

SCOTIA-GLENVILLE CENTRAL SCHOOL DISTRICT

BOARD OF EDUCATION MEETING – JUNE 24, 2019
CHILD NUTRITION PROGRAM AS PRESENTED BY HMB
CONSULTANTS, LLC
JIM & HEATHER BIGLEY, FOOD SERVICE CONSULTANTS

2018-19 NEW CONTRACT

- This 2018-19 School Year was the first of a potential five-year contract with Chartwells Dining Services as the Food Service Management Company operating the District's Child Nutrition Program.
- As required by SED, all District must rebid their Child Nutrition Contracts every five years.
- We were able to maintain the quality of the program with retention of the many fresh fruits and vegetables now being offered, the popular yogurt parfaits as well as the addition of the Boars Head deli meats.

FINANCIAL PARTNERSHIP

- It is refreshing to see that with the new contract, both the District and Chartwells are meeting their financial goals.
- We required in the contract specifications that the Food Service Management Company return a minimum of \$30,000.00 back to the "C" Fund to be used for internal child nutrition expenses.
- At this point through May, Chartwells has met their District contractual obligation and has generated a profit for the company.
- In keeping in line with the USDA Price Lunch Equity Tool, the District should consider a \$.10 lunch price increase:
 - Stay in line with what the SED Paid Lunch Equity Tool requires (\$.10)
 - Offset the CPI-U increase to Chartwells for next year
 - Counterbalance the negative balances that the District has experienced this year.

CONTRACT COMPLIANCE

- During the 2018-19 School Year, HMB Consultants performed an onsite self-review of each school as well as a contract compliance audit.
- The self-reviews are required by the USDA as part of the Healthy, Hunger-Free Kids Act of 2012 and shall be completed by the District's designee, and not the FSMC.
- Through onsite visits and observations of the breakfast and lunch programs, HMB Consultants assessed areas for improvements and recognized successes.

REVIEWS AND RECOMMENDATIONS

- With each school visit, HMB Consultants reviewed the operation and made recommendations for improvement where needed.
- These recommendations are conveyed to Mr. Giaquinto who then meets with Mr. Stowell, the Chartwells Food Service Director.
- Modification of recipes to reflect the contract-specific larger size pizza at the MS & HS
- Adjustments to the production records to identify the a la carte entrees from the reimbursable entrees
- Ensured each building was fully staffed according to the requirements within the contract
- Identified items within the Point of Sale System where the pricing needed to be corrected

REVIEWS AND RECOMMENDATIONS

- **Menus:**
 - We reviewed each month's menus prior to publication to ensure compliance with all Healthy, Hunger-Free Kids Act Requirements and those specific to the Scotia-Glenville CSD. Our suggestions diminished as the year went on, as Mr. Stowell adapted to the USDA and contract requirements.
- **Production Records:**
 - These must be completed daily for each meal period at each school. We analyzed the records at each school to ensure compliance. Overall they were very well done, with one building lead needing a bit more training. These records are critically important for menu planning, portion preparation and nutrient analysis.

REVIEWS AND RECOMMENDATIONS

- Offer vs. Serve:
- On each serving line, we look for all required components offered to the students
- We work with the cashiers to encourage students take the full reimbursable meals, but not take more than they desire to decrease plate waste
- With the implementation of Breakfast in the Classroom (BIC), we worked with Scott to ensure that all 4 components at breakfast were offered. There was some initial confusion on the actual distribution of the breakfast meals, but we rectified all areas prior to the NYS Administrative Review.

NYS EDUCATION DEPARTMENT ADMINISTRATIVE REVIEW

- Every three years the State Education Department reviews all the Child Nutrition Programs in the State. In 2018-19 it was again our turn and all went well.
- This is an in-depth review that monitors all of the regulations from the Free & Reduced application process to the daily offerings at both Breakfast & Lunch.
- Our self-review process has indicated that Chartwells is operating within all USDA and NYS regulations which is expected and required but is nice to hear from the State reviewers when they are on-site

NYS 30% INITIATIVE

- In 2018 the State Legislature passed and Gov. Cuomo signed what is now being termed the NYS 30% Initiative
- This is a program to assist all Child Nutrition Programs and farmers in NYS
- How does it work:
 - School Districts must purchase 30% of their “Lunch” food items that go into making a reimbursable meal from NYS farmers, producers, manufacturers or processors
 - 51% of all products’ raw ingredients must be produced in NYS
 - Should the criteria be met, documented and approved by SED, the District would receive a \$.19 per meal increase to each lunch reimbursement the following year.
 - It is marketed as a \$.25 increase per meal but you receive \$.0599 currently.

NYS 30% INITIATIVE

- The key here is the 51% raw ingredients. As an example, we initially thought that if a District were to operate their lunch costs at \$1.00 per lunch (which is realistic) then a mere \$.30 per meal would need to be purchased from NY vendors, etc.
- With a carton of milk costing \$.22, add a local apple \$.16 and a slice of bread \$.04, we thought everyone would qualify. However, the bread needs to be grown and harvested in NYS and apples are not chosen by every student everyday. As a result, it is not as easy as originally thought to meet the 30% criteria.
- The approval process: the District must track purchases each year and if approved, the additional reimbursement would be forthcoming the following year

NYS 30% INITIATIVE

- Chartwells did not meet this criteria in 2018-19.
- Chartwells is currently working on sourcing a NYS milk provider to accomplish the biggest portion of the 30%
- Chartwells must comply this coming 2019-20 school year so the District can receive the additional funding in 2020-21
 - With over 180,000 lunches served in a year, the additional reimbursement would equate to over \$34,000.00 annually
- Chartwells knows the importance of this and will hopefully meet the 30% goal this coming 2019-20 School Year

CONCLUDING RECOMMENDATION TO RENEW

- Based on Chartwells' ability to provide a quality Child Nutrition Program that conforms to the contract specifications, it is HMB Consultants' recommendation that the District renew the Child Nutrition Contract with Chartwells for the 2019-20 school year.
- Renewal pricing (per meal) is based on the May CPI-U = 1.5%
 - This is the only increase to Chartwells from the District
 - Chartwells must still meet or exceed all financial and operational requirements as stated in the contract, including annual labor increases.
- QUESTIONS?