

Monitoring FSMC Contracts

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ASBO

Disclaimer

- This is to explain the program requirements for monitoring FSMCs.
- Reference to practices that need to be monitored are not all LEAs or companies currently operating or that have operated in the state. They are reflections of information gleaned at national and regional meetings.
- Presenter is not an attorney. Expectation that LEA attorneys will be involved in the contract process.

Agenda

- When renewals are allowed
- Resources
- Responsibilities
- Monitoring
- Documentation

Agenda

- Resource: regulations
 - 7 CFR Part 210, 220, 250
 - 2 CFR 200
 - USDA policies,
 - USDA Contracting: Food Service Management Companies - Guidance for School Food Authorities 2016
<http://www.fns.usda.gov/school-meals/guidance-and-resources>

Renewing Contracts – a review

- Contracts are for one-year period
- If the RFP and contract specify it, can be renewed annually up to four times
- Are there material changes to the contract?
- Not required to renew – can start over
- Is the company deserving of a renewal?

Contract Monitoring – Overall Considerations

Considerations Include:

- **Menus and Service**
- **Financial Accountability Procedures**
- **Sanitation and Safety**
- **Other Contractual Requirements**

Contract Monitoring Menus

Menus

- Meal pattern requirements
 - Documentation (production records)
 - 21-day cycle and changes
 - Offer vs Serve
 - Specifications from contract
 - What you see in the service area

Contract Monitoring Menus

- Quality of meals served by the FSMC
 - Student acceptance/what you hear
 - Participation trends
 - Timely service for your schedule
 - What you taste

Contract Monitoring Service

- Meal Counts
 - Who is taking meal counts
 - Monitoring for reimbursable meals
- Salad Bars
- Smart Snacks
- What you observe in the service line

Contract Monitoring – Financial Accountability Procedures

- **Meal counts compared to service records**
- **Meal counts compared to billing**
- **Companies Income reflect revenue**
- **Credit for USDA Foods**
- **What you see on the bills and documentation**

Contract Monitoring – Sanitation and Safety Procedures

- **Food safety plans**
- **Logs of activity**
- **Training and monitoring**
- **Inspection results – the numbers**
- **Inspection results posted**
- **What you see on the documentation**

Contract Monitoring – What did it get me?

- **Information to ensure that requirements are being met**
- **Documentation/evidence of things that should be changed or continued**
- **Data for your decision on whether to renew the contract, rebid, or return to self-operating**

THANKS for your time

- Involve folks at the LEA.
- Use your attorney.
- Contact CANS office if there are questions.
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