

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 Administrator's Reference Manual Section 18.

Frequency

This form must be completed each quarter 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 quarter.

Record Retention

Public and charter schools are required to keep documentation related to CNP for five years. Private schools, other nonprofit organizations, and residential childcare institutions (RCCIs) are required to keep documentation for three years. 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. Menu and Service

1. Did the FSMC follow the 21-day menu, as described in the contract, for all programs during the first year of the contract?

Yes_____ No_____

NOTE: This is monitored during the first year of the contract and is a requirement per federal regulations. No substitutions are allowed. If the menu was not followed, a finding and fiscal action will be accessed during the Administrative Review (AR).

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

Yes_____ No_____

Provide three examples of specifications reviewed.

3. Does the FSMC use an advisory board of parents, students, and teachers and obtain approval from the CE of all menu changes made after the first 21 days of the contract?

Yes_____ No_____

List advisory board members and titles below.

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

Yes_____ No_____

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

Yes_____ No_____

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

Yes_____ No_____

7. 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_____

8. Does the CE evaluate the FSMCs menu for affordability, nutrition requirements, and student appeal?

Yes_____ No_____

9. 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 CE policy?

Yes_____ No_____

10. Are meals monitored to ensure that only reimbursable meals are claimed?

Yes_____ No_____

Attach a current menu to reflect the responses above. List advisory board members and titles.

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

II. Competitive Foods

11. Is the FSMC following Competitive Food Standards?

Yes_____ No_____

12. Is the FSMC following the local policy related to fundraisers?

Yes_____ No_____

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

III. USDA Foods

13. Is the FSMC responsible for receiving donated foods on behalf of the CE? If yes, is the CE verifying delivery of donated food shipments and end products?

Yes_____ No_____

14. Does the FSMC provide the CE 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? \$_____

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

Yes_____ No_____

If yes, please file a copy of the documentation with this form for verification.

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

16. How often does the CE receive credit for the value of USDA Foods?

Check all that apply.

____Monthly

____Quarterly

____End of the school year

____Other.

17. How is the CE credited for the value of donated foods?

Check all that apply.

____Invoice

____Reductions

____Refunds

____Discounts

____Other.

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

Yes_____ No_____

19. Does the FSMC ensure that CE retains ownership of all USDA Foods including processed foods, if applicable?

Yes_____ No_____

20. Does the CE/FSMC use USDA donated foods to the maximum extent in quantities that can be used and stored without waste? Provide examples in the comments below.

Yes_____ No_____

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

21. Does the FSMC use all donated foods, or commercially purchased foods of the same generic identity, of U.S. origin, and of equal or better quality than the donated foods in the CEs CNP?

Yes_____ No_____

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

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

IV. Inventory

22. Does the FSMC have an organized method for storing, preserving, and accounting for the CE's food inventory?

Yes_____ No_____

23. 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_____

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

V. Financial Accountability Procedures

24. Does the daily meal count records accurately reflect the counts of student and adult meals, a la carte sales by meal type and eligibility category?

Yes_____ No_____

25. Does the FSMC have a backup system to ensure that all counting and claiming data is maintained?

Yes_____ No_____

Describe the system:

26. Does the FSMC maintain records to support the claims for reimbursement, report information to the CE promptly, and has meal count records for other meals not covered by the claim (adult meals, alternative meals)?

Yes_____ No_____

27. Does the FSMC complete the Daily Record/Accuclaim form for the CE to validate or provide the data the CE needs to complete the Daily Record/Accuclaim form?

Yes_____ No_____

28. Does the CE maintain responsibility for submitting claims for reimbursement?

Yes_____ No_____

Who is responsible for submission, Name, Title? _____

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

VI. Financial, Accounting

29. Does the FSMC monthly invoice reconcile with the point of service Daily Record/Accuclaim Report for each month? In the comments box, explain how the invoice meal counts are reconciled with the POS count each month.

Yes_____ No_____

30. 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_____

31. Has the CE received all applicable discounts, credits, and rebates from the FSMC?

Yes_____ No_____

32. Does the FSMC ensure that all invoice statements are accurate, and that unallowable costs and duplicative services are not billed to the CE?

Yes_____ No_____

33. Does all income to the program accrue to the nonprofit school food service account?

Yes_____ No_____

34. Does the FSMC provide the CE with all information and documentation needed for the CE to calculate its program and nonprogram revenue and cost proportion as required by regulations? If not, please explain. (For example: POS records, cost per meal data, and inventory or financial reports).

Yes_____ No_____

35. Does the FSMC bill according to the proper meal equivalency factor rate?

Yes_____ No_____

List the rate: _____

Attach the most recent FSMC invoice and supporting documentation.

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

VII. Financial, Procurement

36. Does the FSMC follow the CE's internal process to ensure that foods are procured in compliance with the Buy American provision?

Yes_____ No_____

37. For fixed-rate contracts, does the FSMC accurately charge the number of meals claimed to the CE at the fixed-rate price according to the contract? For cost-reimbursable contracts, skip this question.

Yes_____ No_____

38. For cost-reimbursable contracts, are allowable costs paid from the nonprofit CN account net of all discounts, rebates, and other credits accruing to or received by the FSMC?

Yes_____ No_____

39. For cost-reimbursable contracts, has the CE audited the food and non-food invoices to assure that bills reflect actual expenses?

Yes_____ No_____

40. For cost-reimbursable contracts, does the FSMC provide sufficient documentation for the CE to determine if all procurement was conducted correctly and in compliance with all applicable regulations? For fixed-rate contracts, skip this question.

Yes_____ No_____

41. For cost-reimbursable contracts, are bills monitored to assure that the FSMC did not double bill or include costs that are not allowed in the contract?

Yes_____ No_____

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

VIII. Sanitation and Safety Procedures

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

Yes_____ No_____

43. Do employees practice safe food-handling procedures?

Yes_____ No_____

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

Yes_____ No_____

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

Yes_____ No_____

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

Yes_____ No_____

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

IX. Local Wellness Policy

47. Does the FSMC follow the CE's local wellness policy?

Yes_____ No_____

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

X. Staffing

48. Has the FSMC's staffing plan been approved by the CE?

Yes_____ No_____

49. Does the FSMC ensure that all CN staff have the required training annually?

Yes_____ No_____

50. Does the FSMC ensure that the director's position meets the USDA professional standards, and food safety training annually? (7 CFR 210.30)?

Yes_____ No_____

52. Does the FSMC maintain documentation that demonstrates compliance for the SNP director's position and tracks continuing education for all CN employees?

Yes_____ No_____

53. If employees transitioned to the FSMC, did the transition happen in the first year of the contract? Skip question if the contract did not include transition.

Yes_____ No_____

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

XI. Record Retention

54. Does the FSMC have a system to transfer all records to be retained for long-term storage to the CE?

Yes_____ No_____

55. Does the FSMC provide all documentation required to demonstrate the CE is compliant with all regulations—local, state, and federal?

Yes_____ No_____

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

XII. Contractual Requirements

56. Does the FSMC operate and manage the program(s) contracted to operate as defined by the terms of the contract?

Yes_____ No_____

57. Was an additional contract or addendum to the TDA contract signed?

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.

58. Have all corrections been made as required if problems were noted during the AR?

Yes_____ No_____

59. Did the CE retain all CN responsibilities and not delegate them to the FSMC?

Yes_____ No_____

If not, list what was delegated.

60. The FSMCs food service operations are monitored by the CE through periodic on-site visits to ensure the food service is in conformance with program regulations and that program review and audit findings are resolved. Is documentation of monitoring maintained? If there were findings, did they get resolved?

Yes_____ No_____

CE Comments – Provide a rationale for all responses in Part XII:

XIII. Results of Review

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

Yes _____ No _____

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

XIV. Corrective Action

62. If a CAP is required, will the CE conduct a follow-up review within 45 days?

Yes _____ No _____

Date the follow-up review was completed: _____

CE Comments – Provide a rationale for all responses in Part XIV:

XV. Attestation and Signatures

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

Signature of CE Designee

Signature of FSMC Designee

Printed Name of CE Designee

Printed Name of FSMC Designee

Title of CE Designee

Title of FSMC Designee