solicitation period



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## Proposals are Received by SFA

- As specified in the RFP, proposals must be received to the SFA on a specific date and time
- Proposals are opened but information is not announced



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## Proposal Evaluation Committee

**Committee Members** – Familiar with the goals the SFA wants to achieve through contracting with a FSMC.

Experience in the following:

- School Food Service
- Financial Management
- Evaluating Proposals



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## Evaluation Committee Reviews and Scores Proposals

- The Evaluation Committee reviews the proposals for completeness and is assigned to independently score each proposal based on the scoring criteria in the RFP



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## Evaluation Committee Reviews and Scores Proposals

- Proposals failing to address all requirements of the RFP are considered unresponsive
- Proposals containing services/items not requested in the RFP are considered overly responsive
- In either case, the proposals cannot receive further consideration



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## Award of the Contract

- Award is made to the FSMC whose proposal is most advantageous to the SFA, with cost the primary factor, and considered along with the other criteria
- SA approval of RFP/Contract is required before the contract can be signed/implemented



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## Contract

- **July 1** – Start of the School Year (SY) and initial year of the FSMC Contract
- **1<sup>st</sup> Year FSMC Review** – SA conducts to ensure the SFA is monitoring for compliance with USDA regulations and the FSMC Contract is being implemented according to provisions of the RFP/Contract



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## SFA Monitoring of Contract

- On-site monitoring visits are required to ensure compliance with program regulations.
- Monthly review and approve the monthly FSMC's billing for accuracy prior to payment
- Monthly credit received for USDA Foods Entitlement
- Establishment of Advisory Board which meets once per semester. Minutes and attendance must be documented.



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 Contact Nutrition Services at:  
 1-800-731-2233 or 402-471-2488

Click on "Contact Us" at:  
<https://www.education.ne.gov/ns/contact-us/>




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To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

- (1) Mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights 1400  
Independence Avenue, SW  
Washington, D.C. 20250-9410
- (2) Fax: (833) 256-1665 or (202) 690-7442; or
- (3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

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