

Montana Department of Public Health & Human Services	Policy
	MT CACFP 2016-7
	Section: All Institutions
Child and Adult Care Food Program	Subject: Food Service Management Company Procedures
	Date: 9/1/2016

## FOOD SERVICE MANAGEMENT COMPANIES

Institutions that operate the CACFP may choose a Food Service Management Company (FSMC) to provide services such as serving, producing and supplying prepared foods. A FSMC can also provide program, operational, facility management and staffing services to the institution.

In general, FSMC services will require a competitive procurement and a resulting agreement as the yearly cost is over \$150,000. An example resulting agreement between an institution and a FSMC is available from the State agency on the CACFP website ([www.bestbeginnings.mt.gov](http://www.bestbeginnings.mt.gov)). Institutions considering using a FSMC in the operation of their CACFP should contact the State agency for assistance.

Institutions typically use a Request for Proposal (RFP) format to procure a FSMC. The RFP format allows the institution to award the Agreement based on a combination of the lowest price and how well the proposals meet the evaluation criteria established by the institution.

Institutions using a FSMC will follow CACFP regulations contained in CFR 226.21, Food Service Management Companies. All procurements of meals from a FSMC shall adhere to the procurement standards set forth in CFR 226.22, Procurement Standards.

Institutions using a FSMC must supply a completed agreement between the institution and the company in their initial CACFP application or their application update, for approval by the State agency prior to the start of services.

Ref: FNS Instruction 796.2 Rev 4 Financial Management – Child and Adult Care Food Program, Food Service Management Companies.