

FOOD SERVICE MANAGEMENT COMPANY (FSMC) CONTRACT RENEWAL AGREEMENT

Beaufort County School District

Contract Period: July 1, 2017 through June 30, 2018

Sodexo Management, Inc.

Beaufort County School District, hereafter called "SFA" and ~~Sodexo~~, hereinafter called "FSMC", hereby agree that the FSMC will operate the child nutrition program for the SFA during the period of July 1, 2017 through June 30, 2018.

This renewal agreement is constituted by the SFA's acceptance of the FSMC's response to the SFA's original Request for Proposal and Subsequent Contract effective July 1, 2015. The FSMC agrees to comply with all parts of the SFA's Request for Proposal and Subsequent Contract.

As a result of new USDA procurement requirements related to the competitive processing of USDA-donated foods, the existing provision under Section 5 (Terms and Conditions), Subsection D (USDA Foods), Paragraph 5 of the original Request for Proposal and Subsequent Contract is stricken and replaced with the following: "The SFA shall ultimately be responsible for USDA food processing contracts, to include compliance with all applicable federal and state requirements. While the Vendor may act as an agent on behalf of the SFA regarding the procurement of processed USDA donated foods, the Vendor is prohibited from entering into any processing contract. Any contractual agreement shall be in the name of and executed by the SFA. Further, any contractual agreement shall include adequate provisions to ensure proper crediting of the value of USDA donated foods. All goods, services, and/or funds received as the result of a rebate under a processing contract shall accrue to the SFA's nonprofit school food service account."

The base Firm Price meal rate fee for the 2017-2018 school year will be \$3.12, which includes the FSMC's management fee and the value of United States Department of Agriculture (USDA) Donated Foods as supplied by the SFA and used by the FSMC for the applicable USDA Child Nutrition Programs. The FSMC agrees to pay the SFA the sum of \$119,980 for costs identified during this period as "indirect cost" in the Contract. The guaranteed return to the SFA during this period will be \$150,000.

In addition, the FSMC may receive an additional \$.06 per reimbursable student lunch conditional upon the FSMC providing reimbursable lunch and breakfast meals that meet the current Food-Based meal pattern and nutrition standards required by USDA for all schools identified by the SFA in the Contract that have been certified and validated by the South Carolina Department of Education (SCDE). However, if the lunch and breakfast meals do not meet these standards as determined by USDA, SCDE, or any other government entity with monitoring authority, the FSMC shall reimburse the SFA in the amount equal to the sum of all meal rate fee(s) paid to the FSMC from the date of implementation of the meal rate fee through the date of such determination.

The following supporting documents must be included with and become part of this renewal agreement:

1. A copy of any amendments, subcontracts, letter agreements, or other relevant documentation pertaining to the Contract which has not previously been furnished to SCDE;

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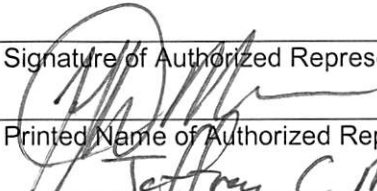
2. An amended list of schools, if the SFA has added/deleted schools to/from the Contract;
3. Documentation through cost or price analysis supporting a request for an increase in the meal rate fee charged by the FSMC. The average percentage increase in the "food away from home" series of the Consumer Price Index from April 2016 to April 2017 is **2.3%**. This is the **maximum** percentage of increase that will be approved.
4. A copy of FSMC's current certificate of liability insurance coverage naming the SFA as the certificate holder and/or additional insured; and
5. A copy of the performance bond or performance bond continuation certificate for the period of July 1, 2017 through June 30, 2018 in the amount of 10% of the annual Contract value.

No modifications or changes shall be made to this Contract without full consent of all signatories. Any additions or changes to the Contract that change or negate the mandatory portions of the Contract as written shall automatically invalidate the Contract.

ATTEST:

**SCHOOL FOOD AUTHORITY
(SFA)**

Witness

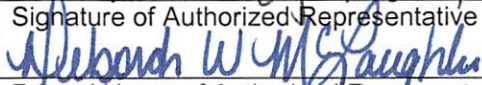
Name of SFA
Signature of Authorized Representative 
Printed Name of Authorized Representative Jeffrey C. Moss
Title Superintendent
Date 6-27-17

ATTEST:

**FOOD SERVICE MANAGEMENT COMPANY
(FSMC)**

Witness



Name of FSMC Sodexo Management, Inc.
Signature of Authorized Representative 
Printed Name of Authorized Representative Deborah W. McLaughlin
Title Vice President
Date 7-17-17

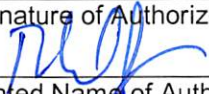
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APPROVAL:

SOUTH CAROLINA DEPARTMENT OF
EDUCATION
(SCDE)

Signature of Authorized Representative	
Printed Name of Authorized Representative	Ronald F. Jones
Title	Director
Date	7/26/17