

RECOMMENDED TERMS AND CONDITIONS

The following areas are *suggested* for both contract types and may be added to the standard bid/contract forms included in this package in order to ensure quality meal service, and to help prevent serious problems once the contract is awarded and operations have started:

- **Pre-Bid Meeting** - This is recommended especially for sponsors going out to bid for the first time. Prospective bidders can ask for clarification of the bid specifications and visit sites where meals will be delivered. Sponsors should not compromise the bid specifications during this meeting but should respond to any inadvertent ambiguities or unreasonable provisions, which may limit competition or affect the quality of bids submitted. Sponsors must communicate any and all revisions to the specifications that may result from this meeting to all prospective bidders in writing, and should give this notice in sufficient time for the bidders to submit responsive bids.
- **Truck Routes** - A timeline should be established for the contractor to submit the number of trucks and truck routes for meal delivery. A truck route is a listing of sites per vehicle in the order in which meals will be delivered. It does not establish delivery times. Also, the sponsor should establish procedures and timelines for reporting any site activity that affects the regular delivery of meals.
- **Pre-Program Delivery Schedule/Trial Runs** - A trial delivery run may be made prior to the bid submittal especially when the sponsor finds (from past experience) that contractors have had difficulty meeting specified delivery times.
- **Menu Substitutions** - The sponsor should only consider menu changes when a scheduled item is unavailable to the contractor. When a decrease in quality occurs, specifications should require that the contractor change another day's menu to maintain the quality standards reflected in the bid specifications. Meal quality must be maintained in menu substitutions.
- **Meal Adjustments** - The sponsor should designate the person(s) within its organization authorized to contact the contractor when meal increases/decreases and site openings/closings occur.
- **Disallowances** - Clearly establish the conditions under which meals will be disallowed (when delivered late, variation from menu, etc.) Establish a procedure for adjusting the contractor's billings for meal disallowances.
- **Contract Extensions** - The sponsor and the Food Service Management Company (FSMC) may agree to extend the contract. Such extensions must be executed prior to applying for participation in subsequent SFSPs. The original contract period shall be of duration of no longer than one year and options for the yearly renewal of a contract may not exceed four additional years.
- **Contract Cost Increase** – The SFA may negotiate at the end of each one year contract period for the cost increase not to exceed the annual percentage of increase of the New York-Northeastern New Jersey Consumer Price Index for all urban consumers for the preceding year. The FSMC must satisfactorily establish that there has been at least an equivalent increase in the amount of its cost of operation during the period of the contract.
- **Use of Small and Disadvantaged Businesses) (Part 200.321 OMB Circular)**
The non-Federal entity must take all necessary affirmative steps to assure that minority business, women's business enterprises, and labor surplus area firms are used when possible.