

# FOOD SERVICE MANAGEMENT COMPANY AGREEMENT

School Year 2011 -- 2012

Between Newport Public Schools  
(Name of District)

And Compass Group USA, Inc. by and through its Chartwells Division  
(hereinafter "Chartwells")  
(Name of Food Service Management Company)

***Agreement Number:***

\_\_\_\_\_

**Rhode Island Department of Education  
Division of Fiscal Integrity and Efficiencies  
Child Nutrition Program**

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# **FOOD SERVICE MANAGEMENT AGREEMENT**

This Management Agreement (Agreement) is made and entered into as of this \_\_\_\_ day of July 2011, by and between the Newport Public Schools, the Local Education Agency (“LEA”), and Compass Group USA, Inc., by and through its Chartwells Division, the Food Service Management Company (FSMC).

## ARTICLE 1

### PURPOSE

**PURPOSE OF AGREEMENT:** This Agreement sets forth the terms and conditions upon which the LEA retains the FSMC to manage and operate the Food Service Program for the LEA. The Agreement is intended to assure a meal program that meets the best interests of the LEA and conforms to USDA, state, and local requirements in a cost effective manner. In accordance with 7 CFR 210.16, the Agreement may not be amended by an LEA and/or the FSMC without the prior written approval of the RI Department of Elementary and Secondary Education (“RIDE”).

The FSMC agrees to provide all meals and services in the following Child Nutrition Programs (check all that apply):

Fresh Fruit and Vegetable Program (“FFVP”)

National School Lunch Program (“NSLP”)

School Breakfast Program (“SBP”)

After School Snack Program (“ASSP”)

Special Milk Program (“SMP”)

Summer Food Service Program (“SFSP”)

Child and Adult Care Food Program (“CACFP”)

and to operate the non-profit school food service program on the “Premises” of the LEA. “Premises” are defined as the Food Service facilities as set forth in Schedule N.

The FSMC shall provide meals that meet the **Traditional Food Based** menu-planning option for Elementary Schools and the **Traditional Food Based** menu-planning option for the Secondary Schools. (Menu-planning options are Nutrient Standard, Assisted Nutrient Standard, Traditional Food-Based and Enhanced Food-Based, as have been selected by the LEA.)

## ARTICLE 2

### TERM

TERM: The term of the Agreement is one (1) year, commencing on July 1, 2011 and continuing until June 30, 2012. The Agreement is renewable for four (4) periods of one (1) year each upon mutual, written agreement of the LEA and the FSMC, unless terminated earlier as hereinafter provided. Any renewal of the Agreement must be approved by RIDE in accordance with Article 4.2.

## **ARTICLE 3 DEFINITIONS**

The following capitalized terms shall have the respective meanings set forth below:

3.1 Accounting Period: The two (2) Accounting Periods of four (4) weeks each and one (1) Accounting Period of five (5) weeks which occur in each quarter. Twelve (12) Accounting Periods shall constitute an accounting year.

3.2 Allowable Costs: Those direct and indirect costs of operating the Food Service Program of the LEA which are allowed in the operation of the applicable program pursuant to USDA regulations (7 CFR parts 210, 215, 220, 3016, and 3019) and Office of Management and Budget (“OMB”) Cost Circulars (A-87 Cost Principles for State, Local Governments and Indian Tribal Governments of A-122 Cost Principles for non-profit organizations) as applicable. Only allowable costs may be paid from the nonprofit food service account.

3.3 Child Nutrition Programs (“CNPs”): National School Lunch Program (“NSLP”), School Breakfast Program (“SBP”), After School Snack Program (“ASSP”), Special Milk Program (“SMP”), Summer Food Service Program (“SFSP”), Child and Adult Care Food Program (“CACFP”), Fresh Fruit and Vegetable Program (“FFVP”).

3.4 Contract Year: July 1, 2011- June 30, 2012.

3.5 Direct Operating Costs: All costs and expenses directly incurred in connection with the operation of the Food Service Program on the premises of the LEA, net of all discounts, rebates and applicable credits accruing to or received by the FSMC or its assignee to the extent those credits are allocable to the portion of the costs billed to the LEA. Direct Operating Costs consist of invoiced amounts to the FSMC for goods (food, beverages, merchandise, supplies, and small equipment) used directly in the Food Service Program of the LEA; labor costs for non-management employees who work in the LEA’s Food Service Program, i.e. salaries, wages, taxes and benefits; labor costs (reasonably allocated) for management employees of the FSMC who work directly in

the LEA's Food Service Program, i.e., salaries, wages, taxes and benefits; such other costs as are directly incurred in the operation of the LEA's Food Service Program, including sales, use and other taxes on the purchase of goods for the LEA's Food Service Program, cost of utilities directly allocable to the operation of the Food Service Program, menu/ticket printing, office supplies, program promotions, stationery; postage, costs of required licenses, permits, health certifications, RI Department of Health approved food safety kitchen inspections, uniforms and linen, smallwares, repair and maintenance of equipment.

3.6 Discounts, Rebates and Other Applicable Credits: All discounts, rebates and other applicable credits (as defined in 7 CFR 210.2) accruing to or received by the FSMC or any assignee of the FSMC, to the extent those credits are allocable to the allowable portion of the costs billed to the LEA.

3.7 Equipment: Articles of nonexpendable, tangible personal property with a useful life of more than one year, and a per-unit acquisition cost of \$5,000 or more.

3.8 Food Service Program: The preparation, service and sale of food, beverages, goods, merchandise and other items at the Premises. The Food Service may include the NSLP, SBP, ASSP, SMP, SFSP, FFVP, CACFP, a la carte food service and other sales.

3.9 Gross Sales: All sales of food, beverages, goods, merchandise and services (including vending machines) in the Food Service Program.

3.10 Indirect Operating Costs: Overhead costs and expenses incurred by the FSMC and apportioned to the operation of the LEA's Food Service Program for purposes of determining a "General Support Services Fee" to be paid by the LEA to the FSMC. All indirect costs and overhead costs of the FSMC must be included in the "General Support Services Fee" and not be allocated and/or charged as additional costs or expenses to the LEA.

3.11 Meal Equivalent: One reimbursable "Meal Equivalent" shall be: One (1) USDA reimbursable lunch or four (4) USDA reimbursable after school snacks. Two "Reimbursable Meal Equivalents" shall be: Three (3) breakfasts.

3.12 Net Sales: All sales of food, beverages, goods, merchandise, and services (including vending machines) in the Food Service Program excluding sales and use taxes.

3.13 Premises: The LEA's food service facilities as described in Schedule N.

3.14 Reimbursable Meal: A breakfast, lunch, or snack eligible for Federal reimbursement.

3.15 Surplus: The excess of Net Sales over the total of Direct Operating Costs, General Support Services Fee, and Management Services Fee.

## **ARTICLE 4 EXECUTION AND EXCLUSIVITY**

4.1 **SUBMISSION OF AGREEMENT.** To the best that circumstances will allow, an unsigned copy of the Agreement will be submitted no later than June 1<sup>st</sup> to RIDE's Division of Fiscal Integrity and Efficiencies, Child Nutrition Programs for its review and approval. After RIDE approves the Agreement (as required under 7 CFR 210.16), the LEA shall submit a fully-executed copy to RIDE no later than June 30, 2011.

4.2 **SUBMISSION OF RENEWALS:** An unsigned copy of the Annual Renewal of the Agreement (the "Annual Renewal") will be submitted no later than May 1<sup>st</sup> of each successive year to RIDE's Division of Fiscal Integrity and Efficiencies, Child Nutrition Programs for its review and approval. After RIDE's approval, a fully-executed copy of the Annual Renewal will be submitted to RIDE no later than June 30<sup>th</sup> of each successive year.

4.3 **FOOD SERVICE EXCLUSIVE:** The LEA grants the FSMC the exclusive right to operate the nonprofit school Food Service Program on or from the Premises. For school functions that are not part of the nonprofit school food service program, the FSMC shall have the first option to provide such food service. This provision does not include the culinary program at NACTC.

## **ARTICLE 5 LEA RESPONSIBILITIES**

5.1 **LEA OVERSIGHT AND ACCESS:** The LEA will monitor the FSMC's daily operation of the Food Service Program with respect to all matters (including working conditions for the food service employees and safety, sanitation, and maintenance of the food service facilities). The LEA will make reasonable regulations with regard to all such matters, and shall give the FSMC written notice thereof. The LEA's authorized representatives shall have access to the Premises at all times. The LEA grants the FSMC approval to use its promotional, informational or marketing activities or materials including the names, trademarks, logos and symbols of the FSMC at the Premises.

5.2 **CONTRACT DOCUMENTS:** The LEA retains the responsibility for preparing all contract documents. These documents include, but are not limited to, the Request for Proposals, the Agreement, and the Annual Renewal.



5.3 CONFORMANCE WITH THE CONTRACT: The LEA ensures that the Food Service Program is operated in conformance with all provisions of the Agreement. The enforcement of all contractual agreements entered into in connection with the CNPs rests with the LEA.

5.4 MONITORING RESPONSIBILITIES: The LEA shall monitor the Food Service Program operation through periodic on-site visits to ensure that the Food Service Program is in conformance with program regulations, and that program review and audit findings are resolved. The LEA has procedures in place to monitor the FSMC's compliance with the Agreement and the LEA maintains documentation of its monitoring, any corrective action required, and whether corrective action was implemented.

5.5 CONTROL OF FOOD SERVICE PROGRAM: While the LEA may want to consider the FSMC's recommendations, the LEA shall retain control of the quality, extent and general nature of its Food Service Program. For example, the LEA shall:

- A. Retain control of the nonprofit school food service account and overall financial responsibility for the nonprofit CNPs. The LEA is required to limit expenditures from the nonprofit school food service account to Allowable Costs.
- B. Establish prices (and price adjustments) for all meals served under the nonprofit school food service account (e.g., pricing for reimbursable meals, a la carte food service including vending machine items, and adult meals, as applicable); and
- C. Convey menu adjustment requirements to the FSMC and monitor implementation of those adjustments (e.g. meal pattern changes issued by RIDE and USDA).
- D. In the event the LEA determines a specific product/product line is necessary for its Food Service Program, it shall direct the FSMC to negotiate for such product. If within six (6) weeks, the FSMC does not secure such product, the LEA reserves the right to make such purchase and the FSMC must use such product in the LEA's Food Service Program.

5.6 SIGNATURE AUTHORITY: The LEA retains signature authority on the LEA's agreement to participate in the CNPs, including the LEA's free and reduced-price policy statement and the monthly Claim for Reimbursement.

5.7 FREE AND REDUCED-PRICE MEAL PROCESS: The LEA shall determine eligibility for free and reduced-price meals and milk in accordance with 7 CFR Part 245. Such responsibilities include the conduct of any hearings related to such

determinations and verification of eligibility applications for free and reduced-price meals.

5.8 HEALTH REGULATIONS: The LEA shall maintain all applicable health certifications and assure that all State and local regulations are being met by the FSMC in its preparation and/or service of meals on the Premises, including twice-yearly RI Department of Health approved Food Safety Kitchen Inspections.

5.9 ADVISORY BOARD/STUDENT, PARENT AND COMMUNITY INVOLVEMENT: The LEA shall maintain and operate an Advisory Board composed of parents, teachers and students whose activities may include menu planning, enhancement of the eating environment, program promotion, and related student-community support activities, education related to good nutrition practices, and involving the school faculty and community to enhance the program.

5.10 INTERNAL CONTROLS: The LEA shall establish internal controls that ensure the accuracy of meal counts prior to the submission of the monthly Claim for Reimbursement.

5.11 PROGRAM OPERATION OVERSIGHT: The LEA shall retain control of the quality, extent and general nature of its Food Service Program including, but not limited to, the following:

A. The LEA shall have the ability to elect any menu-planning option in the standardized 21 day cycle menu templates as developed by RIDE and as reflected in Schedules A, B, C, D, E, F, G, and H.

B. The LEA shall develop or approve the 21-day cycle menu and the 11 day a-la-carte rotation menu in accordance with RI General Laws 16-21-7 (b) and (c).

C. The LEA shall provide detailed specifications for each food component or menu item as specified in 7 CFR Part 210. The minimum USDA specifications are set forth in Schedule J of the RFP and additional LEA specifications are set forth in Schedule L of the RFP and are incorporated herein in Schedule F. Detailed product specifications must cover items such as grade, purchase units, style, condition, weight, ingredients, formulations, and delivery time and must meet RI Nutrition Requirements ("RINR") set forth in Schedule K of the RFP and incorporated herein.

D. The LEA shall not pay for meals that are spoiled or unwholesome at the time of delivery, do not meet detailed specifications, or do not otherwise meet the requirements of the Agreement, provided that the LEA had given such notice of spoiled or unwholesome meals to the FSMC within 48 hours of

delivery of such. Notice of spoiled or unwholesome meals provided outside of this window will not be eligible for reimbursement.

5.12 **USDA DONATED FOODS (ENTITLEMENT AND BONUS):** The LEA retains title to USDA donated foods and ensures that all USDA donated foods received by the LEA and made available to the FSMC, including processed USDA donated foods, accrue only to the benefit of the LEA's nonprofit school food service program and are fully utilized therein. This provision also applies to any refunds received from the processors.

A. The LEA shall monitor USDA donated foods to assure maximum usage by the FSMC of the LEA's entitlement and bonus allotments.

B. The LEA shall monitor documented savings resulting from commodity usage.

C. The LEA is required by regulation to take action to obtain restitution in connection with claims for improper distribution, use or loss of, or damage to USDA donated foods.

D. The LEA, distributing agency, subdistributing agency, the Comptroller General, the Department of Agriculture, or their duly-authorized representatives, may perform onsite reviews of the FSMC's food service operations, including the review of records, to ensure compliance with requirements for the management and use of donated foods.

5.13 **PROCUREMENT STANDARDS COMPLIANCE:** The LEA shall monitor the FSMC's procurement transactions to assure compliance with any applicable procurement standards set by Federal, State, or Municipal regulations and policy.

5.14 **RI NUTRITION REQUIREMENTS ("RINR") COMPLIANCE:** LEAs shall monitor compliance with RINR as set forth in Schedule K of the RFP and incorporated herein.

5.15 **CIVIL RIGHTS COMPLIANCE:** The LEA shall monitor compliance with the following, as amended: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; 7 CFR Parts 15 15a and 15b; and FNS Instruction 113-1, Civil Rights Compliance and Enforcement in the CNP's.

5.16 **BUY AMERICAN PROVISION:** The LEA shall monitor compliance with the Buy American Provision (under 7 CFR Part 250) for contracts that involve the purchase of food by the FSMC.

5.17 In the event that the LEA has opted to have the FSMC provide management services for the Fresh Fruit and Vegetable Program (FFVP), the LEA will ensure that the FFVP is operated in accordance with the requirements of Section 19 of the National

School Lunch Act, all applicable regulations and policies, and the USDA/FNS *FFVP Handbook for Schools*, December 2010.

## **ARTICLE 6**

### **FSMC RESPONSIBILITIES**

6.1 HEALTH CERTIFICATION: The FSMC shall maintain all applicable State and/or local health certification(s) for the term of the Agreement for any facility outside the school in which it proposes to prepare meals. The FSMC must also meet all applicable State and local health regulations in preparing and serving meals on the Premises, including the development, adoption and implementation of a HACCP food safety plan. The cost of such certifications shall be a Direct Operating Cost.

6.2 HEALTH EXAMINATIONS: The FSMC shall have all of its employees assigned to duty on the Premises submit to periodic health examinations, if required by law, and shall submit satisfactory evidence of compliance with all health regulations to the LEA's medical section upon request. The cost of such examinations shall be a Direct Operating Cost.

6.3 RI NUTRITION REQUIREMENTS ("RINR") COMPLIANCE: The FSMC shall comply with RINR as set forth in Schedule K of the RFP and incorporated herein.

6.4 21-DAY CYCLE MENU: The FSMC shall adhere to the 21-day cycle menu attached hereto and incorporated herein for the first 21 days of meal service. Changes thereafter may be made only with the approval of the LEA. If applicable, the FSMC shall adhere to the 11-day cycle menu developed or approved by the LEA for the SFSP.

6.5 A LA CARTE MENU/ROTATION PLAN: The FSMC and the LEA will collaboratively develop the A La Carte Menus for Elementary, Middle and High School and will attach those menus, once completed to this agreement, as Schedule E. The FSMC shall adhere to the attached A La Carte Menus (Schedules E, once completed.) Changes to these menus may be made only with the approval of the LEA.

6.6 PROVISION OF FREE AND REDUCED-PRICE MEALS: The FSMC must offer free, reduced-price and full price reimbursable meals to all eligible children.

6.7 USDA DONATED FOODS (ENTITLEMENT AND BONUS):

A. The FSMC shall provide the following services in relation to commodity foods:

1. Preparing and serving meals
2. Ordering or selection of donated foods in coordination with and the approval of the LEA in accordance with 7 CFR 250.58(a)

3. Storage and inventory management of donated foods in accordance with 7 CFR 250.52

4. Payment of processing fees and/or submittal of refund requests to a processor on behalf of the LEA, or remittance of refunds for the value of donated foods in processed end products to the LEA, in accordance with subpart c of 7 CFR 250.

B. The FSMC must credit the LEA for the value of all donated foods received for use in the LEA's food service program in a school year (including both entitlement and bonus foods), including the value of donated foods contained in processed end products if the FSMC procures processed end products on behalf of the LEA, or acts as an intermediary in passing the donated food value in processed end products on to the LEA in accordance with the contingencies in 7 CFR 250.51(a).

C. The FSMC shall credit for donated foods by disclosure, i.e. the FSMC shall credit the LEA for the value of donated foods by disclosing, in its billing for food costs submitted to the LEA, the savings resulting from the receipt of donated foods for the billing period. Crediting by disclosure does not affect the requirement that the FSMC shall bill the LEA only for net allowable costs. The FSMC shall use the USDA's list of commodity food values at the time the LEA receives the donated foods to report the value of donated foods in its disclosure of the value of donated foods on its invoices.

D. The FSMC shall maintain accurate and complete records with respect to the receipt, use/disposition, storage and inventory of USDA donated foods.

E. The FSMC accepts liability for any negligence on its part that results in any loss of, improper use of, or damage to USDA donated foods.

F. The FSMC shall not subcontract USDA commodities for further processing. The FSMC shall not enter into the processing agreement with the processor required in subpart C of 7 CFR 250.

G. The FSMC shall provide storage and inventory management in accordance with 7 CFR 250.52 and 7 CFR 250.14(b) and shall ensure that its system of inventory management will not result in the LEA being charged for donated foods.

H. The FSMC shall use all donated ground beef and ground pork products, and all processed end products, in the Food Service Program.

I. The FSMC shall use all other donated foods, or will use commercially purchased foods of the same generic identity, of U.S. origin, and of equal or better quality than the donated foods, in the Food Service Program.

J. The FSMC shall procure processed end products on the LEA's behalf and shall ensure compliance with the requirements of subpart C of 7 CFR part 250 and with the provisions of the distributing and/or the LEA's processing agreements in the procurement of processed end products on behalf of the LEA, and will ensure crediting of the LEA for the value of donated foods contained in such end products at the processing agreement value.

K. The FSMC shall maintain records to document its compliance with the requirements relating to donated foods in accordance with 7 CFR 250.54(b).

L. With respect to all the activities that the FSMC will be responsible for relating to donated foods, the FSMC shall ensure that such activities will be performed in accordance with the applicable requirements in 7 CFR 250.

M. Any extension or renewal of this Agreement is contingent upon the fulfillment of all contract provisions related to donated foods.

6.8 FRESH FRUIT AND VEGETABLE PROGRAM: In the event the LEA participates in the USDA Fresh Fruit and Vegetable Program ("FFVP") and has elected to have the FSMC provide management services with respect to this Program, the FSMC shall operate the FFVP in accordance with the requirements of Section 19 of the National School Lunch Act, all applicable regulations and policies, and the USDA/FNS *FFVP Handbook for Schools*, December 2010.

6.9 RECORDKEEPING/REPORTING/RETENTION: The FSMC shall maintain records, including, but not limited to: (a) records supporting the LEA's Claim for Reimbursement; (b) cost records including, but not limited to, source documentation, supporting charges for contractually approved costs that relate to approved annual budget (i.e., reasonable and necessary and with full disclosure of discounts, rebates and applicable credits); (c) cost breakdown of management and administrative fees, if applicable, to demonstrate there is no double billing of charges (d ) time and attendance records for labor costs billed; (e) breakdown of special function costs, if applicable; (f) meal count records for meals not covered by the Claim for Reimbursement, e.g. adult meals, a la carte, etc.; and (g) revenue records broken down by source, type and category of meal or food service.

A. The FSMC shall make all records available to the LEA upon request and retain all records for a period of three (3) years after the LEA submits the final Claim for Reimbursement for the fiscal year for inspection and audit by representatives of the LEA, RIDE, USDA, and the Comptroller General, at any

reasonable time and place. In instances where audit findings have not been resolved, the records must be retained beyond the three (3) year period until resolution of the issues raised by the audit.

B. The FSMC shall provide the LEA with quarterly and yearly financial reports that reconcile period revenues with period expenses. In addition, The FSMC shall prepare monthly, quarterly, and annual financial reports that compare actual revenue and expenditures to the annual budget for a current status of financial condition. The FSMC shall use the standardized budget and invoice forms in Schedule S.

C. The FSMC shall report Claim for Reimbursement information to the LEA promptly at the end of each month but no more than five (5) working days after the close of the preceding month.

D. All records pertaining to the LEA's Food Service Program are the property of the LEA and must be maintained at the LEA's premises.

6.10 COMPLIANCE WITH PROGRAM REGULATIONS: The FSMC shall conduct program operations in accordance with 7 CFR Parts 210, 215, 220, 225, 245, and 250 and FNS instructions and policy.

6.11 CIVIL RIGHTS COMPLIANCE: The FSMC assures conformity with all Civil Rights requirements applicable to the LEA.

6.12 BUY AMERICAN PROVISION: The FSMC assures conformity with Buy American requirements applicable to the LEA.

6.13 CLAIM LIABILITY: The FSMC accepts liability caused by the FSMC's negligence for claims assessed as a result of Federal/State review/audits, corresponding with the LEA's period of liability.

6.14 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT: The FSMC assures compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by Department of Labor regulations (29 CFR. Part 5).

6.15 DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION: This certification is attached to this Agreement as Schedule I as required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Sections 3017.300, Participants' responsibilities. A new certification is required for each Renewal period.

6.16 CERTIFICATION REGARDING LOBBYING: This certification is attached to this Agreement as Schedule J as required by 7 CFR Part 3018. Submission of this

certification is a prerequisite for making or entering into this Agreement and is imposed by section 1352, Title 31, U.S. Code. A new certification is required for each Renewal period.

6.17 DISCLOSURE OF LOBBYING ACTIVITIES: This certification is attached to this Agreement as Schedule K as required by 7 CFR Part 3018. Information requested through this form is authorized by section 1352, Title 31, U.S. Code. If there are material changes after the initial filing, updated reports must be submitted on a quarterly basis.

6.18 PURCHASING: The FSMC, as an authorized agent of the LEA, shall purchase and pay for, as a Direct Operating Cost, all food, supplies, and services utilized in the LEA's nonprofit food service program. Such purchases shall be made exclusively for the benefit of the LEA and shall be used solely in the LEA's nonprofit food service program. All food and related supplies purchased on behalf of the LEA shall be kept separate and apart and title thereto shall remain with the LEA at all times. All such purchases shall be made in the name of the LEA.

A. All Direct Operating Costs charged to the LEA shall be net of all Discounts, Rebates, and Other Applicable Credits, accruing to or received by the FSMC or any assignee of the FSMC, and these cost reductions shall be identified on the Accounting Period invoice and financial reports, as required, as a credit to the amount billed. Prompt payment discounts are excluded from the above only if the FSMC makes a purchase with its funds and receives reimbursement from the LEA (for such purchase) after the timeframe associated with the prompt payment discount.

B. The FSMC, as the agent of the LEA, will ensure that all procurement transactions meet any applicable procurement standards set by Federal, State, or Municipal regulations and policy.

C. The FSMC will provide accounting period invoices that specifically comply with the USDA Procurement Requirements for the National School Lunch, Breakfast and Special Milk Programs, effective November 30, 2007, through the adherence to the following provisions:

1. Allowable costs will be paid from the nonprofit school foodservice account to the FSMC net of all discounts, rebates, and other applicable credits accruing to or received by the FSMC or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the LEA.

2. The FSMC will exclude all unallowable costs from its billings and certify on each invoice that only allowable costs are submitted for



payment by the LEA. Records must be established that maintain visibility of unallowable costs, including directly associated costs, in a manner suitable for contract cost determination and verification.

3. The FSMC's determination of its allowable costs must be made in compliance with the applicable USDA Departmental and Program regulations and Office of Management and Budget ("OMB") cost circulars.

4. The FSMC must identify the amount of each discount, rebate, and other applicable credit on invoices presented to the LEA for payment and individually identify the amount as a discount, rebate or in the case of other applicable credits, the nature of the credit, on no less than an accounting period basis.

5. The FSMC must maintain documentation of costs and discounts, rebates and other applicable credits, and must furnish such documentation upon request to the LEA, RIDE or USDA.

6. The FSMC will identify the method by which it will report discounts, rebates and other applicable credits, allocable to the LEA, as they become known during the term of the Agreement and for those that are not reported prior to the conclusion of the Agreement, and receive approval from the LEA prior to issuing its first invoice of the Agreement period. The FSMC's accounting system tracks the activity of a client's account for one (1) year after the conclusion of a contract year or the term of the Agreement, thus allowing for trailing discounts, rebates and allowances to be paid by the FSMC to the LEA.

D. Any silence, absence, or omission from the Agreement concerning any point shall be regarded as meaning that only the best commercial practices are to prevail, and that only materials (food, supplies, etc.) and workmanship of a quality that would normally be specified by the LEA are to be used.

E. In the event that the LEA and the FSMC agree that the FSMC is to provide or purchase additional products or services, such as facilities design services, for enhancement of the LEA's Food Service Program, the cost to the LEA shall be competitive with the cost of such products or services from an independent source in the open market. Upon approval by the LEA, invoices for such products or services shall be paid and the cost of such products or services shall be a Direct Operating Cost.

F. The FSMC, as the agent of the LEA, will maximize the use of RI grown/locally grown products, including but not limited to, fruits, vegetable

and dairy products, whenever possible, and when purchased by the LEA directly, such fruits, vegetables, and dairy products must be used by the FSMC in the LEA's Food Service Program.

G. The FSMC shall engage in RI's Farm-to-School initiative in an effort to connect schools (K - 12) with RI / local farms in order to serve healthy meals using locally-produced foods.

H. The FSMC shall produce a monthly report which documents the procurement of RI grown / locally grown products including the local farm source, the product(s) purchased and the value of the products purchased on behalf of the LEA.

I. The prices charged the LEA for food, supplies, services, etc. must be competitive, reasonable and necessary and the FSMC shall for each Accounting Period provide documentation that the prices charged for food, supplies, services, etc. are competitive, reasonable and necessary.

J. Purchases by the FSMC of beverages and snacks for use in the Food Service Program of the LEA shall comply with R.I.G.L. 16-21-7 (b) and (c) and with RINR. To the extent that such purchases do not meet the definition of "healthier beverages" and/or "healthier snacks" (as defined in R.I.G.L. 16-21-29), or RINR the FSMC shall not charge the LEA for such purchases and such costs shall not constitute Direct Operating Costs.

6.19 DEPOSITS: Gross Sales shall be remitted to the LEA or deposited in the LEA's nonprofit school food service account no less than weekly.

6.20 EMPLOYEES: Management/professional and non-management Food Service employees.

A. The FSMC shall provide qualified management/professional employees to manage the Food Service Program and supervise all employees employed therein. All non-management Food Service employees shall be employees of the FSMC or shall be converted from LEA employees to FSMC employees at any point agreed to during the initial contract term and/or any Renewal Period. All FSMC Food Service Employees shall be subject to the rules and regulations of the LEA, which have been provided in writing prior to commencement of this Agreement, while on the Premises. The LEA may assign students for work experience in Food Service operations in such numbers as are agreed upon in furtherance of the LEA's policy to provide work experience for students. The FSMC shall supervise such students with the LEA's authorized representatives, as agent for the LEA. When possible, Food Service employees will participate in the LEA's nutrition education activities to include cafeteria/classroom

instruction. The FSMC's management/professional employees will serve on the Advisory Board established by the LEA. To the extent permitted and/or required by the LEA, the FSMC's management/professional employees will attend the LEA's meetings when Food Service matters are on the agenda or their participation is needed.

B. The FSMC shall apply to its employees and prospective employees assigned to work on the Premises the minimum standards of employability set forth under R.I.G.L. 16-2-18.1, relating to background checks of prospective employees, including the prohibition of employment of individuals with a record of conviction of certain enumerated offenses. In order to comply with the Rhode Island law, the LEA agrees that it will coordinate the submission of fingerprints of all FSMC Applicants to the authorities delineated under Rhode Island law in order for the requisite state and national background checks to be conducted. The LEA agrees to provide to the FSMC: (a) a copy of the letter for each Applicant confirming whether disqualifying information has been discovered so that the FSMC may comply with the minimum standards of employability set forth under Rhode Island law; and (b) a copy of any criminal background report sent to the LEA at the request of the Applicant as provided for under Rhode Island law. To the extent permitted by law, the FSMC and the LEA each agree to allow the other to inspect those background check records obtained in accordance with the Rhode Island law. Consistent with its Drug Free Workplace Act Policy, the FSMC shall also conduct pre-employment and reasonable suspicion drug and alcohol testing. All costs associated with the background checks and the pre-employment screenings shall be the responsibility of the FSMC and/or the Applicant.

6.21 POINT OF SERVICE (POS): The FSMC shall implement an accurate point of service count using the counting system submitted by the LEA in its application to participate in the CNPs and approved by RIDE. Such a counting system must eliminate the potential for the overt identification of free and reduced-price eligible students and report accurate meal counts by eligibility categories (free, reduced price and paid). If electronic POS systems are utilized in the Food Service Program, the FSMC shall ensure that meal claims are directly uploaded from the POS to RIDE's CNP Connect web-based claims system without passing through any other systems.

6.22 The FSMC shall meet monthly with the LEA's Nutrition Advisory Group to review program performance, menus, student selections, student likes and dislikes and collaborate and strategize program's continuous improvement. FSMC will make necessary program reports and data available for these meetings, as requested with reasonable advance notice by the LEA's Nutrition Advisory Group.

6.23 Information Technology Systems: In connection with the services being provided hereunder, Chartwells may need to operate certain information technology systems not owned by LEA (“Non- LEA Systems”), which may need to interface with or connect to LEA’s networks or information technology systems (“LEA Systems”). Chartwells shall be responsible for all Non- LEA Systems, and LEA shall be solely responsible for LEA Systems, including taking the necessary security and privacy protections as are reasonable under the circumstances. If Chartwells serves as the merchant-of-record for any credit or debit card transactions in connection with any of the services provided hereunder, then Chartwells will be responsible for complying with all applicable laws, regulations and payment card industry data security standards related to the protection of cardholder data (“Data Protection Rules”). If Non- LEA Systems interface with or connect to LEA Systems, then LEA agrees to implement forthwith upon request from LEA, at its own expense, the changes to the LEA Systems that Chartwells reasonably requests and believes are necessary or prudent to ensure Chartwells’ compliance with the Data Protection Rules. Each party shall indemnify, defend and hold harmless the other party from all claims, liabilities, damages and costs (including reasonable lawyer’s fees) to the extent caused by the indemnifying party’s failure to comply with its obligations in this section.

## **ARTICLE 7**

### **FINANCIAL TERMS, PAYMENTS AND FINANCIAL ASSUMPTIONS**

7.1 PAYMENT FOR DIRECT OPERATING COSTS: For each Accounting Period, the LEA will pay/reimburse the FSMC for all Direct Operating Costs less all applicable credits, discounts and rebates. Detailed cost documentation must be submitted monthly to support what the LEA is charged for each cost. The FSMC must exclude all unallowable costs from its invoices and certify that only allowable costs are submitted for payment and that records have been established that maintain the visibility of unallowable costs, including directly associated costs in a manner suitable for contract cost determination and verification. The invoice will be submitted to the LEA by the seventh (7) day following the Accounting Period being billed.

7.2 INVOICE DUE DATE AND INTEREST: Invoices for Direct Operating Costs shall be paid within thirty (30) days of receipt of the invoice. The LEA shall pay interest on all amounts not paid when due at one (1) percent per month or the maximum contractual interest rate allowed by applicable state law, whichever is less. Such interest shall not be charged by the FSMC if the delay in payment is due to the FSMC’s failure to provide supporting documentation requested by the LEA. Any interest paid is not an Allowable Cost and must be paid out of the general fund of the LEA. Upon termination of the agreement, all outstanding amounts shall become immediately due and payable.

7.3 GENERAL SUPPORT SERVICES FEE: The LEA will pay the FSMC a General Support Services Fee on the basis of the Indirect Operating Costs incurred by the FSMC in the operation of the LEA's Food Service Program. All Indirect Operating Costs and overhead costs of the FSMC must be included in the General Support Services Fee and may not be charged to the LEA in any other expenses. All Food Service Program expenses not defined as "Direct Operating Costs" in this Agreement will be Indirect Operating Costs and included in the General Support Services Fee. Indirect Operating Costs include, but are not limited to, the following costs of the FSMC and any travel related thereto:

- Human Resource and Labor Relations Services and Visitation
- Legal Department Services
- Purchasing and Quality Control
- Technical Research
- Costs Incurred in Hiring and Relocating
- FSMC Management Personnel
- Dietetic Services (Administrative & Nutritional)
- Test Kitchens
- Accounting and Accounting Procedures
- Tax Administration
- Technical Supervision
- Supervisory Personnel and Regular Inspection or Audit Personnel
- Teaching or Training Programs
- General Regional Support
- General National Headquarters Support
- Design Services
- Menu Development
- Information Technology and Support
- Payroll Documentation and Administrative Costs
- Personnel Advice
- Insurance

The LEA shall pay the FSMC a General Support Services Fee in an amount equal to a flat fee of Forty Thousand Dollars (\$40,000).

7.4 MANAGEMENT SERVICES FEE: The LEA shall pay the FSMC a Management Services Fee in an amount equal to a flat fee of Ten Thousand Dollars (\$10,000).

7.5 GUARANTEED RETURN: FSMC guarantees that the return to the LEA from the Food Service Program for the 2011-2012 school year will be Twenty Seven Thousand Two Hundred Seventy four Dollars (\$27,274) ("Guaranteed Return"). If the annual operating statement shows a return less than \$27,274, FSMC will reduce its combined Management and General Support Services Fee by the difference between the actual return and the Guaranteed

Return. Provided, however, if the actual return is a loss, the FSMC will pay to the LEA such loss in an amount not to exceed Two Thousand Seven Hundred Twenty Six Dollars (\$2,726) in addition to the Guaranteed Return of \$27,274, increasing the total potential reimbursement obligation to the LEA to Thirty Thousand Dollars (\$30,000).

The Guaranteed Return is based on the assumptions listed below in section 7.9. In the event the foregoing conditions are not met during the school year, FSMC's guarantee obligation shall be reduced by an amount equivalent to any increased cost or loss of revenue attributable to the changes in such conditions.

Should Chartwells notice any trend that may result in a loss to the LEA, Chartwells' District Manager will promptly arrange a meeting with LEA officials to discuss potential remedies or alternative courses of action. Further, Chartwells will provide the LEA with a monthly statement so that the parties may analyze the impact of any and all changes in order to afford the LEA the opportunity to make any necessary adjustments.

7.6 FEE ADJUSTMENTS: Upon mutual written agreement of the LEA and FSMC, the Management Services Fee and General Support Services Fee may be adjusted annually. Except as otherwise agreed by the LEA and FSMC, such adjustment shall be by no more than the percentage of change in the Consumer Price Index ("CPI") for all Urban Consumers based on the previous year. Upon acceptance by the LEA such increase in fees shall be incorporated into any renewal of this agreement

7.7 MAJOR EQUIPMENT PROCUREMENT: The FSMC (LEA must indicate)

May or

May Not

purchase Equipment (as defined in Section 3.7 of this Agreement) for the Food Service Program with the agreement and prior approval of the LEA.

The FSMC shall be subject to the same procurement requirements to which the LEA is subject in purchasing Equipment and may not serve as a vendor when purchasing Equipment on behalf of the LEA. The LEA shall repay the FSMC at the rate agreed upon when the Equipment is purchased, which sum shall be charged to the LEA as a direct operating cost of the Food Service Program. An amortization schedule will be provided to the LEA by the FSMC to document the schedule of payments. Ownership of the Equipment will vest in the LEA immediately upon purchase of the Equipment. As per OMB Circular A-87, Attachment B, #19c, approval by the State Agency of the Equipment purchase is not necessary.

If this Agreement expires or is terminated prior to the complete repayment of the amount owed to the FSMC for Equipment purchased, the LEA shall, on the expiration date, or within five days after receipt by either party of any notice of termination under this Agreement, elect one of the following options:(a) retain the Equipment and continue to make payments to the FSMC in accordance with the amortization schedule

(b) retain the Equipment and reimburse the FSMC the entire amount of the unpaid portion of the purchase price (c) require the successor food service management company to promptly pay Chartwells the unamortized portion of the Investment in full. The LEA shall provide the FSMC written notice of its election under this provision.

7.8 Deleted – Not applicable.

7.9 ASSUMPTIONS: Financial terms of the Agreement are based on existing conditions and the following assumptions. If there is a change in the following assumptions, the financial terms of the Agreement may be adjusted upon mutual agreement to compensate for such change. .

1. Financial Data and Conditions. The data and information provided by the LEA to the FSMC is complete and accurate.
2. Reimbursement rates for NSLP and SBP meals shall not be less than the rates estimated in FSMC's proposal (if a first-year agreement) or in effect for the prior school year (if subsequent year agreement) and reimbursement revenue shall not be less than that estimated in FSMC's proposal (if a first-year agreement) or received during the prior school year (if a subsequent year agreement).
3. The value of government-donated commodities and/or cash in lieu thereof will not be less than the value of government-donated commodities and/or cash in lieu thereof estimated in FSMC's proposal (if a first-year agreement) or received during the prior school year (if a subsequent year agreement).
4. The LEA shall have submitted all applications for reimbursement for free and reduced price meals, except where such failure is due to an act or omission of FSMC.
5. There are no bad debts, including losses from uncollectible accounts.
6. The cost of wages, salary and fringe benefits for the LEA's employees or the number of LEA's employees shall not exceed such levels as set forth in the Projected Food Service Budget attached hereto as Schedule P.
7. The State and Federal minimum wage rates and taxes in effect as of July 1st shall remain consistent throughout the Contract Year.
8. The food costs for the Contract Year shall not increase by an amount greater than 3% and a corresponding increase in the CPI published by the US Department of Labor, Bureau of Labor Statistics (1982 = 100% base period) Food Away From Home ("CPI"), or a comparable index if that index is not available occurs during the same Contract Year.

9. The LEA and its representatives, including, but not limited to, the LEA liaison, school principals, teachers and LEA employees shall fully cooperate with the FSMC and its representatives in the implementation and operation of the Food Service Program and any modifications to the Food Service Program.
10. It is the LEA's responsibility to collect any and all cash due from charged sales. To the extent that the LEA fails to collect such cash from charged sales, there shall be a corresponding adjustment to the amount of the Guaranteed Return.
11. The LEA shall charge the established selling prices for any and all reimbursable and non-reimbursable meals and a-la-carte sales provided at all school locations set forth in the list attached hereto as Schedule N. The established selling prices for the Contract Year for lunch, breakfast, after school snacks, and milk are set forth on Schedule Q. To the extent the LEA decides not to charge the established selling prices for any and all reimbursable and non-reimbursable meals and a-la-carte sales, such as, for example, when the LEA decides to offer free breakfast for all students who attend a school location which is not designated as a Universal Free site, there shall be a corresponding adjustment to the amount of the Guaranteed Return for such uncharged amounts.
12. Meal periods for breakfast and lunch meals during the Contract Year shall not be less than those in effect at the time of this Agreement.
13. There is no change in the LEA's policies, practices and/or service requirements that is proven to have a direct impact on the financial performance of the Food Service Operation (e.g., a change in serving periods, locations, serving times, or types of service)
14. Service will not be interrupted as a result of fire, school closing, or LEA work stoppage.
15. Legislation, rules, or regulations that impact the financial performance of the non-profit food service program shall remain constant.
16. The meal components and quantities shall be those required under RINR.
17. There shall be no competitive food and beverage sales that are not part of the non-profit food service program during the meal service times.
18. There shall be at least the following numbers of full service days during the Contract Year in which breakfast and lunch are served at the LEA's locations participating in the National School Lunch Program and the School Breakfast Program: Elementary 180 days; Middle/Jr.: 180 days; and High School: 175 days. A listing of the LEA's locations participating in the National School Lunch



Program, the School Breakfast Program, the ASSP and/or the Summer Food Service Program during the Contract Year is attached hereto as Schedule N.

19. There shall be at least 180 full service days during the Contract year in which ASSP and/or Child/Adult Care Food Program meals are served at the LEA's locations participating in the LEA's program as set forth in the listing attached hereto as Schedule N. (This Section is not applicable.)

20. The average student enrollment for the Contract Year shall be at least 2011.

21. The average daily student attendance for the Contract Year shall be at least 1852.

7.10: FSMC Investment:

FSMC will make an Investment of a total of Twenty Six Thousand Six Hundred Seventy Four Dollars (\$26,674) in the LEA's food service program specifically for Marketing over a 5 year period. The LEA will receive a listing of all proposed expenditures under this Investment for PRE-APPROVAL. No Investment expenditures will be made by the FSMC without the pre-approval of the LEA. Once the LEA has pre-approved the Investment expenditures, the FSMC will make the expenditures and provide the LEA with copies of all invoices for the expenditures of that Investment. The FSMC agrees to make equal annual expenditures toward the Investment over a period of 5 years, and will amortize the Investment over the course of the Contract. If the Contract is terminated or the term of the Contract is not extended for any given year, then subsequent annual expenditures toward the Investment will not be required. Any amounts remaining unamortized at the time of termination or non-renewal shall be subject to provisions (a), (b), and (c) of Section 7.7 herein.

7.11: Value Added Services at No Cost to the LEA:

***Nutritionist: FSMC will provide the LEA a nutritionist, to be hired by FSMC with input from the LEA, who will work with the LEA 5 hours per week to help aid the LEA achieve its nutritional goals. The cost of the nutritionist will be borne by FSMC and will not be part of the district expenses.***

***If the Contract is in effect as of the opening of the new Pell School, to help promote the opening of the new Pell School, FSMC will provide \$1,000 for an opening event in the kitchen and cafeteria featuring new menu items and other activities. The cost of this program will be borne by FSMC and will not be part of the LEA's expenses.***

7.12: Budget: See Schedule P for details

7.13 Nutrition and Environmental Grant. FSMC agrees to sponsor an annual Eight Hundred Dollar (\$800) Nutrition and Environmental Grant to the LEA, not to exceed Four Thousand Dollars (\$4,000) over the course of the Contract. The LEA, or its designee, in partnership with the FSMC, shall determine how to best utilize this money.

7.14 Scholarship. In the interest of a community partnership, FSMC agrees to sponsor an annual One Thousand Dollars (\$1000) in scholarships at the end of the school year to the LEA's graduating senior class. The amount of each scholarship and the award criteria will be determined by the LEA or its designee. This expense will be borne solely by FSMC and will be deducted from its earned fees. This scholarship is contingent upon FSMC having earned all of its earned fees without reimbursement to the SFA under Section 7 of this Agreement.

7.15 Elementary School Grant. FSMC will provide LEA with a grant of One Thousand Dollars (\$1,000) during year two of this Contract or upon the opening of LEA's new elementary school, whichever is later. This expense will be borne solely by FSMC and shall be deducted below the line.

## **ARTICLE 8 GENERAL TERMS**

8.1 **INDEPENDENT CONTRACTOR:** The FSMC shall be an independent contractor and shall retain control over its employees and agents. Nothing in this Agreement shall be deemed to create a partnership, agency, joint venture or landlord-tenant relationship between the FSMC and the LEA except that the FSMC shall act as the LEA's agent pursuant to 6.18.

8.2 **CONFIDENTIALITY:** The LEA and FSMC agree to maintain as confidential any material relating to this Agreement for which confidentiality may properly be claimed under R.I.G.L. 38-2-1, et seq. (Access to Public Records Act) including, but not limited to, trade secrets and proprietary information. Trade secrets and proprietary information shall not include any personnel (labor costs, staffing patterns, staff scheduling for employees), financial or other information necessary for the LEA to solicit competitive FSMC proposals at the expiration of this Agreement.

8.4 **ENERGY POLICY AND CONSERVATION ACT:** The LEA and FSMC shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PAL. 94-163).

8.5 EQUAL EMPLOYMENT OPPORTUNITY: The LEA and FSMC shall comply with Executive Order 11246, entitled "Equal Employment Opportunity" as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

8.6 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION: The LEA and FSMC certify that the prices in the offer have been arrived at independently, without consultation, communication or agreement for the purpose of restricting competition. The required Certification of Independent Price Determination is attached hereto as Schedule L.

8.7 CLEAN AIR ACT, CLEAN WATER ACT, AND ENVIRONMENTAL PROTECTION AGENCY REGULATIONS: If applicable, the LEA and FSMC shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 USC 1857 (h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR, Part 15) which prohibit the use under non-exempt Federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities. The provision requires reporting of violations to the grantor agency and to the USEPA Assistant Administrator for Enforcement (EN-329). The Clean Air and Water Certificate is attached in Schedule M.

8.8 SPECIAL FUNCTIONS: Special Functions shall include services such as catering or offsite meal services.

A. Special Functions will be billed separately and receipts deposited to the nonprofit school food service account.

B. The use of USDA donated foods or processed end products containing USDA donated foods is prohibited for Special Functions conducted outside of the nonprofit school food service.

C. The costs for Special Functions are to be separately identified in the FSMC's Accounting Period invoice to the LEA.

8.9 MEAL EQUIVALENT DETERMINATION: The same procedures used to determine the cost of adult meals must be used to determine a meal equivalency factor for all sales other than pattern meals (*NSFMI Financial Management Information System*, 2005, National Food Service Management Institute). In lieu of cost data, the minimum Meal Equivalent will reflect the USDA reimbursement rate for a free lunch meal, the per-meal State Match, and the per meal donated food assistance (entitlement and bonus). The Meal Equivalent will be updated for each Renewal Period. In the event the Meal Equivalent changes in any Renewal Period, the FSMC shall receive a mutually-agreed upon adjustment to its General Support Services Fee and

Management Services Fee to equitably compensate the FSMC for the loss of General Support Services Fees and Management Services Fees due to the change in the Meal Equivalent. The FSMC and the LEA shall use Schedule O of the Agreement for the Meal Equivalent Determination Formula.

8.10 INVENTORIES OF FOOD, BEVERAGES, AND SUPPLIES: For purposes of inventory control (protection from non-service time pilferage), and for the LEA to properly match food, beverage and supply costs to appropriate school year revenues, the LEA and the FSMC shall jointly inventory all food, beverages and supplies, record and value those items at the beginning and ending of each Contract Year.

8.11 INSURANCE: The School Food Authority and FSMC shall maintain insurance as follows:

A. Each party shall maintain workers' compensation coverage as required by State law covering all of its employees employed in connection with the Food Service Program.

B. The FSMC shall maintain during the term of the Agreement, Comprehensive or Commercial General Bodily Injury and Property Damage Liability Insurance with a Combined Single Limit of not less than One Million Dollars (\$1,000,000) for each occurrence, including, but not limited to, Personal Injury Liability, Broad Form Property Damage Liability for third party property, Blanket Contractual Liability and Products Liability, covering only the operations and activities of the FSMC under this Agreement.. The FSMC shall provide the LEA with a certificate evidencing such policies. The insurance policies shall contain covenants by the issuing company that the policies shall not be canceled without thirty (30) days prior e-mail notice of cancellations. The LEA shall be included as an additional insured under the FSMC's policies of insurance to the extent the LEA is indemnified pursuant to Section 8.11 D. The LEA shall receive a certificate of insurance and endorsement evidencing the LEA as an additional insured.

C. The LEA shall maintain a system of coverage (either through purchased insurance, self insurance, or a combination thereof) to keep the LEA's buildings, including the Premises, and all property contained therein insured against loss or damage by fire, explosion or other cause normally covered by standard broad form property insurance.

D. Except as otherwise expressly provided in this Agreement, the LEA and FSMC shall defend, indemnify and hold each other harmless from and against all claims, liability, loss, and expense, including reasonable costs, collection expenses, attorneys' fees, and court costs which may arise because of the

negligent acts or omissions or willful misconduct of the indemnifying party, its agents or employees in performance of its obligations under this Agreement. This clause shall survive the expiration or termination of this Agreement for any reason.

8.12 PERSONNEL OBLIGATIONS: The LEA and FSMC shall each be solely responsible for all personnel actions and all claims arising out of injuries occurring on the job with respect to employees on its respective payroll. Each party shall withhold all applicable Federal, State, and local employment taxes and payroll insurance with respect to its employees, insurance premiums, contributions to benefit and deferred compensation plans, licensing fees, and worker's compensation costs and shall file all required documents and forms. Each party shall indemnify, defend and hold the other harmless from and against any claims, liabilities and expenses related to or arising out of the indemnifying party's responsibilities set forth herein.

8.13 SPECIAL DIETS: The FSMC shall supply any special diets for students required for medical reasons when prescribed in writing by a medical doctor. The LEA will approve Special Diet requests.

8.14 ASSIGNMENT: The FSMC may, without being released from any of its responsibilities hereunder, assign this Agreement to any affiliate or wholly owned subsidiary of the FSMC as long as there is no material change to the Agreement.

8.15 CONDITION OF PREMISES AND EQUIPMENT: At the start and at the end of each contract year, the LEA and the FSMC will together conduct a formal inventory of the condition of premises and equipment in each school. The Premises and equipment provided by the LEA for use in the Food Service Program shall be in good condition and maintained by the LEA to ensure compliance with applicable laws concerning building conditions, sanitation, safety, and health (including, without limitation, any applicable OSHA regulations). The LEA agrees to indemnify the FSMC against any liability of assessment, including related interest and penalties, arising from the LEA's breach of the aforementioned obligations, and the LEA shall pay reasonable collections expenses, attorneys' fees and court costs incurred in connection with the enforcement of such indemnity. Interest and/or penalties are not allowable costs of the nonprofit school food service account and would be paid out of a general fund. The LEA further agrees that any modifications or alterations to the workplace or the premises (whether structural or non-structural) necessary to comply with any statute or governmental regulation shall be the responsibility of the LEA and shall be at the LEA's expense. This provision shall survive the expiration or termination of the Agreement.

8.16 PERFORMANCE BOND: A Performance Bond from a company licensed to do business in Rhode Island in the amount of \_(LEA inserts amount of Performance

Bond) \$500,000 shall be submitted for the first year of the Agreement. Any Performance Bond renewal in years two through five shall be determined by the LEA.

8.17 Duties Responsibilities Summary: The LEA and FSMC agree to allocate responsibilities as indicated on Schedule R. Schedule R details responsibilities of the parties for duties associated with the Food Service Program.

## **ARTICLE 9**

### **RESTRICTIVE COVENANTS**

9.1 AGREEMENT NOT TO HIRE: The LEA shall not solicit to hire, or hire, or make any agreement with, or permit the employment in any operation providing Food Service, any person who has been an FSMC salaried employee providing Food Service within one (1) year after said employee terminates employment with the FSMC or within one (1) year after expiration or termination of the Agreement for any reason. The LEA acknowledges and agrees that the FSMC's salaried employees have acquired special knowledge, information, skill and contacts as a result of being employed with and trained by the FSMC. If the LEA hires, or makes any agreement with or permits the employment of any such FSMC salaried employee, in any operation providing Food Service within the restricted period, it is acknowledged and agreed by the LEA that the FSMC shall suffer damages and the LEA shall pay the FSMC as liquidated damages an amount equal to the FSMC salaried employee's annual gross management salary. This sum has been determined to be reasonable by both parties after due consideration of all relevant circumstances. This provision shall survive the expiration or termination of the Agreement.

9.2 TRADE SECRETS AND PROPRIETARY INFORMATION: During the term of this Agreement , the FSMC may grant to the LEA a non-exclusive right to access certain proprietary materials of the FSMC including menus, signage, Food Service Program surveys and studies, software (both owned by and licensed to the FSMC) and similar compilations regularly used in the FSMC's business operations ("Proprietary Materials"). In addition the LEA may have access to certain non-public information of the FSMC, including recipes, management guidelines and procedures, operating manuals, personnel information, purchasing and distribution practices, pricing and bidding information, financial information, surveys and studies, and similar compilations regularly used in the FSMC's business operations ("Trade Secrets"). Trade Secrets and/or Proprietary Materials shall not include personnel (labor costs, staffing patterns, staff scheduling for employees), financial information and other information necessary for the LEA to solicit competitive FSMC proposals at the expiration of this Agreement. The LEA will have access to all Recipes utilized in the LEA's Food Service Program. FSMC Recipes used in the LEA's food service program

will not be considered proprietary or trade secrets, therefore the LEA will have access to all recipes developed for and utilized in the LEA's food service program.

The LEA shall not disclose any of the FSMC's Trade Secrets or disseminate any Proprietary Materials directly or indirectly, during or after the term of this Agreement. The LEA shall not photocopy or otherwise duplicate any such material without the prior written consent of the FSMC. All Trade Secrets and Proprietary Materials shall remain the exclusive property of the FSMC and shall be returned to the FSMC immediately upon the expiration or termination of the Agreement. The LEA shall not use any confusingly similar names, marks, systems, insignia, symbols or procedures and methods. Without limiting the foregoing, the LEA specifically agrees that all software associated with the operation of the Food Service Program, including without limitation, menu systems, food production systems, accounting systems, and other software, are owned by or licensed to the FSMC and not the LEA. Furthermore, the LEA's access or use of such software shall not create any right, title, interest, or copyright in such software, and the LEA shall not retain such software beyond the expiration or termination of this Agreement. In the event of any breach of this provision, the FSMC shall be entitled to equitable relief, including an injunction or specific performance, in addition to all other remedies otherwise available. This provision shall survive the expiration or termination of this Agreement.

## **ARTICLE 10 TERMINATION**

10.1 **TERMINATION FOR CAUSE:** If the FSMC or LEA breaches a material provision of this Agreement, the non-breaching party shall give the breaching party written notice specifying the default. The breaching party shall have thirty (30) days to remedy the default. If the default is not corrected within the thirty (30) day time frame, the non-breaching party shall have the right to terminate this Agreement by giving the breaching party sixty (60) days prior written notice of its intention to terminate this Agreement. The right of termination referred to herein is not intended to be exclusive and is in addition to any other rights available to the LEA at law or in equity.

10.2 **TERMINATION WITHOUT CAUSE:** The LEA may terminate this Agreement at any time upon sixty (60) days prior written notice to the FSMC of its intention to terminate the Agreement. The FSMC may terminate this Agreement at any time upon ninety (90) days prior written notice to the LEA of its intention to terminate the Agreement.

10.3 TERMINATION FOR CATASTROPHE: Neither party shall be liable for the failure to perform its respective obligations hereunder when such failure is caused by fire, explosion, water, act of God, civil disorder or disturbances, strikes, vandalism, war, riot, sabotage, weather and energy-related closings, governmental rules or regulations, or like causes beyond the reasonable control of such party, or for real or personal property destroyed or damaged due to such causes.

10.4 NONPERFORMANCE SANCTIONS: In the event the FSMC violates or breaches the terms and conditions of this Agreement, or if the breach is one that constitutes "Cause" but the LEA does not elect to give notice of termination, the LEA shall give the FSMC written notice specifying the default. The FSMC shall have thirty (30) days to remedy the default. Should the FSMC fail to remedy the default, the LEA in writing may impose the following sanctions: (a.) For the first violation, a written reprimand; (b.) For the second violation, a written reprimand and a penalty of \$1,000.00; (c.) For the third and each additional violation, a written reprimand and a penalty of \$5,000.00. For the purposes of the foregoing, a single breach means an event of the same or similar kind or numbers of personnel, equipment, students or meals involved. The breach or violation will be multiplied by the number of days or other units of time over which the breach or violation extends from the date of written notice if not corrected in the first thirty (30) days).

## **ARTICLE 11 AGREEMENT**

11.1 SEVERABILITY: If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent or for any reason be invalid or unenforceable, the remainder of the Agreement and the application of such term or provision to any person or circumstance other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each remaining term and provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law.

11.2 WAIVER: HEADINGS; COUNTERPARTS: A waiver of any failure to perform under this Agreement shall neither be construed as nor constitute a waiver of any subsequent failure. The article and section headings used herein are used solely for convenience and shall not be deemed to limit the subject of the articles and sections or be considered in their interpretation. Any exhibits or schedules referred to herein are made a part of the Agreement by reference, provided that in the event of a conflict between the terms of such exhibit and/or schedule and the terms of this Agreement, the terms of the Agreement shall govern. This Agreement may be executed in several counterparts, each of which shall be deemed an original.



11.3 CONFLICTS: The LEA's Request for Proposals and the FSMC's Proposal (Excluding the Exceptions List) are hereby incorporated by reference into this Agreement (the "Contract Documents"). In the event of a conflict between the Contract Documents, the following order of precedence shall prevail:

- A. the signed Agreement
- B. the LEA's Request for Proposal
- C. the FSMC's Proposal

11.4 ENTIRE AGREEMENT; AMENDMENTS: This Agreement and its attachments and other documents specifically incorporated by reference therein, contain the entire understanding and agreement of the parties concerning the matters contained therein, and supersedes and replaces any prior or contemporaneous oral or written contracts or communications concerning the matters contained therein. All provisions of the Agreement shall remain in effect throughout its term unless the parties agree, in a written document signed by both parties, to amend, add or delete any provision. The Agreement may not be changed other than by an agreement in writing signed by the parties hereto. Email correspondence shall not qualify as a written document signed by an authorized signatory.

## ARTICLE 12

### NOTICES

Any notice or communication required under this Agreement shall be in writing and sent by United States registered or certified mail, postage prepaid with return receipt requested, addressed to the other party as follows:

To LEA:                                       Attention: John H. Ambrogi, Superintendent of Schools  
Newport Public Schools  
15 Wickham Road, Newport, RI 02840-4232  
Phone: (401) 847-2100, Extension 212  
Fax: (401) 849-0170  
Email: johnambrogi@newportrischools.org

With copy to:                                       Neil P. Galvin, Esquire  
Corcoran, Peckham, Hayes & Galvin  
31 Americas Cup Avenue, Newport, RI 02840-3058  
Phone: (401) 847-0872  
Fax: (401) 847-5810  
Email: ngalvin@cphglaw.com

To FSMC:                                       Mrs. Daisha Lahey  
Director of Business Development  
Compass Group/Chartwells  
5 Newbury Rd.  
Newtown, CT 06470  
(914)-346-7163

With a copy to:                                       Eric A. Pimental  
Regional Vice President  
Chartwells School Dining  
300 Granite Street, Suite 409  
Briantree, MA 02184  
781-843-1500

All such notices shall be effective when received by the other party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives.

LEA

By: \_\_\_\_\_

Name (printed): John H. Ambrogi, Ed.D.

Title: Newport Public Schools, Superintendent of Schools

Date: \_\_\_\_\_

FSMC

By: \_\_\_\_\_

Name (printed): \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

SCHEDULE A  
**ELEMENTARY, MIDDLE AND HIGH SCHOOL BREAKFAST MENUS**

See attached Schedule A.

SCHEDULE B  
**ELEMENTARY, MIDDLE AND HIGH SCHOOL LUNCH MENUS**

See attached Schedule B.

SCHEDULE C  
**NPS AFTERSCHOOL SNACK PROGRAM MENU**

See attached Schedule C.

SCHEDULE D  
**NPS SUMMER FOOD SERVICE MENU**

See attached Schedule D.

SCHEDULE E A LA CARTE MENUS TEMPLATES – See attached Schedule E.

SCHEDULE E

A La Carte Rotation Menu template- breakfast

*FSMC to propose and complete a separate menu for elementary and for secondary school settings.*

<p><b>Day 1</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 2</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 3</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 4</b> Food Items:</p> <p>Beverages:</p>
<p><b>Day 5</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 6</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 7</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 8</b> Food Items:</p> <p>Beverages:</p>
<p><b>Day 9</b> Food Items: : Beverages:</p>	<p><b>Day 10</b> Food Items:</p> <p>Beverages:</p>	<p><b>Day 11</b> Food Items:</p> <p>Beverages:</p>	
<p><b>Additional Information:</b></p>			

SCHEDULE E

A La Carte Rotation Menu template - lunch

*FSMC to propose and complete a separate menu for elementary and for secondary school settings.*

<b>Day 1</b> Food Items:  Beverages:	<b>Day 2</b> Food Items:  Beverages:	<b>Day 3</b> Food Items:  Beverages:	<b>Day 4</b> Food Items:  Beverages:
<b>Day 5</b> Food Items:  Beverages:	<b>Day 6</b> Food Items:  Beverages:	<b>Day 7</b> Food Items:  Beverages:	<b>Day 8</b> Food Items:  Beverages:
<b>Day 9</b> Food Items:  Beverages:	<b>Day 10</b> Food Items:  Beverages:	<b>Day 11</b> Food Items:  Beverages:	
<b>Additional Information:</b>     			

**SCHEDULE F**  
**ADDITIONAL LEA SPECIFICATIONS FOR FOOD COMPONENTS OR MENU ITEMS**

- *Milk should be available for lactose intolerant students*
- *Yogurt must be 100% all natural with no artificial ingredients*
- *Fresh drinking water, not in bottles, needs to be available to students*
- *Universal Free Breakfast Program at Triplett/Sullivan*
- *Fresh Fruit and vegetables served to elementary students should be served in appropriately sized pieces.*
- *All elementary schools have a “serve” policy; all students are served a complete meal*
- *No sporks*
- *Disposable trays are used at Triplett/Sullivan, Coggeshall and Cranston Calvert. All other schools use hard plastic washable trays at this time.*
- *Tastings of new menu items are encouraged. (Nutrition Advisory Group will assist with this.)*

- *The FSMC will provide and cover the cost of two extra meals per month, at each school, for a member of the Nutrition Advisory Group visiting a meal.*
- *The FSMC, at each elementary school, will host an opportunity for family members to join their child at breakfast or lunch.*
- *The FSMC will assume some responsibility for encouraging meal participation.*
- *The FSMC will have planned involvement with nutrition education at all schools, such as tastings for new menu choices.*
- *The FSMC will serve age appropriate larger portions at middle and high school. (refer to USDA Optional Age Group, Grades 7-12, serving size specifications for Traditional Food-Based Menu Planning.)*
- *The FSMC guarantees a meal choice once the order has been placed in a classroom.*
- *The food offered on any given day will be the same as the printed monthly menu or, due to unavailability of a food choice, will be of an equal alternative (i.e. fruit cup or another fruit)*
- *The menu will reflect the ethnic diversity of Newport students.*
- *Extra portions of fruit, salad, and veggies may be sold as a la carte choices at all schools.*
- *The FSMC will create a list for parents of all a la carte items that are for sale.*
- *The FSMC will maintain an attractively decorated cafeteria area with appropriate and fresh attractive nutrition related posters.*

*SCHEDULE I*

*U. S. DEPARTMENT OF AGRICULTURE*

**Certification Regarding Debarment, Suspension, Ineligibility  
and Voluntary Exclusion - Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

**(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)**

- (1)** The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2)** Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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Organization Name

PR/Award Number or Project Name

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Name(s) and Title of Authorized Representative(s)

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Signature(s)

Date

**Instructions for Certification**



1. Be signing and submitting this form, the prospective lower tier participant is providing the certification set out on the reverse side in accordance with these instructions.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

SCHEDULE J

CERTIFICATION REGARDING LOBBYING

**Applicable to Grants, Subgrants, Cooperative Agreements, and  
Contracts Exceeding \$100,000 in Federal Funds.**

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative **Agreement**, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative **Agreement**.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative **Agreement**, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

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**Name/Address of Organization**

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**Name/Title of Submitting Official**

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**Signature**

---

**Date**

**SCHEDULE K**  
**DISCLOSURE OF LOBBYING ACTIVITIES**

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

(See reverse for public burden disclosure)

<p><b>1. Type of Federal Action:</b></p> <p><input type="checkbox"/> a. contract  <input type="checkbox"/> b. grant  <input type="checkbox"/> c. cooperative agreement  <input type="checkbox"/> d. loan  <input type="checkbox"/> e. loan guarantee</p>	<p><b>2. Status of Federal Action:</b></p> <p><input type="checkbox"/> a. bid/offer/application  <input type="checkbox"/> b. initial award  <input type="checkbox"/> c. post-award</p>	<p><b>3. Report Type:</b></p> <p><input type="checkbox"/> a. initial filing  <input type="checkbox"/> b. material change  For Material Change Only:  year _____ quarter _____  date of last report _____</p>
<p><b>4. Name and Address of Reporting Entity:</b></p> <p><input type="checkbox"/> Prime    <input type="checkbox"/> Subawardee  Tier _____, if known  Congressional District, if known:</p>	<p><b>5. If Reporting Entity in No. 4 is subawardee, Enter Name and Address of Prime:</b></p> <p>Congressional District, if known:</p>	
<p><b>6. Federal Department/Agency:</b></p>	<p><b>7. Federal Program Name/Description:</b>  CFDA Number, if applicable: _____</p>	
<p><b>8. Federal Action Number, if known:</b></p>	<p><b>9. Award Amount, if known:</b>  \$ _____</p>	
<p><b>10. a. Name and Address of Lobbying Entity</b>  (if individual, last name, first name, MI):</p>	<p><b>b. Individuals Performing Services</b> (including address if different from No. 10a)  (last name, first name, MI):</p>	
<p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		
<p><b>11. Amount of Payment</b> (check all that apply):  \$ _____ actual    planned</p>	<p><b>13. Type of Payment</b> (check all that apply):</p> <p>a. retainer  b. one-time fee  c. commission  d. contingent fee  e. deferred  f. other: specify _____</p>	
<p><b>12. Form of Payment</b> (check all that apply):</p> <p><input type="checkbox"/> a. cash  <input type="checkbox"/> b. in-kind: specify: nature _____  value _____</p>		
<p><b>14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment indicated in Item 11:</b></p> <p style="text-align: center;">(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		

15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No	
16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. <i>This disclosure of lobbying activities is a material representation of fact upon which evidence was placed by the above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosures shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</i>	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____
<b>Federal Use Only:</b>	Authorized for Local Reproduction Standard Form LLL

## INSTRUCTION FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to the title 31 U.S.C. section 1352. The filing of a form is required for each payment or Agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer of employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity, Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1<sup>st</sup> tier, Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 check "Subawardee". then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1)). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative Agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonable expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box (es). Check all boxes that apply. If payment is made through in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box (es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone *number*.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information. Including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.



SCHEDULE L

CERTIFICATE OF INDEPENDENT PRICE DETERMINATION

\_\_\_\_\_ (offeror) and Newport Public Schools (LEA) shall execute this Certificate of Independent Price Determination.

(A) By submission of this offer, the offeror certifies and in the case of a joint offer, each party thereto certifies as to its own organization, that in connection with this procurement:

- (1) The prices in this offer have been arrived at independently, without consultation, communication or Agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other offer or with any competitor;
- (2) Unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed by the offeror and will not knowingly be disclosed by the offeror prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other offer or to any competitor; and
- (3) No attempt has been made or will be made by the offeror to induce any person or firm to submit or not submit, an offer for the purpose of restricting completion.

(B) Each person signing this offer on behalf of \_\_\_\_\_ certifies that:

(1) He or she is the person in the offeror's organization responsible within the organization

for the decision as to the prices being offered herein and has not participated, and will not participate, in any action contrary to (A)(1) through (A)(3) above; or

(2) He or she is not the person in other offeror's organization responsible within the

organization for the decision as to the prices being offered herein, but that he or she has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated and will not participate, in any action contrary to (A)(1) through (A)(3) above, and as their agent does hereby so certify; and he or she has not participated, and will not participate, an any action contrary to (A)(1) through (A)(3) above.

To the best of my knowledge, \_\_\_\_\_, its affiliates, subsidiaries, officers, directors and employees are not currently under investigation by any governmental agency and have not in the last three years been convicted or found liable for any act prohibited by

State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as follows:

_____	_____	_____
SIGNATURE OF AUTHORIZED REPRESENTATIVE	TITLE	DATE

In accepting this offer, Newport Public Schools (LEA) certifies that no representative of the LEA has taken any action which may have jeopardized the independence of the offer referred to above.

<u>John H. Ambrogi, Ed.D.</u>	<u>Superintendent of Schools</u>	_____
SIGNATURE OF LEA'S AUTHORIZED REPRESENTATIVE	TITLE	DATE

NOTE: Accepting a bidder's offer does not constitute award of the contract.

*CLEAN AIR AND WATER CERTIFICATE*

Applicable if the contract exceeds \$100,000 or the Contracting Officer has determined that the orders under an indefinite quantity contract in any one year will exceed \$100,000 or a facility to be used has been the subject of a conviction under the Clean Air Act

(41 U.S.C. 1857c-8(c)(1) or the Federal Water Pollution Control Act 33 1319(d) and is listed by EPA or the contract is not otherwise exempt. Both the Local Education Agency (LOCAL EDUCATION AGENCY) and FSMC (offeror) shall execute this Certificate.

\_\_\_\_\_

**FSMC**

Newport Public Schools  
**NAME OF LEA**

**THE FOOD SERVICE MANAGEMENT COMPANY AGREES AS FOLLOWS:**

- A. To comply with all the requirements of Section 114 of the Clean Air Act, as amended (41 U.S.C. 1857, et seq., as amended by Public Law 91-604) and Section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251, et seq., as amended by Public Law 92-500), respectively, relating to inspection, monitoring, entry, reports and information as well as other requirements specified in Section 114 and Section 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder before the award of this contract.
- B. That no portion of the work required by this prime contract will be performed in a facility listed on the Environmental Protection Agency List of Violating Facilities on the date when this contract was awarded unless and until the EPA eliminates the name of such facility or facilities from such listing.
- C. To use his/her best efforts to comply with clean air standards and clean water standards at the facilities in which the contract is being performed.
- D. To insert the substance of the provisions of this clause in any nonexempt subcontracts, including this paragraph.

**THE TERMS IN THIS CLAUSE HAVE THE FOLLOWING MEANINGS:**

- A. The term "Air Act" means the Clean Air Act, as amended (41 U.S.C. 1957 et seq., as amended by Public Law 91-604).

- B. The term "Water Act" means Federal Water Pollution Control Act, amended (33 U.S.C. 1251 et seq., as emended by Public Law 92-500).
- C. The term "Clean Air Standards" means any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, or other requirements which are contained in, issued under, or otherwise adopted pursuant to the Air Act or Executive Order 11738, an applicable implementation plan as described in section 110(d) of the Clean Air Act (42 U.S.C. 1957c-5(d), an approved implementation procedure or plan under Section 111(c) or Section 111(d), respectively, of the Air Act (42 U.S.C. 1857c-6(c) or (d), or approved implementation procedure under Section 112(d) of the Air Act (42 U.S.C. 1857c-7(d).
- D. The term "Clean Air Standards" means any enforceable limitation, control, condition, prohibition, standard, or other requirement which is promulgated pursuant to the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency or by a State under an approved program, as authorized by Section 402 of the Water Act (33U.S.C. 1342) or by local government to ensure compliance with pretreatment regulations as required by Section 307 of the Water Act (33 U.S.C. 1317).
- E. The term "Compliance" means compliance with clean air or water standards. Compliance shall also mean compliance with a schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency or an Air or Water Pollution Control Agency in accordance with the requirements of the Air Act or Water Act and regulations issued pursuant thereto.
- F. The term "facility" means any building, plant, installation, structure, mine, vessel, or other floating craft, location or sites of operations, owned, leased or supervised by the FSMC..

SIGNATURE OF FSMC's AUTHORIZED REPRESENTATIVE	TITLE	DATE
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SIGNATURE OF LOCAL EDUCATION AGENCY'S AUTHORIZED REPRESENTATIVE	<u>Superintendent of Schools</u> TITLE	DATE
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SCHEDULE N  
PREMISES

**PROPOSED FEEDING SCHOOLS/SITES LIST WITH PROJECTED ENROLLMENT**

**FOR THE 2011 -2012 SCHOOL YEAR**

SCHOOL / SITE NAME/ADDRESS	ENROLLMENT	PARTICIPATES IN CHILD NUTRITION PROGRAMS					GRADE
		SBP	NSLP	FFVP	ASSP	SFSP	
<b>ELEMENTARY</b> Cranston Calvert 15 Cranston Ave Coggeshall 134 Van Zandt Ave Triplett School 435 Broadway Underwood 90 Harrison Ave	197	x	X	X	x		Elementary K - 4
	172	x	x	X		x	K-4
	233	x	x	X	x		K-4
	187	x	x	x	x		pre K -4
<b>MIDDLE</b>  Thompson 39 Broadway	576	x	x		x		5 - 8
<b>SECONDARY</b>  Roger 15 Wickham Rd.	578	x	x				9 - 12

SCHEDULE O

MEAL EQUIVALENT DETERMINATION FORMULA

<b>Current Year USDA Rate of Reimbursement per "Free" Lunch (as of July 1, 2010)</b>	<b>\$2.72</b>
<b>Current Year Per Meal State- Match Reimbursement Rate (as of 7/2010)</b>	<b>\$0 .04567</b>
<b>Current Year Value of USDA Entitlement for Donated Foods Per Lunch (as of July 1, 2010)</b>	<b>\$0.2025</b>
<b>Current Year Value of USDA Bonus Donated Foods Per Lunch</b>	<b>\$0.01</b>
<b>MEAL EQUIVALENT</b>	<b>\$2.978<u>1</u></b>

SCHEDULE P

Projected Food Service Budget

**PROJECTED FOOD SERVICE BUDGET FOR THE 2011 -2012 SCHOOL YEAR  
[TO BE COMPLETED BY THE FSMC AND THE LEA]**

Projection Comparison		Column A	Column B	Column A / Column B
Meal Type	Payment Category	# of meal type served in most current 12 month period.	Proposed # of meals presented in this Proposed Budget	% change in participation  (note if change is greater than 3%, FSMC will provide information how this increase will be achieved)
Breakfast	Free			
	Reduced			
	Paid			
Lunch	Free			
	Reduced			
	Paid			
Afterschool Snack	Free			
	Reduced			
	Paid			
Other Sales				

PROJECTED REVENUE					
	School	Unit Price	# of Meals*	Extended Price	
<b>Sales Lunch</b>					
Paid Meals	Elementary Schools	\$		\$	
	Middle Schools	\$		\$	

	High Schools	\$		\$	
Reduced-Price Meals	District Wide	\$		\$	
Student a la carte	District Wide	\$		\$	
Adult Lunches	District Wide	\$		\$	
Adult a la carte	District Wide	\$		\$	
<b>Sales Breakfast</b>					
Paid Meals	Elementary Schools	\$		\$	
	Middle Schools	\$		\$	
	High Schools	\$		\$	
Reduced-Price Meals	District Wide	\$		\$	
Adult Breakfasts	District Wide	\$		\$	
<b>Sales Snacks</b>					
Paid Snacks	Elementary Schools	\$		\$	
	Middle Schools	\$		\$	
	High Schools	\$		\$	
Reduced-Price Snacks	District Wide	\$		\$	
Adult Snacks	District Wide	\$		\$	
<b>Afternoon K-Milk</b>					
Paid Milk	Elementary Schools	\$		\$	
<b>Other Sales/Income</b>					
Special Functions				\$	
Bank Interest				\$	
Other Income				\$	



Other Income				\$	
	<b>Subtotal Sales</b>			\$	A
<b>Federal Reimbursement Lunch</b>					
Paid Meals	District Wide	\$		\$	
Reduced-Price Meals	District Wide	\$		\$	
Free Meals	District Wide	\$		\$	
<b>Federal Reimbursement Breakfast</b>					
Paid Meals	District Wide	\$		\$	
Reduced-Price Meals	District Wide	\$		\$	
Free Meals	District Wide	\$		\$	
<b>Federal Reimbursement Snacks</b>					
Paid Snacks	District Wide	\$		\$	
Reduced-Price Snacks	District Wide	\$		\$	
Free Snacks	District Wide	\$		\$	
<b>Federal Reimbursement Afternoon K-Milk</b>					
Paid Milk	Elementary Schools	\$		\$	
Free Milk	Elementary Schools	\$		\$	
<b>Federal Reimb. Summer Food Service Program</b>					
Free Lunch		\$		\$	

Free Breakfast		\$		\$	
				\$	
<b>Subtotal Federal Reimbursements</b>				\$	B
<b>District Wide</b>				\$	C
<b>TOTAL REVENUES: (A+B+C)</b>				\$	
<b>State Match</b>	<b>District Wide</b>			\$	
<b>PROJECTED EXPENSES</b>					
<b>Food</b>		<b>Unit Cost</b>	<b># of Meal</b>	<b>Cost</b>	
Student Lunches		\$		\$	
Student Breakfasts		\$		\$	
Adult Lunches		\$		\$	
Adult Breakfasts		\$		\$	
Special Functions		\$		\$	
USDA Processing Charge		\$		\$	
USDA Commodity Charge		\$		\$	
Student After Sch Snacks		\$		\$	
Student K-Milk		\$		\$	
SFSP Lunches		\$		\$	
SFSP Breakfasts		\$		\$	
District Wide A la Carte		\$		\$	
Other		\$		\$	
Less: Volume Allowances./Rebates		\$		\$	
	<b>Net Food Cost</b>			\$	D

<b>Labor</b>					
FSMC Management Labor					
	Payment of Full and Part Time Salaries/ Wages			\$	
	Payroll Taxes (FICA, Medicare)			\$	
	Fringe Benefits (including health, dental, life, vision, pension, disability, wellness programs, legal, 401K plans)			\$	
	Worker's Compensation Insurance			\$	
	Unemployment Compensation Insurance			\$	
	Training and Development			\$	
	Preparation of Payroll			\$	
FSMC Non-Management labor				\$	
	Payment of Full and Part Time Salaries/ Wages			\$	
	Payment of Student Salaries			\$	
	Payroll Taxes (FICA, Medicare)			\$	
	Fringe Benefits (including health, dental, life, vision, pension, disability, wellness programs, legal, 401K plans)			\$	
	Worker's Compensation Insurance			\$	
	Unemployment Compensation Insurance			\$	

	Training and Development			\$	
	Preparation of Payroll			\$	
	<b>Total Payroll/Benefits</b>			\$	E
<b>Other Expenses</b>					
	Auto Allowance			\$	
	Detergent/Cleaning Supplies				
	Other Janitorial Supplies				
	Paper/Disposable Supplies				
	Replacement of China, Glass, Flatware, Pots, Pans etc.)				
	Depreciation			\$	
	Equipment rental			\$	
	Equipment repair			\$	
	Insurance (specify type)			\$	
	Insurance (specify type)			\$	
	Insurance (specify type)			\$	
	Menu/Ticket Printing			\$	
	Office Supplies			\$	
	Performance Bond			\$	
	Physicals			\$	
	Background Check			\$	
	Program Promotions			\$	
	Stationery/Postage			\$	

	Telephone			\$	
	Cellular Phone				
	Staff Uniforms			\$	
	Laundry Services			\$	
	Water, Gas, and Electric Utilities			\$	
	Vehicle Lease			\$	
	Vehicle Repair/Maint.			\$	
	Food transport Containers				
	Licenses			\$	
	Food Safety Kitchen Inspections (2 x year)			\$	
	Other (specify)			\$	
	<b>Total Other Expenses</b>			\$	F
	<b>FSMC Costs</b>				
	Management Fee			\$	
	General Support Services Fee			\$	
	<b>Total FSMC Costs</b>			\$	G
	<b>TOTAL EXPENSES</b>	D + E + F + G		\$	
	<b>TOTAL REVENUE</b>			\$	
	<b>TOTAL EXPENSES</b>			\$	

	<b>PROFIT (REVENUE MINUS EXPENSES)</b>			\$	

SCHEDULE Q

*ESTABLISHED SELLING PRICE FOR THE CONTRACT YEAR*

**PRICES TO BE CHARGED FOR THE 2011 - 2012 SCHOOL YEAR**

<b>CNPs:</b>		<b>ELEMENTARY</b>	<b>SECONDARY</b>
<b>BREAKFAST:</b>	Paid	0.85	1.10
	Reduced-Price	0.00	0.00
	Adult	0.00	0.00
<b>LUNCH:</b>	Paid	1.75	2.10
	Reduced-Price	0.00	0.00
	Adult	0.00	0.00
<b>AFTER SCHOOL SNACK:</b>	Paid	0.00	0.00
	Reduced-Price	0.00	0.00
	Adult	0.00	0.00
<b>K-MILK</b>	Paid	0.00	N/A
<b>A LA CARTE ITEMS:</b>			

		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
<b>BEVERAGES:</b>		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
<b>SNACK ITEMS:</b>		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00



		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00

**SCHEDULE R**  
**COST AND DUTIES RESPONSIBILITIES SUMMARY**

*The LEA has deemed the following cost responsibility schedule to be a necessary part of this bid specification as an indicator of who will bear ultimate responsibility for the cost. Costs that are not provided for under the standard contract terms and condition, but are necessary for the effective on-site operation of the food service program and are directly incurred for the SFA's operation, must be assigned by the LEA and included in the RFP. The column selected by the LEA for each expense represent, whether the SFA or FSM,C is ultimately responsible for that cost.*

<u>DESCRIPTION</u>	<u>FSMC COST</u>	<u>LEA COST</u>	<u>NOT APPLIC.</u>	<u>FSMC DUTY</u>	<u>LEA DUTY</u>
<b>FOOD AND BEVERAGE</b>					
Food and Beverage Purchasing				X	
Processing of Invoices				X	
Payment of Invoices				X	
USDA Administrative Charges		X		X	
USDA Processing Charges		X		X	
USDA Delivery Charges		X		X	
<b>FSMC MANAGEMENT LABOR / FOOD SERVICE DIRECTOR</b>					
Payment of Full and Part Time Salaries/ Wages		X		X	
Payment of Student Salaries			X		
Payroll Taxes (FICA, Medicare)		X		X	
Fringe Benefits and Insurance <i>(including health, dental, life, vision, pension, disability, wellness programs, legal, 401K plans)</i>		X		X	
Worker's Compensation/Insurance		X		X	
Unemployment Compensation		X		X	

<u>DESCRIPTION</u>	<u>FSMC COST</u>	<u>LEA COST</u>	<u>NOT APPLIC.</u>	<u>FSMC DUTY</u>	<u>LEA DUTY</u>
Training and Development				<u>X</u>	
Preparation of Payroll		X		X	
Bonuses				<u>X</u>	
<b>NON- MANAGEMENT LABOR</b>					
Payment of Full and Part Time Salaries/ Wages		X		X	
Payment of Student Salaries		X		X	
Payroll Taxes (FICA, Medicare)		X		X	
Fringe Benefits and Insurance ( <i>including health, dental, life, vision, pension, disability, wellness programs, legal, 401K plans</i> )		X		X	
Worker's Compensation / Insurance		X		X	
Unemployment Compensation		X			
Training and Development				<u>X</u>	
Preparation of Payroll		X		X	
<b>FOOD AND TRANSPORT</b>					
Provide Vehicle for Transportation † † LEA would like input at time FMMC is selected		X		X	
Maintenance of Vehicle		X		X	
Provide Driver for Transportation		X		X	
Provide Food Transport Containers				X	<u>X</u>
Deliver In-District Mail			X		

*The items listed below with two asterisks (\*\*) are direct cost items that may or may not apply to the LEA. At local discretion, based upon actual practice and need, the LEA should assign cost responsibility for those items applicable to its operation or designate them as not application.*

<u>DESCRIPTION</u>	<u>FSMC COST</u>	<u>LEA COST</u>	<u>NOT APPLIC.</u>	<u>FSMC DUTY</u>	<u>LEA DUTY</u>
<b>ADDITIONAL ITEMS</b>					
Telephone		X		X	
Local		X		X	
Long Distance		X		X	
**Cellular Phones				X	
Make Equipment Purchases		X		X	
China, Glass, Flatware		X		X	
Initial Inventory				X	X
Purchase Replacement of China, Glass, Flatware During Operation		X		X	
Purchase Replacement of Expendable Equipment (Pots, Pans, etc.)		X		X	
Purchase Replacement of Non-Expendable Equipment		X		X	
Repair to Infrastructure (Vents to Outside, Gas Line, etc.)		X			X
Make Payment for Cost of Repairing Equipment		X			X
Fire/Property Insurance		X			X
Products and Public Liability Insurance				X	
Water, Gas, and Electric Utilities		X			X
Painting Kitchen		X			X
Painting Cafeteria		X			X

<u>DESCRIPTION</u>	<u>FSMC COST</u>	<u>LEA COST</u>	<u>NOT APPLIC.</u>	<u>FSMC DUTY</u>	<u>LEA DUTY</u>
Trash / Garbage Removal		X			X
From Kitchen		X		X	
From Dining Room		X			X
From Premises		X			X
Taxes ( <i>such as personal property or inventory taxes on leased equipment</i> )		X		X	
**Reimburse Travel-Local				X	
License Fees		X		X	
<b>SUPPLIES</b>					
Detergent/Cleaning Supplies		X		X	
** Paper/Disposable Supplies		X		X	
Postage †† <i>†† General mailings must first be approved by the LEA</i>				X	
Laundry Services			X		
Staff Uniforms		X		X	
Menu Paper and Printing		X		X	
Tickets Printing or Tokens			X		
**Office Supplies		X		X	
Other Janitorial Supplies		X		X	
<b>CLEANING RESPONSIBILITIES ARE LISTED BELOW:</b>					
<b>CLEANING KITCHEN</b>					

<u>DESCRIPTION</u>	<u>FSMC COST</u>	<u>LEA COST</u>	<u>NOT APPLIC.</u>	<u>FSMC DUTY</u>	<u>LEA DUTY</u>
Responsible for Daily Cleaning of Equipment				X	
Clean Hoods Within Reach				X	
Clean Vent From Hoods to Outside					X
Clean Floors and Walls				X	
Clean Windows/Blinds/Draperies					<u>X</u>
Clean Ceilings, Fans, Light Fixtures					<u>X</u>
Dishwashing				X	
Daily Cleaning of Serving/Preparation Areas				X	
Clean Tables and Chairs in Kitchen				X	
Clean Staff Locker Rooms				X	
Clean Staff Restrooms				X	
Clean and Clear Grease Traps					<u>X</u>
Daily Removal of Trash and Garbage				X	<u>X</u>
<b>CLEANING CAFETERIA</b>					
Clean Equipment				X	
Clean Floors and Walls					X
Clean Windows/Blinds/Draperies					X
Clean Ceilings, Fans, Light Fixtures					X
Clean Tables and Chairs					X
Bussing of Dishes from Tables					X
Wiping down tables between seatings				X	

<u>DESCRIPTION</u>	<u>FSMC COST</u>	<u>LEA COST</u>	<u>NOT APPLIC.</u>	<u>FSMC DUTY</u>	<u>LEA DUTY</u>
<b>SERVICES</b>					
Courier Services (i.e. bank deposits)				X	
Pest Control/Extermination		X			X
Dept. of Health Approved Kitchen Inspections		X			
Vending Machines Services/Operations			X		
<b>OTHER (identify each below)</b>					
**Promotional Services			X		
**Storage Costs:					
Food			X		
Supplies			X		
Other (specify)					

SCHEDULE S  
STANDARDIZED BUDGET AND INVOICE FORMS

See attached budget reporting and invoice form templates.