

Dell Rapids School District 49-3
FSMC RFP #SY2022-2023(1)
FSMC Respondent Questions & SFA Answers

1. On page 10 of the RFP, it notes: Proposals will be opened on April 14, 2022. Do you expect or would you like FSMC's to be present on April 14th when proposals are received and opened?

Response: FSMC's do not need to be present on April 14th when proposals are opened.

2. On page 8., 14. The Meal Equivalent Factor (MEF) is listed at \$4.01 and shall remain fixed for the term of the Contract and all renewals. It is in the best interest of the SFA to increase the MEF and MEP by the CPI every year. If the MEF goes up significantly due to inflation and our CPI is less, it will cause the district margin to go negative. Does the SFA agree to increase the MEF and MEP by the CPI?

Response: The MEF calculation formula is what remains fixed. The MEF is not listed as \$4.01 for the term of the contract and all renewals. The MEF of \$4.01 is only an example of the calculation for SY2021-2022. As specifically required by South Dakota Child and Adult Nutrition Services, the MEF (non-reimbursable meal equivalency) will be calculated each year (including 2022-2023) by adding the federal free reimbursement rate, the performance reimbursement rate, the value of USDA entitlement foods, and the state match.

The price/rate charged by the FSMC for each non-reimbursable meal (page 86) will increase annually based on the CPI, just as the price/rate for lunch and breakfast will increase annually by the CPI.

It is likely the CPI increase will not be the same percentage increase as the calculated MEF increase, and the SFA is aware this will negatively impact either the SFA or the FSMC.

3. In the current contract, PreK is comingled with the elementary students. Does the district anticipate this continuing?

Response: The Dell Rapids School District does not have, and has not had, a PreK program other than half-day age 3-5 SPED instruction for a few students. None of these students eat school lunch.

Students in the district's K-Prep program are kindergarten age, considered kindergarten students, and are included in kindergarten numbers.

4. In most contractual partnerships a material change threshold is included. This is to define what constitutes a material change and would ultimately cause the school to have to rebid the program contract. In other states "Material change" means a change in the contract that modifies the scope of services to be provided by the FSMC that is beyond the scope or original intent of the RFP/Contract or results in an equal or results in an increase of less than 10% change of the total one-year contract value. Would the SFA be agreeable to setting a threshold of what constitutes a material change to the terms of the contract to the language above and have it set to be less than 10% of the total one-year contract value?

Response: No set material change percent is allowed because it was not in the RFP. An additional 10% allowance would be an invitation to a bid protest since other vendors may have bid differently if they knew their price could be increased by 10%. Any change in a contract could conceivably be considered a material change, so any proposed contract amendments will have to be individually determined as material or non-material after consultation with legal counsel and SD CANS.

5. On page 49, 9. Facilities and equipment at the SFA as well as food purchased for the SFA shall be used solely for meals and events at the SFA. Use of facilities and equipment for preparation of meals for other entities must be identified in the RFP process and payment made by the FSMC to the SFA for these meals prepared under separate contracts or agreements. Examples include but are not limited to preparation of meals for programs not operated by the SFA such as other schools, childcare centers, Head Start sites, senior meals, summer programs, and other catering.

The FSMC shall provide additional food service, such as banquets, parties, refreshments for meetings, etc., as requested by the SFA. The SFA or requesting organization will be billed for the actual cost of food, supplies, labor, and the FSMC's overhead and administrative expense if applicable to providing such service. USDA donated foods shall not be used for these special functions.

- A. Regarding the highlighted above: Does the SFA agree that if additional preparation of meals by the FSMC using the school facilities for other entities such as any school, childcare center, head start sites, senior meals, summer programs and other catering opportunities present themselves that were unforeseeable or unknown and not addressed within the RFP, that the FSMC may be allowed to utilize the kitchen facilities only with the permission of the SFA?

Response: No. Per the SD CANS FSMC RFP prototype, use of facilities and equipment for preparation of meals for other entities must be identified in the RFP process and payment made by the FSMC to the SFA for these meals prepared under separate contracts and agreements. The Dell Rapids School District does not currently have, and has no plans for, agreements for preparation of meals for other entities, so none have been identified in the RFP.

- B. Does the SFA agree that a mutually agreeable fixed price can be negotiated by the SFA and the FSMC to allow for the FSMC to pay the SFA for the use of the facilities? This fixed price would increase only to the CPI and the FSMC attests that any additional meals that are negotiated and prepared on site, would not utilize the SFA's commodities and be treated as a direct catering by the FSMC.

Response: A fixed price for use of facilities is not needed. The FSMC can provide catering, such as banquets, parties, refreshments for meetings, etc., as requested by the SFA. Such service must be for the school, and not for outside entities. The requesting school organization (such as the Wrestling Club, FFA, prom, teacher appreciation, activities director, school principal) would be billed for catering which includes the actual cost of food, supplies, and labor. USDA donated foods cannot be used for these special school functions. South Dakota sales tax must be charged if the food service is provided to a school club.

6. On page 67, VIII. Grade and Quality Specifications, A. Meats, 2. Poultry, U.S. Grade A specification reads as follows:

Where available, chicken products such as nuggets and strips should contain 100% chicken as a protein source with no fillers or protein replacement products such as Isolated Soy Protein (ISP), Textured Soy Protein (TSP), egg, or dried egg.

In the current contract, this food specification is what is currently required. For clarification purposes, you intend to have all FSMC's propose pricing based on this specification, correct?

Response: Yes, all FSMC pricing proposals must include poultry products that meet the listed quality specification of 100% chicken.