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**TESTIMONY CONCERNING SCHOOL DISTRICT CONTRACTS WITH FOOD SERVICE
MANAGEMENT COMPANIES (FSMCs)**

September 17, 2018

Submitted By: Melanie Schulz, NJASA Director of Government Relations

Good afternoon Chairman Andrzejczak , Vice Chair Houghtaling and Members of the Assembly Agriculture and Natural Resources Committee.

Please see the attached letter sent to Secretary Douglas H. Fisher, New Jersey Department of Agriculture on January 16, 2018.

NJASA opposes the Department of Agriculture’s decision to move from a “Cost Reimbursement Basis” to a “Fixed Price Basis” method of contracting for food service management companies.

“Cost Reimbursement Basis” allows school districts the ability to design a food service program that has the flexibility of meeting the needs of its children they serve. Whereas the “Fixed Price” procurement system would dramatically reduce the district’s ability to change or alter its food service operations without the need to rebid for food service managements services, possibly impacting the quality of the meals served and limiting the number of competitive proposals received by boards of education.

Thank you.