

Food Service Management Company (FSMC) Contract Review Form

Contracting Entities (CEs) must use this form to oversee and manage the Child Nutrition Programs (CNP) and assess the FSMCs performance according to the contract, rules, and regulations.

Purpose

The CE is responsible for ensuring the FSMC operates the program according to the contract and in compliance with all regulations and guidance. Contracting with an FSMC does not release the CE from any responsibilities for the CN programs (7 CFR 210.16).

The review must be conducted by the CE employee responsible for oversight of the FSMC contract or CE designee. The CE designee must understand the terms of the contract and have CNP knowledge.

For additional FSMC guidance, see NSLP Handbook: Administrator's Reference Manual Section 18.

Frequency

This form must be completed once a semester (2 times per year) for one site and be available for review by TDA upon request. The CE must review a different site type (Elementary School, Middle School, High School, etc.) each semester.

Record Retention

Public and charter schools are required to keep documentation related to CNP for five years after the applicable program year. Private schools, other nonprofit organizations, and residential childcare institutions (RCCIs) are required to keep documentation for three years after the applicable program year. Completed forms must be kept onsite and made available on request.

Directions

General Information

- **Date of Review:** Record the date the review was completed.
- **CE Name and Number:** Record the name and number of the CE in the designated space.
- **Site Monitored:** Record the site or school location name in the designated space.
- **Meal Service Reviewed:** Record the meal service that was observed. Example: Breakfast or Lunch.
- **Contract Type:** Record the contract type.

Parts I–XII

- Answer each question by marking the appropriate box yes or no and fill in any blank spaces as requested. If the question is not applicable, select no and explain in the comments box at the end of each part.
- The CE must record answers in all comments boxes by providing a rationale for responses and attaching documentation. Use an additional sheet of paper if additional space is needed.
- Review the FSMCs documentation related to each question topic area.
 - Is the documentation readily accessible and organized?
 - Is the documentation accurate?
 - Does the documentation support the answer?
 - If not, what changes need to be made to ensure that the FSMC is implementing the program correctly? Compare results from the previous contract review form. If corrective action was previously required, was it resolved?
- Develop strategies to address areas of need or non-compliance.

Part XIII

- Determine if any of the answers to Parts I–XII require a corrective action plan (CAP).
- Mark the appropriate response once the determination is made.
- Record any comments, notes, process changes, or observations about the corrective action in the comment box.

Part XIV

- If a CAP is required, complete a follow-up review within 45 days.
- Record any comments about the follow-up that will help to improve the CN program in the comment box.

Part XV

- The CE representative must sign in the designated space.
- The FSMC representative must sign in the designated space.

General Information

Date of Review: _____

CE Name and Number: _____

Site Monitored: _____

Meal Service Reviewed: _____

Contract Type: _____

I. Menus and Service

1. Did the FSMC follow the 21-day cycle menu, as described in the contract, for all programs during the first 21 days of meal service? (Monitored during the first year of the contract only.)

Yes ___ No ___

NOTE: This is monitored during the first 21 days of meal service and is a requirement per federal regulations 7 CFR 210.16(b)(1). No substitutions are allowed. If the menu was not followed, a finding and fiscal action will be accessed during the Procurement Review (PR).

2. Do the foods purchased meet the quality specification standards indicated in the contract?

Yes ___ No ___

Provide three examples of food specifications reviewed.

3. Does the SFA have an advisory board?

Yes ___ No ___

4. Is the advisory board made up of parents, teachers, students, etc.?

Yes ___ No ___

List the advisory board members and titles below.

5. Does the advisory board work with the SFA to assist in menu planning?

Yes ___ No ___

6. Does the advisory board assist the SFA in approving menu changes outside the 21-day cycle menu process?

Yes ___ No ___

7. Do all menus meet the meal pattern requirements for the appropriate age/grade groups and the nutrient specifications?

Yes ___ No ___

8. Is the FSMC serving reimbursable meals as described in the contract and in compliance with program regulations?

Yes ___ No ___

9. Does the FSMC provide meal service to all enrolled students as specified in the contract?

Yes ___ No ___

10. Are food production records completed each day for all meals served using the TDA prototype or another instrument that collects the same information as the TDA prototype?

Yes ___ No ___

11. Does the SFA evaluate the FSMC's menu for affordability, nutrition requirements, and student appeal?
Yes___ No___
12. Does the FSMC implement meal accommodations based on medical statements provided by authorized medical authorities or Individualized Education Plans (IEP) or special dietary accommodations based on the SFA policy?
Yes___ No___
13. Are meals monitored to ensure that only reimbursable meals are claimed?
Yes___ No___

Attach a current menu to reflect the responses above.

SFA Comments – Provide a rationale for all responses in Part I:

II. Competitive Foods

14. Is the FSMC following Competitive Food Standards?
Yes___ No___
15. Is the FSMC following the local policy related to fundraisers?
Yes___ No___

SFA Comments – Provide a rationale for all responses in Part II:

III. USDA Foods

16. Is the FSMC responsible for receiving USDA Foods on behalf of the SFA?
Yes___ No___
If yes, is the SFA verifying the delivery of USDA Foods shipments and processed end products?
Yes___ No___
17. Does the FSMC provide the SFA credit for the full value of USDA Foods received during the school year or fiscal year?
Yes___ No___

What is the amount received to date? \$ _____

18. Does the FSMC provide the SFA with clear documentation that demonstrates that the SFA has received credit for the value of its USDA Foods?

Yes ___ No ___

If yes, please provide a copy of the documentation for verification.

NOTE: This includes crediting for the value of donated foods, including direct delivery (brown box), Department of Defense (DoD) Fresh, and processed end products.

19. How often does the SFA receive credit for the value of USDA Foods?

Check all that apply.

- Monthly
- Quarterly
- End of the school year
- Other

20. How is the SFA credited for the value of USDA Foods?

Check all that apply.

- Invoice
- Reductions
- Refunds
- Discounts
- Other

21. For cost-reimbursable contracts, does the FSMC ensure that its system of inventory management does not result in the SFA being charged for USDA Foods? (For fixed-rate contracts, skip this question.)

Yes ___ No ___

22. Does the FSMC ensure that SFA retains ownership of all USDA Foods including processed end products, if applicable?

Yes ___ No ___

23. Does the SFA/FSMC use USDA Foods to the maximum extent in quantities that can be used and stored without waste?

Yes ___ No ___

What is the SFA's beginning entitlement balance? \$ _____

What is the SFA's current entitlement balance? \$ _____

24. When substituting, does the FSMC use commercially purchased foods of the same generic identity, of U.S. origin, and of equal or better quality than the USDA Foods in the SFA's Child Nutrition Program?

Yes ___ No ___

Attach a copy of the recent USDA Foods reports and corresponding FSMC inventory demonstrating credits for USDA Foods.

SFA Comments – Provide a rationale for all responses in Part III:

IV. Inventory

25. Does the FSMC have an organized method for storing, preserving, and accounting for the SFA's food inventory?
Yes___ No___
26. Are the food items stored in a manner that is consistent with all health and safety rules that apply to the stored items?
Yes___ No___

SFA Comments – Provide a rationale for all responses in Part IV:

V. Financial Procedures

27. Do the daily meal count records accurately reflect the counts of student and adult meals and a la carte sales by meal type and eligibility category?
Yes___ No___
28. Does the FSMC have a backup system to ensure that all counting and claiming data is maintained?
Yes___ No___

Describe the system:

29. Does the FSMC maintain records to support the claims for monthly reimbursement, Daily Record/Accuclaim information and provide to the SFA promptly?
Yes___ No___
30. Does the FSMC maintain records to support meal count records for other meals not covered by the claim (adult meals, alternative meals)?
Yes___ No___
31. Does the SFA maintain responsibility for submitting claims for reimbursement?
Yes___ No___
Who is responsible for submission? Provide Name and Title.

32. Does the FSMC monthly invoice reconcile with the point of service Daily Record/Accuclaim Report for each month? Yes ___ No ___ In the comments box, explain how the invoice meal counts are reconciled with the POS count each month.
33. Does the FSMC food service daily income records, such as end-of-day POS reports, accurately reflect the revenue received by meal type (student meals, adult meals, a la carte, etc.)? Yes ___ No ___
34. Has the SFA received all applicable discounts, credits, and rebates from the FSMC? Yes ___ No ___
35. Does the FSMC ensure that all invoice statements are accurate, and that unallowable costs and duplicative services are not billed to the SFA? Yes ___ No ___
36. Does all income to the program accrue to the nonprofit school food service account? Yes ___ No ___
37. Does the FSMC provide the SFA with all information and documentation needed for the SFA to calculate its program and non-program revenue and cost proportion as required by regulations? Yes ___ No ___ If not, please explain. (For example, POS records, cost-per-meal data, and inventory or financial reports).

38. Does the FSMC utilize the correct meal equivalency factor (MEF)? Yes ___ No ___

List the MEF:

Attach the most recent FSMC invoice and supporting documentation.

For Fixed Rate contracts (if cost-reimbursable, skip to question 40.)

39. Does the FSMC accurately charge the number of meals claimed to the SFA at the fixed-rate price according to the contract?

Yes ___ No ___

For cost-reimbursable contracts (questions 40-42)

40. Are allowable costs paid from the nonprofit Child Nutrition account net of all discounts, rebates, and other credits accruing to or received by the FSMC?

Yes ___ No ___

41. Has the SFA audited the food and non-food invoices to ensure that bills reflect actual expenses?

Yes ___ No ___

42. Are bills monitored to ensure that the FSMC did not double bill or include costs that are not allowed in the contract?

Yes___ No___

SFA Comments – Provide a rationale for all responses in Part V:

VI. Financial, Procurement

43. Does the FSMC follow the SFA’s internal process to ensure that foods are procured in compliance with the Buy American provision?

Yes___ No___

44. Does the FSMC provide sufficient documentation for the SFA to determine if all procurement was conducted correctly and in compliance with all applicable regulations?

Yes___ No___

SFA Comments – Provide a rationale for all responses in Part VI:

VII. Sanitation and Safety Procedures

45. Does the FSMC have a Hazard Analysis and Critical Control Point (HACCP) plan in place and is there evidence of its implementation?

Yes___ No___

46. Do employees practice safe food-handling procedures?

Yes___ No___

47. Does the FSMC ensure that all facilities have health inspections as required by law?

Yes___ No___

48. Are facilities and equipment adequately maintained for safety and sanitation?

Yes___ No___

49. Is the FSMC’s use of the facilities consistent with the facility use clauses included in the contract?

Yes___ No___

SFA Comments – Provide a rationale for all responses in Part VII:

VIII. Local Wellness Policy

50. Does the FSMC follow the SFA's local wellness policy?

Yes___ No___

SFA Comments – Provide a rationale for all responses in Part VIII:

IX. Staffing

51. Is the FSMC's staffing plan consistent with the staffing clauses included in the contract?
Yes___ No___
FSMC employees in contract: _____
FSMC current employees: _____
52. If there are FSMC vacancies, is there a plan for the FSMC to come into staffing compliance per the contract?
Yes___ No___ (A "no" answer will require a plan to be submitted.)
53. Is the District and FSMC paying for staff according to the approved transition plan?
Yes___ No___
54. Does the FSMC ensure that all Child Nutrition staff have the required training annually?
Yes___ No___
55. Does the FSMC ensure that the Child Nutrition Director's position meets the USDA professional standards, and food safety training annually? (7 CFR 210.30)
Yes___ No___
56. Does the FSMC maintain documentation that demonstrates compliance with the Child Nutrition Director's position and tracks continuing education for all Child Nutrition staff?
Yes___ No___

SFA Comments – Provide a rationale for all responses in Part IX:

X. Record Retention

57. Does the FSMC coordinate with the SFA to transfer all records to long-term storage?
Yes___ No___
58. Does the FSMC provide all documentation required to demonstrate the SFA complies with all regulations—local, state, and federal?
Yes___ No___

SFA Comments – Provide a rationale for all responses in Part X:

XI. Contractual Requirements

59. Does the FSMC operate the program(s) contracted as defined by the terms of the contract?

Yes___ No___

60. Were additional terms and conditions included that are outside of the executed contract?

Yes___ No___

Note: Additional contracts and addendums are not allowed. Please submit a copy of the additional contract or addendum to TDA to FSMC@texasagriculture.gov.

61. Have all corrections been made as required if problems were noted during the Administrative Review and/or Procurement Review?

Yes___ No___

62. Did the SFA delegate any responsibilities that were not permitted by the contract to the FSMC (Examples: Signature Authority, Advisory Board, Monthly Claim reimbursement, permissions to attend webinars on behalf of the SFA, etc.)?

Yes___ No___

If yes, list what was delegated.

63. Does the SFA monitor the FSMC's food service operations through periodic on-site visits to ensure conformance with program regulations and that program review and audit findings are resolved?

Yes___ No___

64. Is documentation of monitoring maintained?

Yes___ No___

65. If there were findings, did they get resolved?

Yes___ No___

SFA Comments – Provide a rationale for all responses in Part XI:

XII. Results of Review

66. Is a Corrective Action Plan (CAP) required?

Yes___ No___

SFA Comments – Provide specifics to the plan and what section will be reviewed in Part XII:

XIII. Corrective Action

67. Was the CAP completed with a follow-up review within 45 days?

Yes___ No___

Date the follow-up review was completed:

68. Have all the items been resolved and the FSMC contract is compliant?

Yes___ No___

SFA Comments – Provide a rationale for all responses in Part XIII:

I attest that this information is true and accurate and complete to the best of my knowledge.

XIV. Attestation and Signatures

Signature of SFA Designee

Signature of FSMC Designee

Printed Name of SFA Designee

Printed Name of FSMC Designee

Title of SFA Designee

Title of FSMC Designee