

## Calculation of Lunch Equivalent Rate (to be completed by the SFA)

Current Year Federal Free Rate of Reimbursement: 3.47

Current Year Value of USDA Entitlement Donated Foods: \$38,703.64

Current Year Value of USDA Bonus Donated Foods:

**Total Lunch Equivalent Rate: \$3.47**

FF. The FSMC shall provide staff to manage the food service operations and supervise all employees employed therein.

GG. The charge to the SFA/Sponsor for FSMC's fee is to be clearly identified in the proposal. Fees imposed by a FSMC outside of this contract may not be paid for with Child Nutrition Funds.

HH. Procurement/Payment Terms/Method: The FSMC shall invoice the SFA/Sponsor at the end of each month for amounts due based on on-site records. The SFA/Sponsor shall make payments within 30 business days of receipt of the invoice. Upon termination of the Agreement, all outstanding amounts shall immediately become due and payable. This prototype specifies the meal fee structure as a maximum flat fee per reimbursable meal served to a student (not number of meals delivered). The maximum flat fee per meal includes the allowable direct costs of the preparation and service of the reimbursable meals including food, labor, and other expenses. The flat fee proposed for meals served under the NSLP, SBP, SFSP, and CACFP must include the cost of serving milk. No other fees may be charged to the SFA/Sponsor.

Federal regulations allow contracts to be of a duration no longer than one year with the option of yearly renewals not to exceed four additional years (7CFR 210.16(d)).

## Prices per Meal Equivalents

### To be completed by the FSMC:

Fixed Price per Lunch Equivalent:       \$    3.2900

Fixed Price per Breakfast Equivalent   \$    2.2043  
(67% of the Fixed Price for Lunch Equivalent)

Fixed Price per Snack Equivalent       \$    1.0857  
(33% of the Fixed Price for Lunch Equivalent)

The fixed price per meal/lunch equivalent will be subject to an annual escalator provision, made at the time of contract renewal, based on the CPI for Food Away from Home. The specific CPI used will be the CPI for All Urban consumers as of January of the current year (rounded down to the nearest cent). The prices above must be the same as the contract price for reimbursable meals.

II. The FSMC shall make substitutions in the food components of the meal pattern for students with disabilities when their disability restricts their diet as stated in the students' *Individual Educational Plans (IEPs)* or 504 Plans and those non-disabled students who are unable to consume regular meals because of medical or other special dietary needs. Substitutions shall be made on a case-by-case basis when supported by a statement of the need for substitutes that includes recommended alternative foods, unless otherwise exempted by USDA. Such statement shall be signed by a medical doctor or a recognized medical authority. There will be no additional charge to the student for such substitutions.

JJ. The SFA/Sponsor will make the final determination of the opening and closing dates of all sites, if applicable.