

ADDENDUM

Form #17FP
Revised March 2019

II Standard Terms and Conditions

A. Scope and Purpose

1. The FSMC shall operate in conformance with the SFA's Policy Statement and Program Agreement with NJDA.
2. The FSMC shall be an independent contractor and not an employee of the SFA. The employees of the FSMC are not employees of the SFA.
3. The food service provided by the FSMC shall be operated and maintained as a resource to the SFA's students, faculty, and staff and not as a source of profit to the FSMC.
4. The FSMC shall comply with the rules, regulations, policies, and instructions of NJDA and the USDA, and any additions or amendments thereto, including but not limited to, 7 CFR Parts 210, 215, 220, 245, 250, 3017, and 3018; 2 CFR Part 200; and 7 CFR Parts 225 (SFSP) and 226 (CACFP), as applicable.
5. All income accruing to the food service program as a result of payments by children and adults, federal and state reimbursements, and all other income from sources such as donations, catering, grants, loans, etc., shall be deposited into the SFA's food service account. Any profit or guaranteed return shall remain in the SFA's non-profit food service account. This is a non-profit program and, as such, the SFA's food service account should retain a maximum balance of three (3) months average operating expenses as is required in 7 CFR 210.9(b)(2).
6. **Guarantee:** The SFA may require any FSMC submitting a proposal to guarantee a minimum surplus dollar amount. **Note: This request is optional. Complete this section and provide an amount only if the SFA seeks to have a required minimum guarantee in this contract/RFP**

\$ 20,000

The documentation (budget) supporting the Guarantee is to be submitted on the Response and Projected Operating Statement (Form #23FP). The FSMC's guarantee (breakeven, return or loss) dollar amount is documented on page 1 of the Response and Projected Operating Statement (Form #23FP). If the FSMC proposes a guaranteed return or loss, it must be **unlimited**. Guarantee **options** are listed below:

- a. **Guaranteed Loss:** FSMC guarantees that the SFA's invoiced total per meal charges for the current year shall exceed gross receipts for the current year by no more than stated and documented in the Response and Projected Operating Statement (Form #23FP). The FSMC agrees to reimburse the SFA for the amount, by which the SFA's actual deficit for the current year is greater than the Guaranteed Deficit for the current year.