April 11, 1994

Reply to attn of: MWCN-101: NT 2

Subject: FY 1994 School Program Policy Memorandum #4

Requirement to Competitively Rebid for Food Service Management Company (FSMC) After Joining National School Lunch Program (NSLP)

State Directors

Child Nutrition Programs

We have recently received inquiries about whether a school food authority (SFA) which currently has a FSMC and is not participating in the NSLP must rebid for a FSMC upon joining the NSLP. The answer is that the SFA must competitively bid again so that all regulatory provisions are included in the contract, such as procurement stipulations. Also, federal regulations require free and open competition which would not occur if a SFA was permitted to amend its FSMC contract and not open the bidding process to competitors.

If you have any questions, please contact this office.

Signed by ?

THERESA E. BOWMAN

Regional Director

Child Nutrition Programs