



Nutrition and Aging Resource Center

Evaluating Food Service Approaches for Senior Nutrition Programs

There are multiple approaches local service providers (LSP) can take regarding food service – self-operation, contracting with a caterer, using a food service management company (FSMC), or some combination of the three. This tip sheet is designed to help LSPs evaluate the various approaches and make an informed decision – one that improves their ability to manage market and labor fluctuations, sudden service disruptions, and projected service demands.

Types of Food Service Approaches

Self-Operated

With this approach, LSP staff manage all food service activities such as licenses, inspections, policies, menus, recipes, product specifications, purchasing, hiring, and training of kitchen staff. Kitchen facilities may be owned, donated, or rented by the LSP.

LSPs with kitchen facilities, even limited ones, may decide to make part of the foods or meals in-house as a start to self-operations, to increase variety and freshness, to increase donations and revenue, or to increase quality. Decisions on what might be made can be guided by state and local food safety requirements, product demand, procurement requirements, available equipment, nutrition standards, and staff skills. Brainstorm what the LSP can do safely and economically. Examples of ways to experiment with self-operated food service before making a major shift in operations include, but are not limited to:

- Expand choice by preparing an item or group of items the center has the equipment and staff skills to prepare. Consider freshly steamed vegetables (from frozen), tossed or spinach salads, or freshly baked rolls from frozen dough. Consider offering this once per week to start.

- Plan and prepare one meal per month in LSP facilities by LSP staff.
- Ask the caterer to deliver a meal chilled before it is cooked and cook the food fresh on site.
- Add breakfast offerings with overnight oats, boiled eggs, or yogurt parfaits.
- Invite a guest chef to prepare a culturally focused meal in the facility on a quarterly basis.

Catering Contracts

With this approach, the LSP contracts to purchase meals, beverages, and condiments from a caterer. Non-food supplies such as paper products, plates, and utensils may be included in the contract or purchased separately by the LSP. Caterers may be located off-site or may use LSP kitchen facilities. The chart below includes restaurants contracted to cater meals.

Restaurants serve as caterers when delivering prepared foods to meal sites. A restaurant partnership may include meals provided at the restaurant, food trucks, café models, carry-out, or “grab-n-go”. For more information, see the Nutrition and Aging Resource Center [Restaurant Partnerships](#) webpage.

FSMC

FSMCs are national or regional companies contracted to operate all aspects of food service in locations such as hospitals, schools, colleges, and senior dining programs. FSMCs generally use LSP facilities and provide menu and management expertise, policies, procedures, forms, and human resource management. Each company may have additional pros and cons to consider. In addition to reviewing the chart below, review [Contracting Tips for Purchasing Meals](#), which outlines the recommended process for sourcing meals to help you better assess the options.

Program Evaluation on Meal Cost

The [2015 Older Americans Act \(OAA\) Nutrition Program Evaluation Cost Study Report](#) (2015 Cost Study) showed that using more than one food service approach is common. Nearly half (47%) of congregate programs and 32% of home-delivered programs reported using multiple approaches for meals. The 2015 Cost Study also showed that LSPs that obtain at least some meals from a central kitchen had the lowest total paid cost per meal. Meal vendors and restaurant programs may help control costs by leveraging volume and reducing the need for food service labor costs, but may increase LSP central administration costs related to contract administration. Knowing the total cost per meal for each approach aids in selecting the right mix of high quality and cost-effective food service approaches. For more

information on calculating meal cost, see the resource [Identifying the Total Cost of a Meal](#).

Comparison of Features

(Y=yes; N=no)

Feature	Self-Operated	Catering Contracts	FSMC
Control of meal quality before service (such as the degree of doneness, freshness of food, seasoning level, food consistency, time of arrival, or correct temperatures)	Y	Y (on-site only)	Y (on-site only)
Control of service decisions (such as changing the menu, changing a food item, changing the delivery time, or serving a different or additional meal)	Y	Depends on contract	Depends on contract
Control of food sources (such as use of local foods, food donations, gleaning)	Y	Depends on contract	N
Group purchasing organizations or collaborations (to leverage purchasing power and control food cost)	Y	Y	Y
Independence (nimbleness during business disruptions to adjust service delivery, adapt to supply chain issues, limit impact of contract cost changes or sudden closings, and hold firm to the mission and values of the LSP)	Y	N	N
Limited LSP facility size (such as limited kitchen space, storage space, and ability to increase physical footprint)	N	Y	N
Streamline LSP operations (such as food service management, maintenance, and accounting)	N	Y	Y
Meal cost (known to vary by program, program size, and geographic region)	Based on market price & ability to adjust menu	Predictable if based on fixed unit cost	Predictable if based on fixed unit cost

Feature	Self-Operated	Catering Contracts	FSMC
Menu development	Can purchase or self-develop	Variable	Part of service
Pricing transparency (such as cost of ingredients, non-food supplies, labor, fixed and variable costs)	Y	N	N
Simplified procurement compliance (related to federal, state, and local requirements)	N	Y	Y

Additional Factors to Consider

There are many factors that LSPs should consider. They must decide which factors are most important and what options may best meet their needs. The additional information below is to help LSPs self-reflect to determine their best options.

Facility and Menu Considerations

This section applies to self-operated but may also apply to FSMC and catering contracts if the contractor will use an LSP kitchen.

1. What is the timeline and scope of any proposed change?
2. Do kitchen facilities need to be renovated, built, purchased, provided as in-kind, or leased?
3. How are the number and volume of congregate and home-delivered meals and sites projected to change in the next five to 10 years?
4. Are changes in congregate meal site locations needed due to demographic changes or population shifts?
5. How are the types of meals offered projected to change in the next five to 10 years? Will current facilities and equipment be sufficient?
6. Is the need for culturally specific meals in the community met?
7. What are the local health and safety requirements related to food service licensing, inspections, staff, policies, and procedures?
8. Can some meals or some foods be made at any meal site in the region?
9. Does the state unit on aging require nutrient analysis, or are meal patterns allowed?

10. What is the program's back-up plan in case a meal provider is suddenly unavailable, or the program or area experiences a disaster?

Funding and Partnership Considerations

1. Is the LSP able to engage in public-private partnerships to fund kitchen facilities?
2. Are the local and state governments supportive of funding a kitchen project for the LSP?
3. Is there an established meal reimbursement rate or other requirements regarding how state and local funds can be used to support meals or kitchen facilities?
4. Do grant opportunities exist to fund meals or a kitchen?
5. Will the program provide multiple options for meals for clients to select? Will the program offer evening, breakfast, or weekend meals?
6. What is the anticipated change in cost using your existing vendor(s)?
7. To consider self-operating, what are the cost estimates for staffing and a kitchen compared to using an FSMC or catering contract?
8. Which organization – the LSP or the vendor – will have a registered dietitian nutritionist to approve the menus?
9. In what other ways might a kitchen serve the community, bring in additional revenue, or support important partnerships?
 - After school, child, and adult care or disability programs
 - Nutrition education and cooking programs
 - Retail catering services
 - Banquet space
 - Culinary training and workforce development
 - LSP fundraisers
 - Local jobs
 - Public kitchen rental for events

Vendor Considerations

These apply to FSMC and catering contracts.

1. Is the service of the current meal provider satisfactory according to quality evaluations and contract compliance?
2. Would a larger field of businesses bidding to provide services improve food quality, expand participant choice, or increase donations?
3. Is there a way to increase meal volume, such as creating a consortium, to attract more bidders?

4. Is the current contracted meal provider using equipment purchased with OAA Title III-C funds?
5. Are there local restaurants with potential to serve as a congregate meal site or caterer?
6. If sharing kitchen space, how will inventory and supplies be tracked by the program?
7. If caterers or FSMC staff interact with LSP clients, do their training and background checks align with the agency's requirements?

Request for Proposal (RFP) Considerations

These considerations apply to FSMC and catering contracts.

1. Do proposals include clear responsibilities and include monetary consequences for the vendor if food provided is spoiled, does not meet quality or nutritional content standards, or does not arrive on time?
2. Do proposals state the amount of time meals spend in transit to each delivery point and/or have a minimum/maximum temperature at arrival?
3. Do proposals outline communication expectations related to production requests, such as meal count changes or other notifications?
4. Do proposals include the roles, responsibilities, background checks, and required training related to client contact?
5. Do proposals include required menu meetings, types of menus needed, special events, and incorporation of client feedback in menu development?
6. Do proposals include performance measures with the frequency (daily, weekly, monthly, or quarterly), the timeline for corrective action, and how the measures are evaluated?
7. Do proposals address contract renewal timelines and clearly outline the process and basis for vendor price change requests? If volume-based pricing is used, include thresholds for renegotiation based on pricing.

Resources

Below are select resources that may be helpful to LSPs exploring options. Find additional resources on the [Nutrition and Aging Resource Center website](#), which is updated frequently.

- [Options for Contracting Meals](#) – How to choose the right meal provider for your program
- [Contracting Tips for Purchasing Meals/Food](#) – Outlines the recommended process for sourcing meals

- [Purchasing Foodservice Software Guide](#) – Considerations and a comparison of software
- [Introduction to Food Production and Service](#) – Penn State textbook with a section on menus and recipes
- [Maximizing Use of Commercial Kitchens for Senior Nutrition Programs](#) – Opportunities and challenges
- [Restaurant Partnerships](#) – Resource Center webpage with multiple resources for partnering with restaurants
- [Cost Study Report](#) – Part 2 of the 2015 Older Americans Act Nutrition Programs Evaluation
- [Proposal to Hire a Kitchen Manager](#) – Proposal example from MSAC Feast Meals, a local service provider