

# Invitation for Bid and Contract

## Nonprofit School Food Service Food Service Management Company

# Alton CUSD #11

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotope, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](http://www.ascr.usda.gov/complaint_filing_cust.html), (AD-3027) found online at: [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter 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: (202) 690-7442; or
- (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

This institution is an equal opportunity provider.

## **Organization of Specifications**

This specification is organized into the following sections:

- Section 1: Instructions to Bidders
- Section 2: General Conditions
- Section 3: Scope
- Section 4: School Food Authority Responsibilities
- Section 5: Food Service Management Company Responsibilities
- Section 6: USDA Foods
- Section 7: Purchases/Buy American
- Section 8: Use of Facilities & Equipment
- Section 9: Sanitation
- Section 10: Employees
- Section 11: Description of Program Expense
- Section 12: Fees
- Section 13: Revenue
- Section 14: Licenses, Fees, and Taxes
- Section 15: Record Keeping
- Section 16: Terms and Termination
- Section 17: General Contract Terms
- Section 18: Food Specifications
- Section 19: Insurance
- Section 20: Criteria – FSMC Responsibility and Bid Responsiveness
- Section 21: Bid Summary and Certifications
- Attachments : Bid Summary; Bidder Responsibility and Responsiveness Criteria, Certifications
- Exhibits: A through L

**SECTION 1  
INSTRUCTIONS TO BIDDERS**

- 1.1. Notice of bid: The purpose of this Invitation for Bid (“IFB”) is to establish the requirements for food service management needs of Alton Community Unit School District No. 11, hereinafter referred to as “The School District” and/or “SFA”; and, to solicit bids from potential Food Service Management Companies, with the successful bidder hereinafter referred to as “FSMC”, providing such food management services. Appendix A provides a description of the anticipated 2017-18 food service operation.
- 1.2. Pre-bid meeting/facility tour information: All FSMC’s must familiarize themselves with the food service operation of the Alton School District by attending a required pre-bid conference which will be held at 10:00 a.m. on Wednesday, April 12, 2017, at the Administrative Center, Alton Community Unit School District #11, 1854 East Broadway, Alton, IL 62002. The Pre-Bid Conference will include visits to Alton High, Alton Middle, and East Elementary Schools. This will be the only pre-bid conference and no alternate conferences or visits will be permitted. No photos or videos may be taken during the tours. Requests for additional information to be discussed at the Pre-Bid Conference must be submitted in writing no later than Friday, April 7, 2017, to Christopher Norman, Director of Finance, Alton Community Unit School District No. 11, 1854 East Broadway, Alton, Illinois 62002. Any addenda to these bid specifications resulting from the pre-bid conference will be reduced to written form and mailed or emailed to all prospective FSMC’s no later than Tuesday, April 18, 2017.
- 1.3. Instructions to FSMC's for Preparing and Submitting Bids:
- 1.3.1. Economy of Preparation: Bids should be prepared simply and economically, providing a straightforward and concise explanation of FSMC capabilities which will satisfy the requirements of this IFB. Literature describing the FSMC's background and previous experience in managing institutional food service operations should be included as part of this bid. The instructions included in this section describe the desired format for bids and outline the approach for the development and presentation of bid data.
- 1.3.2. FSMC Cost to Develop Bid: All Costs for preparing and submitting bids in response to this IFB are entirely the responsibility of the FSMC and will not be chargeable in any manner to the School District.
- 1.3.3. Format of FSMC Bid: In order to expedite the evaluation and understanding of each bid, it is mandatory each FSMC submit this bid organized as follows:
1. FSMC Letter of Transmittal for Bid.
  2. Table of Contents.
  3. Executive Summary. All bids must be responsive to the description of the services currently in the school food program of the District.
  4. FSMC will follow the exact format and paragraph numbering used in Section 20, and will provide a response to each numbered paragraph and subparagraph.
  5. Bids will be submitted in two (2) copies marked as follows:  
"Food Service Management Bid - Alton School District."  
**All Bids Must Be Sealed.**
- 1.3.4 Address and Deliver Bids to: FSMC’s responding to this IFB will forward bids to:
- Mr. Christopher Norman, Director of Financial Services  
Alton Community Unit District No. 11 - Administrative Center  
1854 East Broadway  
Alton, Illinois 62002

### 1.3.5 Due Date for Bid

Bids will be opened publicly on Tuesday, April 25, 2017, at 2:00 p.m. No bid received after 2:00 p.m. on Tuesday, April 25, 2017, will be considered. The Board of Education reserves the right to accept or reject any or all bids, or parts thereof, and to waive technicalities.

1.3.6 Return of Specification: In the event that your company decides not to submit a bid, it is requested that you return this IFB on or before Thursday, April 20, 2017, with a cover letter indicating that your company does not wish to submit a bid.

- 1.4. Questions: Questions concerning this IFB may be directed to Christopher Norman, Director of Financial Services, via email at [cnorman@altonschools.org](mailto:cnorman@altonschools.org). Questions must adhere to timeframes as outlined in Section 1.2.
- 1.5. If clarification of the specifications/instructions is required, the SFA will clarify the specifications/instructions in the form of a written addendum issued to all prospective bidders. If additional data is necessary to provide clarification of provisions in this IFB, a written supplement will be provided. If the SFA issues any changes to this Invitation for Bid (IFB), acknowledgement of receipt of such changes must be made to the SFA in writing, signed by an individual authorized to legally bind the bidder, and included in the bidder's bid package. If changes to the IFB are not acknowledged, the SFA retains the right to reject the bid as non-responsive. No addenda will be issued after 2:00 p.m. on Tuesday, April 18, 2017. Should the SFA determine that clarification of the specifications/instructions is necessary after 2:00 p.m. on Tuesday, April 18, 2017, the time and date set for the bid opening will be delayed to allow issuing an addendum.
- 1.6. The subject matter of this IFB is subject to legislative changes either by the federal or state government. If any such changes occur prior to contract award, then all bidders will have the opportunity to modify their bids to reflect such changes. If any such changes occur after a contract award has been made, then the SFA (i) reserves the right to negotiate modifications to the Contract reflecting such legislative changes; and (ii) shall have no obligation to provide unsuccessful bidders with the opportunity to modify their bids to reflect such legislative changes.
- 1.7. Terms, Renewal, Termination: The School District requires that the successful FSMC responding to this IFB begin management operations at the opening of school on Wednesday, August 16, 2017 (anticipated start date). This agreement shall be in effect for the ensuing 2017-18 school year and shall continue for one year inclusive of all summer programs with options for a yearly renewal of a contract not to exceed four additional years, unless terminated on sixty (60) days prior written notice by either party. Each renewal will commence on August 16 of the new year.
- 1.8. Alternate Bids: Alternate bids that deviate or modify the concept and ultimate objectives of this bid will be rejected.
- 1.9. Evaluation Procedure:

The administration will analyze and evaluate all bids after formal receipt by the School District. The bid criteria given in Section 20 will be evaluated on a pass/fail basis.

### 1.10 Discrepancies and Omissions:

Please be informed that, should an FSMC find discrepancies and omissions in the IFB specifications or instructions, or be in doubt as to their meaning, he shall at once, but not later than the conclusion of the pre-bid conference on Wednesday, April 12, 2017, notify the School District. The School District will in turn clarify such specifications and notify each and every person who has received specification documents as to the true interpretation thereof.

The FSMC shall not plead misunderstanding or deception because of such estimate of quantities, or of the character, location, or other conditions pertaining to the contract. The FSMC shall verify these specifications before submitting a bid.

1.11 Bid Bond:

FSMC must submit a bid bond equal to five (5) percent of the Total Estimated Cost of the contract for the 2017-18 school year as it appears on the Bid Summary submitted by the FSMC. Bids without bid bond will not be considered. Bid bonds will be returned to vendors within 30 days of the contract award. The bids will be in effect for a minimum of ninety (90) days from the date of the bids.

## SECTION 2 GENERAL CONDITIONS

- 2.1 Bids shall be submitted on the forms provided with these specifications. Bids shall be in a sealed envelope properly marked with the title of the bid, date and time of opening, and as indicated in Section 1.3, and delivered to the office of Christopher Norman at the Alton CUSD #11 Administrative Center on or before Tuesday, April 25, 2017, at 2:00 p.m. All certifications contained herein must be signed and submitted with the bid.
- 2.2 Bids submitted after the date and time specified will not be considered and will be returned, unopened to the appropriate bidder. Post marks or dating of documents will be given no consideration in the case of late bids.
- 2.3 The Board of Education reserves the right to accept or reject all bids, or parts thereof, and to waive all technicalities when there are documented reasons to do so.
- 2.4 No relief for errors or omissions made by the FSMC will be given by the School District.
- 2.5 The School District will not accept any deviations or exceptions from the specifications and conditions.
- 2.6 The submission of a bid by a FSMC will be construed as an indication the FSMC is fully informed as to the extent and character of the service required and can offer the services satisfactorily in compliance with the specifications and conditions contained herein.
- 2.7 Once a FSMC submits a bid, the FSMC will not be permitted to withdraw or make changes to the bid.
- 2.8 Once a bid is opened, the FSMC may not modify the bid.
- 2.9 No gratuity in connection with bid will be allowed.
- 2.10 The SFA reserves the right to investigate each FSMC's ability to fulfill the terms of the contract.
- 2.11 All bids shall remain valid and subject to acceptance through July 25, 2017. Award of the Contract shall be made to the lowest responsive, responsible bidder as determined by the SFA, based on the criteria and specifications outlined in the IFB and further set forth in the Contract. Once a bid is accepted, the FSMC may not modify or rescind the bid.
- 2.12 The meal rates and fees bid must be calculated based on the menu(s) in Exhibit B and on the projected annual units provided on the *Bid Summary* form, both attached herein. Rates must be provided per unit with the exception of the *A la Carte Management Fee* which, if bid, must be a lump sum. All other estimated line item totals shall be computed by multiplying the projected annual units by the rate bid per unit. Estimated totals must be carried out to the second decimal place and must not be rounded. In any case of errors in the extension of the estimated total(s), the actual unit rates shall govern. Failure to comply with the requirement of computing based on projected meals served will cause the bid to be disallowed. If awarded a contract, the successful bidder will receive payment only for meals actually served. The District shall not be charged for any meals that are prepared but not actually served.
- 2.13 FSMC must submit a bid bond equal to five (5) percent of the Total Estimated Cost of the contract for the 2017-18 school year as it appears on the Bid Summary submitted by the FSMC. Bids without bid bond will not be considered. Bid bonds will be returned to vendors within 30 days of the contract award. The bids will be in effect through July 25, 2017.

- 2.14 Any interested FSMC must provide a performance bond for twenty percent (20) of the contract, should it be awarded. A statement from an acceptable bonding company or surety company must be included with the bid.
- 2.15 PROTESTS:
- 2.15.1 An unsuccessful bidder that believes it has been aggrieved in connection with the bid process may file a protest to the bid award by submitting in writing said protest provided that the aggrieved party has evidence of a violation of the Section 2/10-20.21 of the Illinois School Code or other applicable State or federal law, any implementing regulations, or the bid solicitation itself, including evaluation or award.
- 2.15.2 The protest must be submitted to the Director of Financial Services by 2:00 p.m. within 5 business days of the bid award. Protests submitted late shall not be considered. A protest is considered submitted when physically received by the Director of Financial Services.
- 2.15.3 To expedite handling of protests, the delivery envelope should be labeled "Protest". The written protest shall include at a minimum:  
the name and address of the protester; appropriate identification of the solicitation for bids, and, if a contract has been awarded, its number; a statement of reason for the protest specifically identifying any alleged violation of Section 5/10-20.21 of the Illinois School Code, or other applicable State or federal law, any implementing regulations, or the solicitation for bid itself, including evaluation or award; evidence, supporting exhibits, or documents to substantiate any claims unless not available at the time of submission of the protest, in which case the expected date of availability shall be indicated; and the form of relief requested.
- 2.15.4 The unsuccessful bidder must provide any additional information requested by the Board of Education of Alton CUSD #11 within the time period set in the request. If the unsuccessful bidder fails to comply with any request for additional information, the Board of Education of Alton CUSD #11 may resolve the protest on the basis of available information or may deny the protest.
- 2.15.5 The Alton CUSD #11 Board of Education, or its designee, will review the protest and communicate the findings of the Board to the protesting bidder and to the Illinois State Board of Education Nutrition Programs Division within 30 business days.
- 2.15.6 All administrative remedies with the District must be exhausted before the FSMC may pursue a protest at the state or federal level.
- 2.16 No bid will be accepted from, or contract awarded to, any person, firm, or corporation that is in arrears or is in default to the SFA upon any debt or contract, or is a defaulter, as surety or otherwise, upon any obligation to said SFA, or has failed to perform faithfully any previous contract with the SFA.
- 2.17 All completed bids and supporting documentation submitted shall be the property of the SFA.
- 2.18 Until such time as a Contract is awarded, no bidder, prospective or otherwise, shall be provided access to any supporting bid documents received by the SFA. All supporting bid documents shall be held strictly confidential and shall be reviewed and evaluated solely by SFA employees. Such documents shall not be released for distribution under the Freedom of Information Act until such time as the Contract has been awarded. Violation of this clause by any bidder, prospective or otherwise, shall result in automatic disqualification of the bidder from being awarded the Contract. Violation of this clause by an SFA may result in (1) temporary withholding of cash payments pending correction of the deficiency by the SFA or other more severe enforcement action; (2) disallowing of both, use of funds and matching credit for all or part of the cost of the activity or action not in compliance; (3) whole or partial suspension or termination of the SFA's program; (4) withholding of further awards for the program; or (5) other remedies that may be legally available. Actions that result in the violation of law will be referred to the appropriate local, State or Federal authority having jurisdiction.

### **SECTION 3 SCOPE**

- 3.1 The food service provided shall be operated and maintained as a benefit to the SFA's students, faculty, and staff.
- 3.2 The food service shall be managed to promote maximum participation in the Child Nutrition Programs.
- 3.3 The food service management company (FSMC) shall have the exclusive right to manage the Child Nutrition Programs at the sites specified on Exhibit A.
- 3.4 The FSMC shall provide the type of food service at sites as specified on Exhibit A for approximately 200 annual serving days during each Term of the Contract.
- 3.5 The SFA may at any time during the Term of the Contract add or remove sites and/or meal periods for programs covered by this contract unless the addition or removal of sites and/or meal periods creates a material or substantive Contract change.
- 3.6 The SFA reserves the right to maintain, add, and/or remove present food and beverage vending machines in its facilities.
- 3.7 The FSMC shall be an independent contractor and not an employee of the SFA. The employees of the FSMC shall be considered solely employees of the FSMC and shall not be considered employees or agents of the SFA in any fashion.
- 3.8 The FSMC shall conduct the food service to ensure compliance with the rules and regulations of the Illinois State Board of Education and the United States Department of Agriculture (USDA) regarding Child Nutrition Programs.
- 3.9 The SFA shall be legally and financially responsible for the conduct of the food service and shall supervise the food service to ensure compliance with the rules and regulations of the Illinois State Board of Education and the United States Department of Agriculture regarding Child Nutrition Program.

## SECTION 4 SCHOOL FOOD AUTHORITY RESPONSIBILITIES

- 4.1 The SFA shall ensure the food service is in conformance with its *Permanent Agreement* and the *Policy Statement for Free Meals, Free Milk, and Reduced-Price Meals*.
- 4.2 The SFA shall retain control of the quality, extent, and general nature of its food service and the prices to be charged for meals, milk, a la carte items, adult meals, and vending machine items, as applicable.
- 4.3 The SFA shall monitor the food service through periodic on-site reviews to include the inspection of meals, food preparation, storage and service areas, sanitation practices, and procedures for accurately counting and claiming meals provided that nothing in this paragraph shall be construed as to relieve the FSMC of its independent obligation to provide proper oversight and supervision of its operations or to otherwise comply with State and Federal rules and/or regulations.
- 4.4 The SFA shall approve the menus and recipes for meals and other food to be served or sold to students to ensure compliance with the rules and regulations of the Illinois State Board of Education and the United States Department of Agriculture.
- 4.5 The SFA shall inform the FSMC of any adjustments to menus and monitor implementation of adjustments.
- 4.6 The SFA shall approve all a la carte items and the prices charged for those items in advance of sale by the FSMC.
- 4.7 The SFA shall retain signatory authority on the Illinois State Board of Education *Annual School Application for Participation in Child Nutrition, Illinois Free Breakfast and Lunch, and Food Distribution Programs*; the *Policy Statement for Free Meals, Free Milk, and Reduced-Price Meals*; the *Permanent Agreement*; and the *Child Nutrition Program Monthly Claim for Reimbursement*.
- 4.8 The SFA shall establish internal controls which ensure the accuracy of meal counts prior to the submission of each *Monthly Claim for Reimbursement* including:
  - On-site reviews of the meal counting and claiming system,
  - Reviews of meal count data for each site, and
  - Edit checks of meal count data against the product of the eligibility data times an attendance factor.
- 4.9 The SFA shall ensure USDA Foods received for use by the SFA and made available to the FSMC are utilized within the specified Term of this Contract in the SFA's food service operation for the preparation and service of meals and for other allowable uses in accordance with the Code of Federal Regulations, 7 C.F.R. Part 250.
- 4.10 The SFA shall maintain and post, in a publicly visible location, all reports on the most recent food safety inspection, and provide a copy of the food safety inspection reports to a member of the public upon request.
- 4.11 The SFA shall assure all state and local regulations are met by the FSMC preparing or serving meals at SFA facilities.
- 4.12 The SFA shall establish and maintain an advisory board composed of parents, teachers, and students to assist in menu planning.
- 4.13 The SFA shall be responsible for receiving medical statements regarding students' disabilities/special dietary needs and shall ensure the FSMC complies with all special dietary accommodation requirements. Substitutions are made on a case-by-case basis and must be supported by a statement of the need for substitutes that includes the recommended alternate foods, unless otherwise exempted

by the Food and Nutrition Service, USDA. In the case of a student with disabilities, the statement must be signed by a medical doctor. For students without disabilities, the statement must be signed by a recognized medical authority.

- 4.14 The SFA shall determine eligibility of students for meal benefits and as needed distribute and collect the letter and household applications for free and reduced-price meals or milk.
- 4.15 The SFA shall verify applications for free and reduced-price meals and conduct any appeals or hearings for eligibility determinations.
- 4.16 The SFA shall be responsible for resolution of program reviews and audit findings.
- 4.17 The SFA director must ensure that the FSMC employees providing services for the school meal programs have the required Professional Standard Regulations annual training. Therefore, the SFA must require the FSMC to provide documentation showing the training hours and topics completed by the employees.
- 4.18 The SFA shall provide a vehicle (and related insurance) for the delivery of meals.

**SECTION 5**  
**FOOD SERVICE MANAGEMENT COMPANY RESPONSIBILITIES**

- 5.1 The FSMC shall provide its services hereunder at all times in accordance with generally accepted standards of care and best practices in the industry.
- 5.2 The FSMC shall serve, on such days and at such times as requested by the SFA:
  - 5.2.1 Breakfasts, priced as a unit, which meet USDA requirements
  - 5.2.2 Lunches, priced as a unit, which meet USDA requirements
  - 5.2.3 After-school snacks, priced as a unit, pursuant to the After-School Care Program
  - 5.2.4 Summer meals, priced as a unit, which meet USDA requirements
  - 5.2.5 Milk, served to all children pursuant to the Special Milk Program
  - 5.2.6 Other foods as agreed upon by the FSMC and SFA, pursuant to applicable regulatory requirements
- 5.3 The FSMC shall serve free, reduced-price, and paid meals and/or free milk to those children designated by the SFA.
- 5.4 The FSMC shall implement the collection procedures as specified by the SFA and approved by the Illinois State Board of Education.
- 5.5 The FSMC shall implement the *Offer versus Serve* provision at the food service sites specified by the SFA on Exhibit A.
- 5.6 The FSMC shall adhere to the 21-day cycle menu(s) and portion sizes specified by the SFA on Exhibit B for the first 21 days of meal service. Thereafter, changes in the menu(s) may be made with prior approval of the SFA who shall ensure all foods and beverages are of equivalent or better quality and variety as the foods and beverages required for the first 21 days of meal service. The meals must meet the Food-Based Meal Pattern as designated herein by the SFA for each Term of the Contract, if applicable. Meals must adhere to all calorie ranges and meet the nutrition standards for National School Lunch, School Breakfast, and/or summer meals programs for the age/grade groups of school children as listed in Exhibit C.
- 5.7 The serving sizes provided by the SFA on the 21-day cycle menu(s) in Exhibit B are, in most cases based on the required minimum serving sizes stated in Exhibit C. If the serving sizes for the food items indicated on the menu(s) do not meet the required average daily calorie ranges per five-day week and the nutrient standards as stated in Exhibit C, the FSMC must adjust the serving sizes and/or provide additional food items as necessary to meet the required calorie ranges and nutrient standards while meeting all Food-Based Meal Pattern requirements and without significantly altering the 21-day cycle menu(s).
- 5.8 The FSMC shall be responsible for providing meals and menus appropriate for the age of the students served and acceptable to students evidenced by a minimum of plate waste and participation levels in the National School Lunch, School Breakfast, and/or summer meals programs, as applicable.
- 5.9 The FSMC shall participate in the parent, teacher, and student advisory board.
- 5.10 The FSMC shall adhere to and assist in the implementation, enforcement, and evaluation of all nutrition-related requirements in the SFA's Local Wellness Policy. The FSMC shall remain informed of increasing industry standards and assist the SFA in modifying its Local Wellness Policy to reflect the highest current nutrition-related standards. Refer to Exhibit H.
- 5.11 The FSMC shall cooperate with the SFA in promoting nutrition education and coordinating the SFA's food service with classroom instruction.

- 5.12 The FSMC shall use SFA facilities for preparation of food to be served as specified on Exhibit A.
- 5.13 The FSMC is required to substitute food components of the meal pattern for students with disabilities in accordance with 7 C.F.R. § 15b when the disability restricts their diet and is permitted to make substitutions for students without disabilities when they are unable to eat regular meals because of a medical or special dietary need. Refer to the requirements outlined in Section 4.
- 5.14 The FSMC shall deposit daily all monies in the SFA's nonprofit food service account.
- 5.15 The FSMC shall comply with all local and state sanitation requirements.
- 5.16 It will be the joint responsibility of the SFA and the FSMC to protect the anonymity of all children receiving free or reduced-price meals, and methods for ensuring anonymity shall be jointly agreed upon; provided that nothing in this paragraph shall be construed to relieve the FSMC of its independent obligation to protect the anonymity of all children receiving free or reduced-price meals and to provide the required quality and extent of goods and services hereunder.
- 5.17 At the SFA's discretion, the SFA may conduct performance reviews of the FSMC's performance under the Contract. Any services performed under this Contract shall be subject to a performance review. The FSMC shall cooperate with the SFA in these reviews, which may require the FSMC to provide records of its performance. Performance reviews may be used by the SFA to determine whether to enter into future contractual relationships with the FSMC, including subsequent Contract renewal Terms, as applicable. Performance reviews may include, but are not limited to:
- Completion and performance of contractual services rendered;
  - Adherence to the meal pattern and food specification requirements, including quality and variety;
  - Performance on SFA On-Site Reviews and status of required corrective action, if any;
  - Performance on State and/or Federal reviews and status of required corrective action, if any;
  - Participation trends, including program participation compared to a la carte sales;
  - Responsiveness of local staff and management to the SFA's needs, including the Advisory Board and Local Wellness Committee, as applicable; and
  - Responsiveness of regional management to the SFA and local staff/management.
- 5.18 The FSMC shall provide food services for "Special Functions" occasionally. The FSMC should be able to accommodate such special events, such as:
- a.) National Honor Society Reception
  - b.) College and Career Night Refreshments
  - c.) German Club Luncheon
  - d.) Senior Awards Dinner
  - e.) Seasonal Athletic Awards Dinner /Reception
  - f.) Twenty-Year Awards and Recognition Dinner
  - g.) Refreshments/Snacks for Meetings
  - h.) In-service Days Refreshments
- This is not a complete listing of special functions.  
Special functions will be billed separately and will be conducted outside of the non-profit food service accounts.
- 5.19 The FSMC is responsible for the attainment and payment of substitute employee labor as the need arises.
- 5.20 The FSMC shall prepare all food in the District's facilities and meet all applicable state and local sanitation regulations in preparing and serving meals. The FSMC shall not use school district facilities for preparation of food to be served at any location other than for the SFA's approved program without approval of the SFA.

## SECTION 6 USDA FOODS

- 6.1 Any USDA Foods received for use by the SFA and made available to the FSMC shall be utilized within the specified Term of this Contract in the SFA's food service operation for the preparation and service of meals and for other allowable uses in accordance with the Code of Federal Regulations, 7 C.F.R. Part 250.
- 6.2 The FSMC shall accept and use USDA Foods in as large a quantity as may be efficiently utilized in the nonprofit food service subject to approval of the SFA. The SFA and FSMC must order USDA Foods on the Illinois Commodity System (ICS) in quantities sufficient to receive and credit the SFA for USDA Foods totaling at least 85% of the SFA's annual USDA Foods entitlement amount. The SFA's USDA Foods entitlement amount for the current school year is stated in Exhibit D.
- 6.3 The FSMC shall manage all USDA Foods to ensure the USDA Foods are utilized in the SFA's food service.
- 6.4 The FSMC shall utilize all USDA ground beef, ground pork, and processed end products received in the SFA's food service. Commercially-purchased foods shall not be substituted for these foods.
- 6.5 The FSMC shall utilize all other USDA Foods, or substitute commercially-purchased foods of the same generic identity, of U.S. origin, and of equal or better quality than the USDA Foods as determined by the SFA, in the SFA's food service.
- 6.6 The FSMC shall credit the SFA's monthly bill/invoice the current market value of all USDA Foods received during each Contract Term as the USDA Foods are used in the SFA's food service. The FSMC must credit the SFA for all USDA Foods received for use in the SFA's food service each Contract Term whether the USDA Foods have been used or not. Such credit shall be issued in full prior to the expiration of each Contract Term.
- 6.7 Credit issued by the FSMC to the SFA for USDA Foods received during each Contract Term and used in the SFA's food service shall be recorded on the monthly bill/invoice as a separate line item entry and shall be clearly identified and labeled. Attached to the invoice shall be a detailed list identifying each received USDA Foods item used in the SFA's food service and each USDA Foods item credit issued for unused USDA Foods, along with the current market value as issued by the Illinois State Board of Education.
- 6.8 The current market value of USDA Foods is based on the prices issued by the Illinois State Board of Education in compliance with 7 C.F.R. § 250.58(e).
- 6.9 The SFA shall ensure the method and timing of crediting does not cause its cash resources to exceed limits established in 7 C.F.R. § 210.9(b)(2).
- 6.10 At the end of each Contract Term and upon expiration or termination of the Contract, a reconciliation shall be conducted by the SFA to ensure and verify correct and proper credit has been received for the full value of all USDA Foods received by the FSMC during each Contract Term for use in the SFA's food service.
- 6.11 The SFA shall verify receipt of USDA Foods shipments through its electronic records or by contacting the Illinois State Board of Education or processor as applicable.
- 6.12 The SFA reserves the right to conduct USDA Foods credit audits throughout each Contract Term to ensure compliance with federal regulations 7 C.F.R. Part 210 and Part 250.
- 6.13 The FSMC may store and inventory USDA Foods together with commercial foods purchased for use in the SFA's food service. The FSMC must meet all storage and inventory management requirements

outlined in 7 C.F.R. Part 250. USDA ground beef, ground pork, and processed end products shall be stored in a manner that ensures usage in the SFA's food service.

- 6.14 The FSMC must accept liability for any negligence on their part that results in any loss, damage, out of condition, or improper use of USDA Foods not yet credited to the SFA, and shall credit the SFA either monthly or through a fiscal year-end reconciliation.
- 6.15 The SFA and FSMC shall consult and agree on end products to be produced from USDA Foods during each Contract Term. If the SFA and FSMC cannot agree on end products, the FSMC shall utilize the USDA Foods in the form furnished by the USDA.
- 6.16 The SFA shall have processing contracts in place when a commercial facility processes or repackages USDA Foods. The FSMC shall pay all related processing fees and costs. The SFA shall not be responsible for any costs associated with processing USDA Foods. The Illinois Recipient Agency Processing Contract, Illinois State Master Processing Contract, or National Processing Contract must be used as the basis for the processing agreement as determined by the Illinois State Board of Education. The terms and conditions of the processing contract must comply with 7 C.F.R. Part 250. In accordance with 7 CFR 250.51(a), the FSMC must credit the SFA for the full value of all USDA Foods received for use in the SFA's meal service in a school year or fiscal year (including both entitlement and bonus foods). This includes crediting for the value of USDA Foods contained in processed end products (per 6.19 below).
- 6.17 The FSMC shall not enter into subcontracts for further processing of USDA Foods.
- 6.18 The FSMC shall be responsible for all delivery and freight/handling costs associated with USDA-donated commodities. The SFA shall be responsible for all storage and warehousing costs associated with USDA-donated commodities. The SFA shall provide reimbursement to the FSMC for USDA-donated commodities that are lost, damaged, or become out-of-condition due to the SFA's own negligence and for which the FSMC has already credited the SFA. Approximate annual delivery, freight/handling costs are \$7500.
- 6.19 If the FSMC acts as an intermediary between a processor and the SFA, the FSMC shall credit the SFA for the value of USDA Foods contained in the processed end products at the USDA Foods processing agreement value unless the processor is providing such credit directly to the SFA. Such credit shall be issued to the SFA on the monthly bill/invoice as a separate line item entry and shall be clearly identified and labeled.
- 6.20 The FSMC shall have records maintained and available to substantiate the receipt, use, storage, and inventory of USDA Foods. The FSMC must submit to the SFA monthly inventory reports showing all transactions for processed and/or non-processed USDA Foods.
- 6.21 The SFA, Illinois State Board of Education, Comptroller General, and U.S. Department of Agriculture, or their duly authorized representatives, may perform on-site reviews of the FSMC's food service operation, including the review of records, to ensure compliance with the requirements of this Contract and federal regulations 7 C.F.R. Part 210 and Part 250.
- 6.22 The FSMC must return all unused USDA ground beef products, ground pork products, and processed end products to the SFA upon termination, expiration, or non-renewal of the Contract.
- 6.23 At the discretion of the SFA, the FSMC may be required to return other unused USDA Foods to the SFA upon termination, expiration, or non-renewal of the Contract.
- 6.24 The SFA shall retain title to all USDA Foods provided to the FSMC for use in the SFA's food service.
- 6.25 The bid rate per meal must be calculated as if no USDA Foods were available.

**SECTION 7**  
**PURCHASES/BUY AMERICAN**

- 7.1 The FSMC shall retain title of all purchased food and nonfood items.
- 7.2 The FSMC shall purchase, to the maximum extent practicable, domestic commodities or products which are either an agricultural commodity produced in the United States or a food product processed in the United States substantially using agricultural commodities produced in the United States (U.S.).
- 7.3 The FSMC shall not substitute commercially-purchased foods for USDA ground beef, ground pork, and processed end products received.
- 7.4 The FSMC may substitute commercially-purchased foods for all other USDA Foods received. All commercially-purchased food substitutes must be of the same generic identity as the USDA Foods received, of U.S. origin, and of equal or better quality than the USDA Foods as determined by the SFA.
- 7.5 The SFA shall ensure commercially-purchased foods used in place of USDA Foods received are of the same generic identity as the USDA Foods received, of U.S. origin, and of equal or better quality than the USDA Foods as determined by the SFA.
- 7.6 The FSMC shall certify the percentage of U.S. content in the products supplied to the SFA.
- 7.7 The SFA reserves the right to review FSMC purchase records to ensure compliance with the *Buy American* provision in 7 C.F.R. Part 250.
- 7.8 The FSMC shall provide Nutrition Facts labels and any other documentation requested by the SFA to ensure compliance with U.S. content requirements.
- 7.9 For the duration of the Contract and all subsequent renewal Terms, as applicable, the FSMC shall purchase foods and beverages that are equivalent or better in quality and variety as those items required in the 21-day cycle menu, per the requirements outlined above, Exhibit B, and the food specifications contained herein.

**SECTION 8  
USE OF FACILITIES AND EQUIPMENT**

- 8.1 The SFA shall make available without any cost or charge to the FSMC, the areas and premises agreeable to both parties in which the FSMC shall render its services.
- 8.2 The SFA shall furnish and install any equipment and make any structural changes needed to comply with federal, state, and local laws, ordinances, rules, and regulations.
- 8.3 The FSMC shall not use the SFA's facilities to produce food, meals, or services for other organizations or otherwise use the facilities of the SFA for any reason other than those specifically provided for in this Contract without the express written consent of the SFA.
- 8.4 The FSMC and SFA shall inventory the equipment and supplies owned by the SFA at the beginning of the school year and the end of the school year, including but not limited to flatware, trays, chinaware, glassware, and kitchen utensils. The FSMC will be responsible for correcting any discrepancies and any equipment repairs that are not the result of normal wear and tear within 30 days of the end-of-the-school-year inventory.
- 8.5 The SFA shall repair and service equipment except when damages result from the use of less-than-reasonable care by the FSMC employees or agents as determined by the SFA. When damage results from less-than-reasonable care on the part of any FSMC employees or agents, it will be the FSMCs responsibility to repair and service the damaged equipment, incurring all applicable fees and costs, within a reasonable timeframe to ensure no disruption in service.
- 8.6 The SFA reserves the right, at its sole discretion, to use its facilities to sell or dispense any food or beverage before or after regularly scheduled lunch or breakfast periods provided such use does not interfere with the operation of the Child Nutrition Programs.
- 8.7 The SFA shall return facilities and equipment to the FSMC in the same condition as received when the SFA uses the facilities for extra-curricular activities.
- 8.8 The FSMC shall maintain the inventory of expendable equipment necessary for the food service and at the inventory level as specified by the SFA.
- 8.9 The SFA shall be legally responsible for any losses of USDA Foods which may arise due to equipment malfunction or loss of electrical power not within the control of the FSMC.
- 8.10 The FSMC and/or its employees or agents shall not remove equipment or property of the SFA from the SFA's premises including, but not limited to, food preparation and/or serving equipment.
- 8.11 The FSMC shall provide written notification to the SFA of any equipment belonging to the FSMC within ten days of its placement on SFA premises.
- 8.12 The SFA shall not be legally responsible for loss or damage to equipment and/or vehicles owned by the FSMC and located on SFA premises.
- 8.13 The SFA shall provide sanitary toilet facilities for the FSMC employees.
- 8.14 The SFA shall have access, with or without notice to the FSMC, to all SFA facilities used by the FSMC for inspection and audit purposes.
- 8.15 The FSMC shall surrender all equipment and furnishings in good repair and condition to the SFA upon termination of the Contract, reasonable wear and tear excepted.

- 8.16 The SFA must give prior approval and have final authority for the purchase of equipment used for the storage, preparation, serving, and/or delivery of school meals.
- 8.17 The SFA retains title to all property and equipment when placed in service. If the property and/or equipment is amortized through the FSMC and the Contract expires or is terminated, the SFA can return the property to the FSMC for full release of the unpaid balance or continue to make payments in accordance with amortization schedules.

## **SECTION 9 SANITATION**

- 9.1 The FSMC shall place garbage and trash in containers as specified by the SFA and place them in designated areas.
- 9.2 The SFA shall remove all garbage and trash from the designated areas.
- 9.3 The FSMC shall clean the kitchen area including, but not limited to, sinks, counters, tables, chairs, flatware, and utensils.
- 9.4 The FSMC shall operate and care for all equipment and food service areas in a clean, safe, and healthy condition in accordance with standards acceptable to the SFA and comply with all applicable laws, ordinances, regulations, and rules of federal, state, and local authorities.
- 9.5 The SFA shall clean grease traps, walls, floors, light fixtures, window coverings, and ducts and hoods above the filter line.
- 9.6 The SFA shall provide extermination services as needed.
- 9.7 The SFA shall provide custodial services to clean the dining/cafeteria area, including tables, chairs, and floors after the meal service.

## **SECTION 10 EMPLOYEES**

- 10.1 The FSMC shall comply with all wage and hours of employment regulations of federal and state law.
- 10.2 The FSMC shall pay all FSMC employees in accordance with the Fair Labor Standards Act and any other applicable statutes.
- 10.3 The FSMC and SFA recognize that one of the most important elements of a successful food service program is the staff employed to administer the food service program. The FSMC and SFA shall mutually agree upon staffing patterns. Some food service staff will be employees of the FSMC and some will be employees of SFA as shown in Exhibits G-1 and G-2. The FSMC shall be responsible for the employment of all staff necessary for the safe, timely, and efficient distribution of meals to students and members of the SFA staff.
- 10.4 All SFA food service positions that become vacant during the contract period, that are not filled by SFA staff, will become positions of the FSMC.
- 10.5 The FSMC shall instruct its employees to abide by the policies, rules, and regulations, with respect to use of SFA premises, as established by the SFA and furnished in writing to the FSMC.
- 10.6 The FSMC shall provide the SFA with a list of its personnel policies and employee handbook.
- 10.7 The FSMC shall ensure, at its own expense, required fingerprint-based criminal history records checks are conducted on all FSMC employees assigned to the SFA and results are provided to the SFA per *The School Code of Illinois*, 105 ILCS 5/10-21.9. Furthermore, the FSMC is not permitted to employ on the premises of the SFA any employee who has been convicted of an offense as described in 105 ILCS 5/21-23a.
- 10.8 For each FSMC employee, the FSMC shall perform periodic checks of the Statewide Sex Offender Database, as authorized by the Sex Offender Community Notification Law (730 ILCS § 152/101 *et seq.*), and the Statewide Child Murderer and Violent Offender Against Youth Database, as authorized by the Child Murderer and Violent Offender Against Youth Community Notification Law (730 ILCS § 154/75-105). All results must be provided to the SFA.
- 10.9 The SFA shall submit to the FSMC a current schedule of employees, positions, assigned locations, hours of work, wages and benefits (as applicable) on Exhibit G-1 which must be used for bid calculation purposes at a minimum initial Contract Term cost to the FSMC of \$717,497.84.
- 10.10 The FSMC shall maintain the same minimum level of employee positions, hours, wages, and benefits as stipulated on Exhibit G-1 throughout the entire Contract Term, and each subsequent Contract Term, as applicable, unless a reduction in the required levels is authorized by the SFA. The FSMC shall provide the SFA with written notice of any increases in employee positions, hours, wages, and benefits.
- 10.11 In the event a reduction in employee positions, hours, wages, and/or benefits occurs and such reduction is authorized by the SFA, the FSMC shall credit the SFA's monthly bill/invoice for the exact dollar amount related to the cost of the labor reduction as indicated on Exhibit G-1 for the remainder of the Contract Term and all subsequent Contract Terms, as applicable, including the value of any subsequent and future increases in employee wages and benefits. Such credits shall be termed a Labor Reduction Fee.
- 10.12 The FSMC must ensure that the employees' hours listed on Exhibit G-1 are not used for catering or special functions.
- 10.13 The FSMC shall ensure that all individuals performing services on the FSMC's behalf in or for schools shall be free from communicable diseases, including tuberculosis, and administered a tuberculosis

screening test if they have a documented positive tuberculosis screening test result or otherwise meet the requirements for tuberculosis screening as set forth in the Illinois Department of Public Health's rules (77 Ill. Adm. Code 696.140), prior to performing any such services in or for schools , and shall ensure that all such individuals comply with all requirements established by the Illinois Department of Public Health.

- 10.14 Upon written request of the SFA, the FSMC will remove any FSMC employee who violates health requirements or conducts himself/herself in a manner which is detrimental to the physical, mental, or moral well-being of students or staff, or otherwise violates SFA policies, procedures, and practices.
- 10.15 In the event of the removal or suspension of any employee, the FSMC shall immediately restructure its staff without disruption in service.
- 10.16 All food service personnel assigned to each school shall be instructed on the use of all emergency valves, switches, and fire and safety devices in the kitchen and cafeteria areas.
- 10.17 The use of student workers or students enrolled in vocational classes in the food service shall be mutually agreed upon.
- 10.18 The FSMC shall provide daily, on-site supervisory personnel for the overall food service. The SFA retains final approval authority for the FSMC's local management position(s).
- 10.19 The FSMC shall conduct civil rights training for all food service employees, including front-line staff, on an annual basis. Civil rights training must include:
  - Collection and use of data,
  - Effective public notification systems,
  - Complaint procedures,
  - Compliance review techniques,
  - Resolution of noncompliance,
  - Requirements for reasonable accommodation of persons with disabilities,
  - Requirements for language assistance,
  - Conflict resolution, and
  - Customer service.
- 10.20 FSMC employees providing services for the school meal programs must have the required Professional Standards Regulations annual training. Therefore, the FSMC is required to provide documentation showing the training hours and topics completed by the employees.
- 10.21 Upon retirement, resignation, or dismissal of an SFA hourly employee, the FSMC shall employ a replacement for the same number of hours per day. Additionally, upon retirement, resignation, or dismissal of an SFA management/supervisory employee, the FSMC shall employ a replacement to perform the same duties. Refer to the *Fees* section of this contract for the calculation method to be utilized to establish the supplementary wage rate. The FSMC shall notify the SFA if it does not believe a replacement is necessary and provide a staffing pattern that demonstrates that the program will be satisfactorily staffed, at the discretion of the SFA.

**SECTION 11  
DESIGNATION OF PROGRAM EXPENSE**

11.1 The FSMC guarantees to the SFA that the bid meal rates and fees for each reimbursable school meal and a la carte equivalent shall include the expenses designated under Column I. The FSMC shall be responsible for negotiating/paying all employees' fringe benefits, employee expenses, and accrued vacation and sick pay for staff on their payroll.

11.2 The SFA shall pay those expenses designated under Column II.

<b>EXPENSES</b>	<b>MANAGEMENT COMPANY COLUMN I</b>	<b>DISTRICT COLUMN II</b>
<b>LABOR</b>		
ASSISTANT MANAGERS	X	X
SPECIFIC WORKERS		X
HOURLY WORKERS	X	X
DRIVERS	X	X
OFFICE CLERK	X	X
DIRECTOR	X	
ASSISTANT DIRECTOR	X	
<b>FOOD PURCHASING</b>		
FOOD PRODUCTS	X	
COMMODITY DELIVERY	X	
COMMODITY FREIGHT COSTS	X	
FOOD STORAGE/WAREHOUSE	X	
<b>ACCOUNTING</b>		
RECORDKEEPING	X	
PROCESSING & PAYING INVOICES	X	
PROCESSING DISTRICT PAYPROLL		X
PROCESSING CONTRACTOR'S PAYROLL	X	
<b>EQUIPMENT</b>		
PURCHASE OF NEW EQUIPMENT		X
MAINTENANCE & REPAIR		X
REPLACEMENT DUE TO ABUSE	X	

<b>EXPENSES</b>	<b>MANAGEMENT COMPANY COLUMN I</b>	<b>DISTRICT COLUMN II</b>
<b>SUPPLIES</b>		
PAPER, PLASTIC, PACKAGING & DISPOSABLES	X	
CLEANING SUPPLIES	X	
TRAYS, TABLEWARE & GLASSWARE		X
SMALL WARES (pots, pans, etc.)		X
OFFICE SUPPLIES	X	
PROMOTIONAL MATERIALS	X	
NUTRITIONAL EDUCATION, AIDS	X	
POSTAGE (other than household eligibility applications)	X	
FREE & REDUCED LUNCH POSTAGE & MATERIAL		X
<b>OTHER</b>		
PEST CONTROL		X
TRASH REMOVAL		X
LAUNDRY & LINEN	X	
UNIFORMS	X	
UTILITIES, EXCLUDING TELEPHONE	X	
LOCAL TELEPHONE SERVICE		X
LONG DISTANCE	X	
LICENSES	X	
TAXES	X	
CUSTODIAL SERVICE		X
STUDENT ID CARDS		X
TRAINING PROGRAMS	X	
TRAVEL – DISTRICT STAFF		X
TRAVEL – FSMC STAFF	X	
PROCUREMENT	X	
LABOR RELATIONS (district staff)		X
POS SYSTEM HARDWARE AND SOFTWARE		X
<b>INSURANCE</b>		
LIABILITY INSURANCE – DISTRICT STAFF		X
LIABILITY INSURANCE – FSMC STAFF	X	
WORKER'S COMPENSATION – DISTRICT STAFF		X
WORKER'S COMPENSATION – FSMC STAFF	X	
UNEMPLOYMENT – DISTRICT STAFF		X
UNEMPLOYMENT – FSMC STAFF	X	
PRODUCT LIABILITY	X	
BUILDING & CONTENTS		X
VEHICLES – DISTRICT		X
VEHICLES – FSMC	X	

## SECTION 12 FEES

- 12.1 All bids must be calculated based on the menu(s) in Exhibit B and on the projected annual units provided on the *Bid Summary* form, both attached herein. All bids shall be submitted using the *Bid Summary* form. All rates must be written in ink or typed in the blank space(s) provided and the estimated totals must be carried out to the second decimal place and must not be rounded.
- 12.2 The bid rate(s) must be calculated net of applicable discounts, rebates, and credits received by the FSMC and must not include the use of USDA Foods or any alternate pricing structure.
- 12.3 The FSMC shall receive a fixed meal rate for each reimbursable school breakfast served.
- 12.4 The FSMC shall receive a fixed meal rate for each reimbursable school lunch and a la carte equivalent served.
- 12.5 The FSMC shall receive a fixed management fee for each reimbursable school meal served.
- 12.6 The FSMC shall receive a fixed management fee for the operation of the a la carte program to be payable to the FSMC in equal monthly installments throughout each Contract Term.
- 12.7 The FSMC shall receive a fixed per-unit rate for each one-half pint of milk served in the Special Milk Program.
- 12.8 The FSMC shall receive a fixed per-unit rate for each reimbursable after-school snack served in the After-School Care Program.
- 12.9 The SFA shall pay the FSMC the fixed meal rate(s) and fixed management fee(s) within 30 days of submission of an invoice and for each monthly period of program operation.
- 12.10 The FSMC shall receive no payment for meals that are spoiled or unwholesome at the time of serving, that do not meet the detailed specifications for each food component or menu item in accordance with 7 C.F.R. Part 210, or that do not otherwise meet the requirements of the Contract.
- 12.11 For the purposes of this Contract, a la carte shall be inclusive of all foods and beverages sold to students that do not constitute a component of a reimbursable meal plus all foods and beverages sold to adults during any and all meal services provided within the scope of this Contract. The FSMC and SFA shall determine a la carte meal equivalents by dividing all a la carte revenue by the a la carte equivalency factor which is determined by taking the sum of the Federal and State free lunch reimbursement rates plus the value of USDA entitlement and bonus donated foods, Planned Assistance Level (PAL), established in July 2016. The a la carte equivalency factor to be utilized for the initial 2017–2018 Contract Term is 3.475. The a la carte equivalency factor will remain constant for the first two Contract renewal Terms. Upon the third Contract renewal Term, for the 2020-2021 school year, the a la carte equivalency factor will increase to

the sum of the reimbursement rates and PAL established in July 2019 and will remain constant at that rate for the fourth, final Contract renewal Term.

- 12.12 The FSMC shall credit the SFA's monthly bill/invoice the current market value of all USDA Foods as designated herein. Credit issued by the FSMC to the SFA for USDA Foods received during each Contract Term and used in the SFA's food service shall be recorded on the monthly bill/invoice as a separate line item entry and shall be clearly identified and labeled. Attached to the invoice shall be a detailed list identifying each received USDA Foods item used in the SFA's food service and each USDA Foods item credit issued for unused USDA Foods, along with the current market value as issued by the Illinois State Board of Education. Prior to the expiration of each Contract Term, the SFA shall be credited in full for all USDA Foods received.
- 12.13 The SFA shall ensure the method and timing of crediting does not cause its cash resources to exceed the limits established in 7 C.F.R. § 210.9(b)(2).
- 12.14 The FSMC must submit all invoices pertaining to the SFA nonprofit food service within 30 days of the last day of each month or the final day of the program.
- 12.15 The FSMC shall submit separate billing for special functions conducted outside of the nonprofit school food service account.
- 12.16 The fixed meal rate for meals must be calculated as if no USDA Foods were available.
- 12.17 The SFA shall receive \$57,500 for utilities and other expenses. This amount must be included in the fixed meal rate.
- 12.18 Upon retirement, resignation, or dismissal of an SFA hourly employee, the FSMC shall employ a replacement for the same number of hours per day. The calculation method to be utilized to establish the monthly supplementary wage rate to be charged the SFA for hourly employees is noted below.

Prevailing minimum wage  
x Number of hours per day  
x Number of days to be worked\*  
Total Wages

Total Wages  
+ Payroll taxes\*\*  
Total Supplementary Wage Rate

Total Supplementary Wage Rate /Number of monthly invoices = Monthly Supplementary Wage Rate

\*Number of days to be worked may include paid vacation days and holidays.

\*\*Payroll taxes may include Social Security (Federal Insurance Contributions Act—FICA), Medicare, Federal Unemployment Taxes (FUTA), State Unemployment Taxes (SUTA), Workers' Compensation, and pension/401K plans.

- 12.19 Upon retirement, resignation, or dismissal of an SFA management/supervisory employee, the FSMC shall employ a replacement to perform the same duties. Management/supervisory personnel will be paid per the FSMC's established prevailing hourly or salary rate, as agreed upon by the SFA, based on the employee's experience and scope of responsibility. The same general calculation method as that used for hourly employees will be used to determine the monthly supplementary wage rate for management/supervisory personnel. At the time of bid, the FSMC must provide the SFA with a chart reflecting the FSMC's current management/supervisory wage scale detailing experience and all other contributing factors. As reference for transfer of future management/supervisory positions to the FSMC, an updated wage scale must be provided to the SFA on an annual basis at the time of contract renewal, if applicable. See 10.21 for additional information.
- 12.20 The sum of all monthly supplementary wage rates will be billed as a separate line item on each monthly invoice. For subsequent renewals, if applicable, the percentage increase applied to the total supplementary wage rate must not exceed the percentage increase applied to all other fixed rates and fixed fees as established in this contract.

## **SECTION 13 REVENUE**

- 13.1 The SFA shall receive all revenue from the food service.
- 13.2 The food service revenue shall be used only for the SFA's nonprofit food service.
- 13.3 The food service revenue shall flow through the SFA's chart of accounts.
- 13.4 All goods, services, or monies received as the result of any equipment or USDA Foods rebate shall be credited to the SFA's nonprofit food service account.
- 13.5 If reimbursement is denied as a direct result of the failure of the FSMC to comply with the provisions of this Contract, the FSMC shall assume responsibility for the amount denied.

**SECTION 14**  
**LICENSES, CERTIFICATIONS, AND TAXES**

- 14.1 Throughout the Term of the Contract and each renewal Term, the FSMC shall obtain and maintain all applicable licenses, permits, and health certifications required by federal, state, and local law. The approximate prior annual cost for licenses/permits was \$4,125.
- 14.2 The FSMC shall have state or local health certification for any facility outside the SFA in which it proposes to prepare meals, if applicable, and must maintain this health certification for each Contract Term.
- 14.3 The FSMC and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property in the State of Illinois in accordance with Section 10-20.21(b) of the School Code (105 ILCS 5/10-20.21 [b]) and the Illinois Use Tax Act (35 ILCS 105/1 *et seq.*). The FSMC certifies that it is not barred from bidding or entering into this Contract under Section 10-20.21(b) of the School Code and that the SFA may declare this Contract void if this certification is false.

## SECTION 15 RECORD KEEPING

- 15.1 The FSMC shall maintain such records as the SFA will need to meet monthly reporting responsibilities and will report claim information, including daily meal counts, to the SFA promptly at the end of each month.
- 15.2 The FSMC shall have records maintained and available to demonstrate compliance with the requirements relating to USDA Foods. Such records shall include the following:
- 15.2.1 The receipt, use, storage, and inventory of USDA Foods;
  - 15.2.2 Monthly inventory reports showing all transactions for processed and non-processed USDA Foods; and
  - 15.2.3 Documentation of credits issued to the SFA for USDA Foods received.
- 15.3 All records relating to the Contract, including subsequent renewal Terms, if applicable, are property of the SFA and shall be maintained in electronic form on SFA premises for the duration of the Contract. At any time during the Contract, the SFA reserves the right to require the FSMC to surrender all records relating to the Contract to the SFA within 30 days of such request. Such records shall include, but are not limited to:
- All data, materials, and products created by the FSMC on behalf of the SFA and in furtherance of the Services;
  - Production records, including quantities and amounts of food used in preparation of each meal and food component of menus;
  - Standardized recipes and yield from recipes as deemed necessary per the requirements of paragraph 15.6;
  - Processed product nutritional analysis;
  - Nutritional content of individual food items and meals;
  - Bills charged to the SFA for meals prepared under this Contract including the credit of USDA Foods where applicable;
  - Inventory records;
  - Food and bid specifications; and
  - All documents and records as noted in this *Invitation for Bid and Contract*.
- 15.4 Upon expiration or termination of the Contract, the FSMC shall surrender all records as noted above, relating to the initial Contract and all subsequent renewal Terms, if applicable, to the SFA within 30 days of the Contract expiration or termination.
- 15.5 The SFA shall retain all records relating to the initial Contract and all subsequent Contract renewal Terms for a period of three years either from the date the final Contract renewal Term has expired, receipt of final payment under the Contract is recorded, or after the SFA submits the final *Monthly Claim for Reimbursement* for the final fiscal year of the Contract, whichever occurs last.
- 15.6 All records must be available for the period of time specified above for the purpose of making audits, examinations, excerpts, and transcriptions by representatives of the SFA, the Illinois State Board of Education, the United States Department of Agriculture, and the Auditor General, and other governmental entities with monitoring authority at any reasonable time and place. If audit findings have not been resolved, the records shall be retained beyond the specified period as long as required for the resolution of the issues raised by the audit.

## **SECTION 16 TERMS AND TERMINATION**

- 16.1 This Contract is effective for a one-year period commencing with the annual start of the 2017-2018 school year first day celebration through the conclusion of all 2018 summer programs (the "Term"), with options to renew yearly not to exceed four additional years (each a renewal "Term"). The first year term will be August 16, 2017 through August 15, 2018.
- 16.2 Renewal of this Contract is contingent upon the fulfillment of all Contract provisions relating to USDA Foods.
- 16.3 Either the SFA or FSMC can terminate this Contract for cause or for convenience with a sixty- (60) day written notification. Following sixty- (60) day written notification, the SFA can terminate this Contract in whole or in part without the payment of any penalty or incurring any further obligation to the FSMC. In the event written notice of termination for convenience is issued by the FSMC, such notice shall not be issued after March 15 to terminate the contract for the subsequent school year and such notice shall not cause a cessation of service during the current contract period.
- 16.4 Following any termination for convenience, the FSMC shall be entitled to compensation for services completed upon submission of invoices and proof of claim for services provided under this Contract up to and including the date of termination. The SFA shall have the right to receive services from the Contractor through the effective date of the notice of termination, and may, at its election, procure such work from other contractors as may be necessary to complete the services.
- 16.5 Notwithstanding any provision to the contrary in this Contract, obligations of the SFA will cease immediately without penalty of further payment being required if sufficient funds for this Agreement are not appropriated by the Illinois General Assembly or a federal funding source, or such funds are otherwise not made available to the SFA for payments in accordance with this Contract.
- 16.6 Notwithstanding the notice period in paragraph 16.3, the SFA may immediately terminate the Contract, in whole or in part, upon notice to the FSMC if the SFA determines that the actions, or failure to act, of the FSMC, its agents, employees or subcontractors have caused, or reasonably could cause jeopardy to health, safety, or property; or if the SFA determines that the FSMC lacks the financial resources to perform under the Contract.
- 16.7 If the FSMC fails to perform to the SFA's satisfaction any material requirement of this Contract or is in violation of a material provision of this Contract, the SFA shall provide written notice to the FSMC requesting that the breach of noncompliance be remedied within sixty- (60) days. If the breach or noncompliance is not remedied by the specified period of time, the SFA may either: (a) immediately terminate the Contract without additional written notice or, (b) enforce the terms and conditions of the Contract, and in either event seek any available legal or equitable remedies and damages. The SFA may finish the services by whatever method the SFA may deem expedient. Any damages incurred by the SFA as a result of any Contractor default shall be borne by the Contractor at its sole cost and expense, shall not be payable as part of the Contract amount, and shall be reimbursed to the SFA by the Contractor upon demand.

- 16.8 Neither the FSMC nor SFA shall be responsible for any losses resulting if the fulfillment of the terms of the Contract is delayed or prevented by wars, acts of public enemies, strikes, fires, floods, acts of God, or any other acts which could not have been prevented by the exercise of due diligence ("Act of God"). The SFA may cancel the Contract without penalty if the FSMC's performance does not resume within 30 days of the FSMC's interruption of services due to an Act of God.
- 16.9 The only rates and fees that may be adjusted in subsequent Contract Terms are the fixed rates and fixed fees contained herein. Before any fixed rate or fee adjustments can be implemented as part of a Contract renewal agreement, the FSMC shall document to the SFA, through a written financial analysis, the need for such adjustments. Adjustment of all individual per meal fixed rates and applicable fees in subsequent Contract Terms must not exceed The *Consumer Price Index for Urban Consumers—Food Away From Home* annual rate for December of the current school year, not to exceed 5%. Percentage increases cannot be applied to any previous Contract Term's total estimated or actual Contract cost. The calculation method regarding the determination of a la carte meal equivalents is outlined in the *Fees* section of this Contract.
- 16.10 Upon renewal of the contract, the percentage increase applied to the total supplementary wage rate, established solely as a result of the transfer of staff positions to the FSMC, must not exceed the percentage increase applied to all other fixed rates and fixed fees as established in this contract.

**SECTION 17**  
**GENERAL CONTRACT TERMS**

- 17.1 No provision of this Contract shall be assigned or subcontracted without prior written consent of the SFA.
- 17.2 This solicitation/Contract, exhibits, and attachments constitute the entire agreement between the SFA and FSMC and may not be changed, extended orally, or altered by course of conduct. No other contracts will be signed by the SFA.
- 17.3 Each party to this Contract represents and warrants to the other that: (a) it has the right, power and authority to enter into and perform its obligations under this Contract and (b) it has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and (c) this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.
- 17.4 Any silence, absence, or omission from the Contract specifications concerning any point shall be regarded as meaning that only the best commercial practices are to prevail, and all materials, workmanship, and services rendered shall be of a quality that would normally be specified by the SFA.
- 17.5 No course of dealing or failure of the SFA to enforce strictly any term, right, or condition of this Contract shall be construed as a waiver of such term, right, or condition. No express waiver of any term, right, or condition of this Contract shall operate as a waiver of any other term, right, or condition.
- 17.6 Payments on any claim shall not prevent the SFA from making claim for adjustment on any item found not to have been in accordance with the provisions of this Contract.
- 17.7 It is further agreed between the SFA and FSMC that the exhibits, attachments, and clauses attached and designated are hereby in all respects made a part of this Contract.
- 17.8 The FSMC shall comply with Title VI of the Civil Rights Act of 1964, as amended; USDA regulations implementing Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; Age Discrimination Act of 1975; 7 C.F.R. Parts 15, 15a, and 15b; and FNS Instruction 113-1, *Civil Rights Compliance and Enforcement—Nutrition Programs and Activities*, and any additions or amendments.
- 17.9 If this Contract is in excess of \$100,000, the SFA and FSMC shall comply with all applicable standards, orders, or regulations, including but not limited to:
- The Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Clean Water Act (33 U.S.C. § 1311–1330, § 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. § 1.1 *et seq.*);
  - *Certificate Regarding Lobbying* pursuant to 31 U.S.C. 1352 (Appendix A: 7 C.F.R. Part 3018); and
  - *Disclosure of Lobbying Activities* pursuant to 31 U.S.C. 1352 (Appendix A: 7 C.F.R. Part 3018).

- 17.10 The FSMC certifies compliance with:
- Energy Policy and Conservation Act (Pub. L. 94–163, 89 Stat. 871);
  - The Department of Labor regulations (29 C.F.R. Part 5); and
  - Executive Order 11246, entitled *Equal Employment Opportunity*, as amended by Executive Order 11375 and Department of Labor Regulation (41 C.F.R. Chapter 60).
- 17.11 The FSMC is subject to the provisions of the Stevens Amendment Section 2209d of Title 7 of the United States Code due to the use of federal funds for the food service program. All announcements and other materials publicizing this program must include statements as to the amount and proportion of federal funding involved.
- 17.12 The Illinois State Board of Education and the United States Department of Agriculture are not parties to this Contract and are not obligated, liable, or responsible for any action or inaction by the SFA or the FSMC. The SFA has full responsibility for ensuring the terms of the Contract are fulfilled.
- 17.13 To the fullest extent permitted by law, the FSMC agrees to indemnify, defend, and hold harmless the SFA and its respective agents, officers and employees from and against any and all claims, demands, suits, liabilities, injuries (personal or bodily), property damage, causes of action, losses, costs, expenses, damages, or penalties, including, without limitation, reasonable defense costs, and reasonable legal fees, arising or resulting from, or occasioned by or in connection with (i) any bodily injury or property damage resulting or arising from any act or omission to act (whether negligent, willful, wrongful, or otherwise) by the FSMC, its subcontractors, anyone directly or indirectly employed by them or anyone for whose acts they may be liable; (ii) failure by the FSMC or its subcontractors to comply with any Laws applicable to the performance of the Services; (iii) any breach of this Contract, including, without limitation, any representation or warranty provided by the FSMC herein; (iv) any employment actions of any nature or kind including but not limited to, workers compensation, or labor action brought by the FSMC's employees; or (v) any identity breach or infringement of any copyright, trademark, patent, or other intellectual property right.
- 17.14 In order for the SFA to respond timely and appropriately to the requirements of the Illinois Freedom of Information Act (FOIA) [5 ILCS 140], the FSMC must review all documents required to be provided under this Contract and the exemptions for release under FOIA and, if exemptions are allowed, provide the SFA a redacted copy for release under FOIA, along with the original. The redacted copy shall be marked as "REDACTED", and the FSMC shall reference the specific grounds under FOIA or other law or rule supporting the specific redaction request to exempt certain information. Notwithstanding the foregoing, the SFA may not necessarily be allowed to release *just* the redacted versions. Redactions based on personal privacy and preliminary drafts, by law, must be sent to the State of Illinois Public Access Counselor before a denial to a FOIA request can be made. The SFA will abide by the decisions of the Public Access Counselor.
- 17.15 Each Party, including its agents and subcontractors, to this Contract may have or gain access to confidential and proprietary data or information of the other Party including, without limitation, other technical information (including functional and technical specifications, designs, drawings, analysis, research, processes, computer programs, methods, ideas, "know how," and the like), business information (sales and marketing

research, materials, plans, accounting and financial information, personnel records, and the like), all student data and information, and other information designated as confidential expressly or by the circumstances in which it is provided ("Confidential Information"). No Confidential Information collected, maintained, or used in the course of performance of the Contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the Term of the Contract or thereafter. The recipient must return any and all Confidential Information used in the course of the performance of the Contract, in whatever form it is maintained, promptly upon termination of the Contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction, if destruction is permitted by the disclosing Party. Confidential Information does not include data or information lawfully in the recipient's possession prior to its acquisition from the disclosing Party; received by the recipient from a third party who was free to disclose it; publicly known through no breach of confidentiality obligation by the recipient; or independently developed by the recipient without the use or benefit of the disclosing Party's Confidential Information.

- 17.16 Student Records. The Contractor will comply with the relevant requirements of the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. 1232g) and the Illinois School Student Records Act (ISSRA) (105 ILCS 10/1 et seq.) regarding the confidentiality of student "education records" as defined in FERPA and "school student records" as defined in ISSRA. Any use of information contained in student education records to be released must be approved by the SFA. To protect the confidentiality of student education records, the Contractor will limit access to student education records to those employees who reasonably need access to them in order to perform their responsibilities under this Contract. Any student records in the Contractor's possession shall be returned to the SFA when no longer needed for the purposes for which they were provided, or at the SFA's written request, they shall be permanently destroyed and the Contractor shall provide written confirmation to the SFA upon the destruction of student records.

## SECTION 18 FOOD SPECIFICATIONS

- 18.1 All USDA Foods offered to the SFA and made available to the FSMC are acceptable and should be utilized in as large a quantity as may be efficiently utilized.

For all other food components, specifications shall be as follows:

- 18.2 All breads, bread alternates, and grains must be whole grain-rich. All breads and grains must be fresh (or frozen, if applicable) and must meet the minimum weight per serving as listed on Exhibit C. If applicable, product should be in moisture-proof wrapping and pack-code date provided.
- 18.3 All meat and poultry must have been inspected by the United States Department of Agriculture (USDA) and must be free from off color or odor.
- 18.3.1 Beef must be at least 70:30 lean to fat, preferably 80:20 lean to fat.
- 18.3.2 Poultry should be U.S. Grade A when applicable and should meet the recommendations outlined in *Specifications for Poultry Products, A Guide for Food Service Operators* from the USDA.
- 18.3.3 For breaded and battered items, all flours must meet the requirements for breads/grains credit and breading/batter must not exceed 30 percent of the weight of the finished product.
- 18.3.4 For sausage patties, the maximum fat allowed is 50 percent by weight; industry standard of 38 to 42 percent fat preferred.
- 18.4 All cured processed meats (bologna, frankfurters, luncheon meat, salami, others) shall be made from beef and/or poultry. No variety meats, fillers, extenders, non-fat milk solids, or cereal will be allowed. Meats must not show evidence of greening, streaking, or other discoloration.
- 18.5 All cheese should be firm, compact, and free from gas holes; free of mold; free of undesirable flavor and odors; pasteurized when applicable; and preferably reduced- or low-fat. All cheese should also have a bright, uniform, and attractive appearance; have a pleasing flavor; demonstrate satisfactory meltability; and contain proper moisture and salt content.
- 18.6 All fish must have been inspected by the United States Department of Commerce (USDC) and meet minimum flesh and batter/breading requirements for a USDC Grade A product or a product packed under federal inspection (PUFI) by the USDC.
- 18.7 All fresh fruits must be ripe and in good condition when delivered and must be ready for consumption per the USDA *Food Buying Guide*. At a minimum, fruits must meet the food distributors' second-quality level. Fruits should have characteristic color and good flavor and be well-shaped and free from scars and bruises. Size must produce a yield equal to or greater than the attached 21-day cycle menu requirements.
- 18.8 All fresh vegetables must be ripe and in good condition when delivered and must be ready for consumption per the USDA *Food Buying Guide*. At a minimum, vegetables must meet the food distributors' second-quality level. Vegetables should have characteristic color and good flavor, be well shaped, and be free from discoloration,

blemishes, and decay. Size must produce a yield equal to or greater than the attached 21-day cycle menu requirements.

- 18.9 All canned vegetables must meet the food distributors' first quality level (extra fancy and fancy) and canned fruits (standard) must meet the second quality level. Vegetables should have characteristic color and good fresh flavor and be free from discoloration, blemishes, and decay.
- 18.10 Eggs must be inspected and passed by the state or federal Department of Agriculture and used within 30 days of date on carton. Eggs should be grade A, uniform in size, clean, sound-shelled, and free of foreign odors or flavors.
- 18.11 Sauces, such as gravy, spaghetti sauce, pizza sauce, etc., must be smooth and uniform in color with no foreign substance, flavor, odor, or off color.
- 18.12 If applicable, the food production facility, manufacturing plant, and products must meet all sanitary and other requirements of the Food, Drug, and Cosmetic Act and other regulations that support the wholesomeness of products.
- 18.13 Meals and food items must be stored and prepared under properly controlled temperatures and in accordance with all applicable health and sanitation regulations.
- 18.14 All fruit juices must be 100 percent fruit juice.
- 18.15 When the specification calls for "Brand Name or Equivalent", the brand name product is acceptable. Other products may be considered with proof that such products meet stated specifications and are deemed equivalent to the brand products in terms of quality, performance, and desired characteristics, as determined by the SFA.
- 18.16 All food items must adhere to the sodium target levels in subsequent Contract Terms, if applicable, as required by the USDA *Nutrition Standards in the National School Lunch and School Breakfast Programs, Implementation Timeline for Final Rule* and/or other subsequent guidance issued by the USDA.
- 18.17 Nutrition labels or manufacturer specifications must indicate zero grams of trans fat per serving for all foods.
- 18.18 Fluid milk must be low-fat (1 percent milk fat or less, unflavored only) or fat-free (unflavored or flavored). Two choices must be offered daily as required by the SFA.

## **SECTION 19 INSURANCE**

- 19.1 The FSMC shall provide, at a minimum, the following insurance coverages:
- A. General Liability - \$1,000,000 per occurrence
    - a.) Comprehensive
    - b.) Premises/Operations
    - c.) Underground Explosion and Collapse Hazard
    - d.) Products/Completed Oper.
    - e.) Contractual
    - f.) Independent Contractors
    - g.) Broad Form Property Damage
    - h.) Personal Injury
    - i.) Liquor Law and Vendor Liability
  - B. Automobile Liability - \$1,000,000 Bodily Injury and Property Damage Combined
    - a.) Any Auto
    - b.) Hired Autos
    - c.) Non-owned Autos
  - C. Worker's Compensation - Statutory Limits
  - D. Employer's Liability - \$1,000,000 each accident
- 19.2 The FSMC shall provide a certificate of insurance showing the policy limits and naming the SFA as an additional insured by endorsement.
- 19.3 The FSMC shall waive any and all right to recovery from the SFA for loss caused by perils defined in fire, extended coverage and sprinkler leakage policies. The SFA will waive the right of recovery from the FSMC for such loss.
- 19.4 The FSMC shall indemnify and hold the SFA harmless from:
- A. Any insolvency created by FSMC personnel
  - B. Claims against SFA arising out of sales of food products by FSMC on our premises, including any claims based on food tainted prior to and/or during delivery.
  - A. Injuries or deaths caused by FSMC's delivery vehicles on our premises; provided that such is not caused by SFA negligence.
- 19.5 The SFA will allow FSMC and its insurers the opportunity to defend, litigate and settle such claims and the SFA shall cooperate in such defense.
- 19.6 The cost of insurance shall be the direct cost of operation of the FSMC.

**SECTION 20**  
**Criteria – FSMC Responsibility and Bid Responsiveness**

It is the purpose of this Invitation for Bid to obtain as complete data as possible from each bidder to enable the School District to determine which bidder is able to serve all of the criteria which are to be considered in the award of the operation of manual food service. To this end, each bidder shall furnish as part of this bid, a complete general description of experience in the field of Manual Food Service Operations. Included shall be the following:

- 20.1 Indicate the number of years of experience the FSMC has had in school lunch management.
- 20.2 Present evidence of financial stability and warrant that the FSMC possesses net worth sufficient to meet the operational requirements of the food service program as stated by submitting a copy of your most recent Annual Report.
- 20.3 List the names of clients, along with the name of a contact person, in which the FSMC has experience in providing institutional food services that serves at least 70,000 reimbursable equivalent meals per month. The FSMC must have experience in administering a bulk satellite food service program. List the names of school districts, the name and title of a contact person, and the beginning year of operation in which you have administered a bulk satellite operation.
- 20.4 List the names of all clients (including contact name, address, and phone number) where the FSMC operated the school food service for the 2012-13 school year. If it is the case, explain why your firm no longer has the contract with the school district.
- 20.5 List the names of all clients (including contact name, address, and phone number) where the FSMC is operating the school food service for the 2017-18 school year.
- 20.6 Please provide the latest SMI evaluation results from all of the clients you have provided school food service during or since the 2014-15 school year.
- 20.7 List all judgments or bankruptcies involving the FSMC. List any situation where the FSMC has issued short term debt to fund the operation.
- 20.8 Give samples from other clients of the methods and personnel used to calculate the nutritional analysis. Provide one sample each of a nutritional analysis of a breakfast, elementary, middle school and high school menu for a one month period.
- 20.9 What levels of management do you maintain, such as Local, District, Regional, Headquarters? Where are these levels of supervision located? It is important to the District that a District Operations Manager be located within 50 miles of our District. Indicate the expected pattern of service of these personnel to our District.
- 20.10 The individual firm, partnership, or corporation (parent or subsidiary company) making a bid shall provide evidence that it has been in continued existence in institutional feeding for a period of the last ten (10) years or longer.
- 20.11 A description and schedule of your training programs for employees, supervisors, and managers.

- 20.12 A list of the names of all the owners of the company or principals of the corporation.
- 20.13 Representatives of the School District reserve the right to inspect the bidder's facilities and other food service operations under his management prior to award of this bid.
- 20.14 Any interested FSMC must be willing to provide a performance bond for twenty percent (20) of the contract, should it be awarded. A statement from an acceptable bonding company or surety company must be included with the bid.
- 20.15 The FSMC must complete Certification Regarding Debarment, Suspension, Ineligibility, and the Bid Rigging Certification.
- 20.16 The FSMC must also complete the certification regarding lobbying pursuant to 31 USC 1352 and if applicable, disclosure of lobbying activities pursuant to 31 USC 1352 (Appendix A: 7 CFR PART 3018).
- 20.17 The FSMC shall provide a detailed budget of its proposed operation for the first year of the contract. The FSMC shall be willing to provide a detailed budget of its proposed operation for each year of renewal in subsequent years.
- 20.18 List the names of clients, along with the name of a contact person, which demonstrate a minimum of 10 years of experience in School Food Service Management in Illinois.
- 20.19 List the names of clients, along with the name of a contact person, which demonstrates that the FSMC has experience in providing institutional food services for school districts with enrollment greater than 4,000 students.

**SECTION 21**  
**Bid Summary and Certifications**

- 21.1 Bid Summary – The attached bid summary must be completed by the FSMC.
- 21.2 Certifications – The following attached certifications must be completed by the FSMC:
  - A. Bid-Rigging Certification
  - B. Certification of Independent Price Determination
  - C. Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion  
– Lower Tier Covered Transactions
  - D. Certification Regarding Lobbying
  - E. Disclosure of Lobbying Activities

## Bidder Responsibility and Bid Responsiveness Criteria

<b>Bidder Responsibility and Bid Responsiveness Criteria</b>	<b>Minimum Standard(s) To Demonstrate Compliance</b>	<b>Evidence/Document(s) Required To Demonstrate Compliance</b>
Experience with SFA's serving 70,000+ reimbursable equivalent meals per month	FSMC must have five years of experience serving school meals to a minimum of 3 SFA's of similar or greater size.	FSMC must make a statement in their bid concerning the number of years of experience and provide 3 current clients at least as large as ACUSD #11 that they have done business with for at least 5 years.
Financial Stability	FSMC must show positive cash flow or show reserves that cover a negative cash flow. FSMC must not currently be involved in a bankruptcy or reorganization. FSMC must be able to acquire performance bond.	FSMC must submit a copy of their 2 most recent audit/annual financial reports with the bid. Provide copies of all judgments and/or bankruptcies involving the FSMC. Provide letter from bonding or surety company showing insurability.
Managerial Experience	On-site district manager must have 5 years management experience in school food service and 10 years experience in school food service operations.	FSMC to provide resume for on-site manager substantiating minimum standard.
Performance History/Customer Satisfaction	The FSMC has not been released from a school district due to cause in last 5 years. Feedback from references is positive.	List references and contact information from 3 schools that are currently clients and have been clients for at least 5 years. List references and contact information from 2 schools that are no longer clients.
Marketing Plan	Identify marketing plans used to promote program and/or increase participation in two other districts. Identify marketing plans you are proposing for ACUSD #11.	Show examples of items used to implement plan. Provide documentation of the success of these programs and describe how these plans and/or others might be used to promote the meal program at ACUSD #11. Please indicate promotional ideas to be used outside the cafeteria (i.e. classroom, community, etc.)
Nutrition and Wellness	Describe how menus in 2 other schools managed by FSMC have changed/been modified by FSMC in order to comply with local district wellness policies. FSMC must demonstrate knowledge/experience with providing nutritional menu analysis.	Identify 5 items that the District might incorporate into its menus in order to promote wellness and improve the nutrition available to our students. Provide one sample of a nutritional analysis for each of the following: breakfast menu, elementary lunch menu, middle school lunch menu and high school lunch menu. (all for a one month period)
Responsiveness	FSMC must provide complete responses to all items in Section 20. Complete Bid Summary and Certifications	Provide completed documents.

Invitation for Bid and Contract  
Nonprofit School Food Service

**BID SUMMARY**

This document contains a bid solicitation and Contract for the furnishing of management services for the operation of the nonprofit food service program(s) for the period beginning August 16, 2017, and ending August 15, 2018, and sets forth the terms and conditions applicable to the procurement. Upon acceptance, this document shall constitute the Contract between the bidder and the school food authority. The bidder shall not plead misunderstanding or deception because of such estimate of quantities, or of the character, location, or other conditions pertaining to the bid solicitation/Contract.

PER MEAL RATES AND FEES MUST BE QUOTED AS IF  
NO USDA FOODS WILL BE RECEIVED

	Projected Annual Units	Rate Per Unit	Estimated Total**
1. Reimbursable Breakfasts	1. 376,590	1. _____	1. _____
2. Reimbursable Lunches*	2. 784,181	2. _____	2. _____
3. Management Fee Per School Meal (breakfasts and lunches)	3. 1,160,771	3. _____	3. _____
4. A la Carte Equivalents Fee*	4. 36,502	4. _____	4. _____
5. A la Carte Management Fee	5. XXXXXXX	5. _____	5. _____
6. Reimbursable After-School Snacks	6. 15,140	6. _____	6. _____
7. Special Milk	7. 17,311	7. _____	7. _____
8. Summer Breakfast	8. 4,403	8. _____	8. _____
9. Summer Lunch	9. 5,256	9. _____	9. _____
10. Employee Meals	10. 10,962	10. _____	10. _____

Total Estimated Amount of Bid\*\* \$ \_\_\_\_\_

\*Bid rates must be the same.

\*\*All totals must be carried out to the second decimal place and must not be rounded.

\_\_\_\_\_  
Name of Bidder

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip Code

By submission of this bid, the bidder certifies that, in the event the bidder receives an award under this solicitation, the bidder shall operate in accordance with all applicable current program regulations. This agreement shall be in effect for the period specified, not to exceed one year, and may be renewed by mutual agreement for four additional one-year Contract Terms.

\_\_\_\_\_  
Date Signature of Bidder Title

**ACCEPTANCE OF CONTRACT**

\_\_\_\_\_  
Agreement Number School Food Authority (SFA)

\_\_\_\_\_  
Date Signature of Authorized SFA Representative Title