



**Shrewsbury Public Schools
Massachusetts 01545**

**Beth Nichols
Director of Food Services**

September 13, 2017

To: School Committee

Subj: 2016-2017 Food Service Department Executive Summary

Overview

The Food Service Department's goal is to serve nutritional and appetizing meals to our customers. The Department is committed to interacting with courtesy and respect, supporting a positive learning environment and promoting the District's strategic priority of Health and Wellness.

Offerings

The Food Service Department offers:

- Lunch Program for grades K-12
- Breakfast at the Coolidge, Middle and High Schools
- Kindergarten and Preschool Snack Program
- Catering and Vending Services.

Staff

The Department employs a Food Service Director, a 30 hour per week Administrative Assistant and 42 Union Employees, 18 of which are full time staff (over 20 hours and benefit eligible) and 24 of which are part time. Last year another part time aide position (19.5) hours was added to the High School Staff.

All employees participated in trainings throughout the school year to meet the USDA Professional Standards Requirement. The annual required training hours increased in the 2016-2017 school year to: twelve hours of Director training, ten hours of Manager training, six hours for Staff working over twenty hours per week and four hours of training for Staff working less than twenty hours per week. Staff have exceeded the required training hours (246) this year (328).

All employees are Serve Safe certified and certified in Allergen Training. Also all Managers have maintained their Level I Certification through the National Office of the School Nutrition Association, which requires 30 hours of professional development every three years.

Union Contract

A three year contract, July 2016 through July 2019 was successfully negotiated and ratified between the Shrewsbury School Committee and SEIU Local 888.

Menus

Many menu choices are offered daily at the various schools. Students are able to use the salad/fruit bars with the purchase of a meal or as a meal in itself. A variety of fresh fruits and vegetables are offered daily. All grains offered are whole grain products. All meals are prepared on site. All meals served meet USDA nutritional requirements. Staff served 408,505 lunches and 15,578 breakfasts last year. Our menus are posted online and in each school cafeteria .

Marketing

A district wide bimonthly email: "What's on the Menu?" is emailed to all school families in Shrewsbury. The monthly issues feature: Nutritional Information, Menu Highlights, POS Incentives and Department News. Many families have taken advantage of the money saving promotions. The monthly promotions have helped promote our program to families.

Legislation Update

USDA Memo SP 46-2016 Unpaid Meal Charges

USDA memo SP 46-2016 Unpaid Meal Charges requires all states, no later than July 1,2017 "must have a written and clearly communicated meal charge policy in order to ensure a consistent and transparent approach to this issue." Meal charge policies must be provided to households at the start of each school year and to households that transfer to the school district during the school year. The administrative policy sent to Shrewsbury Households in September 2017 is at the end of this report.

Procurement Review

Procurement reviews began last school year as part of the 3 year program review. Food Service Program's Procurement Practices will be reviewed to make sure they are in compliance with both federal regulation: Super Circular 2 CFR 200 and state law: MGL c. 30B The Uniform Procurement Act. The federal procurement regulations are stricter than those of the State of Massachusetts.

USDA Press Release May 5, 2017

USDA will allow schools flexibility in meeting the 100% whole grain requirement in School Year 2017-2018. For the School Year 2017-2018 through 2020, schools will not have to meet stricter Sodium Targets that were previously proposed. Additionally U.S.

Secretary of Agriculture Sonny Perdue will direct the USDA to allow schools to serve 1% flavored milk instead of the current requirement that flavored milks be skim.

Direct Certification Update

Beginning May 2017, data matching through the Virtual Gateway Direct Certification uses State Medicaid Data for both free and reduced meal benefit eligibility. Prior to May 2017, data was used only to directly certify free benefits.

Smarter Lunchroom

The Smarter Lunchroom movement applies research-based principles to drive students to eat nutritious foods. Last year the Massachusetts Department of Elementary and Secondary Educations' Office for Food and Nutrition Programs in collaboration with the John Stalker Institute of Food and Nutrition at Framingham State University funded the Massachusetts Smarter Lunchroom Initiative. Over fifty schools in Massachusetts participated in this initiative, in school year 2016. This year Oak Middle School was given the opportunity to be part of this initiative at no cost to the District.

This program provided Oak Cafeteria 2 visits from a certified Smarter Lunchroom Coach. The initial 3 hour visit comprised of: completing the Smarter Lunchroom Scorecard, doing staff training and the set up an action plan. The second 2 hour visit was a follow up to the first to evaluate the success of the action plan. The assessment resulted in Oak Cafeteria being awarded a Silver Recognition.

Point of Sale (POS)

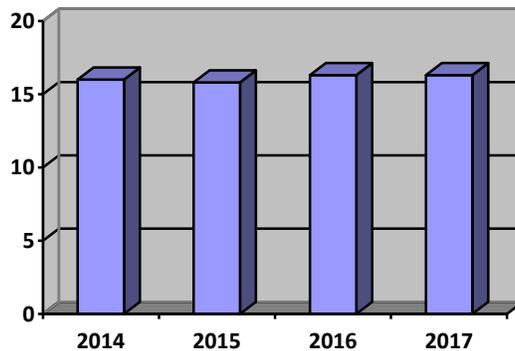
Meal Magic is the Point of Sale System being used at all schools in the District. This system was successfully launched at the Spring Street Elementary School, November 1, 2016 , Beal School, November 29, 2016 and at the Paton Elementary School on March 15, 2017. The Point of Sale System allows students and school staff the flexibility to use cash or a debit system. The system also offers parents the convenience of prepaying any amount of cash on their child's account and offers the students and staff the convenience of not needing cash. It also provides confidentiality for free and reduced students. Account debits are faster than cash transactions. Bimonthly promotions are marketed and offered to increase money on account transactions versus cash sales. Currently 96% of sales at the Schools are account debits versus cash transactions. Currently 88% of deposits are online deposits versus cash/check transactions.

Lunch Prices

Lunch prices are \$3.25 at the Elementary School, \$3.50 at the Middle School, \$3.75 at the High School and the adult lunch price is \$4.25. Lunch prices were last raised \$.25 in the 2015-2016 school-year. No price increase is recommended for Fiscal Year 2018. If a price increase is warranted for FY19, then a recommendation will be made to the School Committee in June 2018.

District Free and Reduced

Sixteen percent of students were eligible for free or reduced meals. There were 785 students eligible for free meals and 168 students eligible for reduced meals. A total of 953 free and reduced eligible students were able to participate in the meal program in FY 2017 .

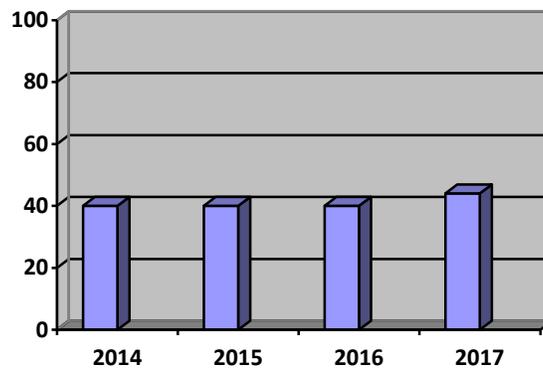


% of Students in the District Qualifying for Free or Reduced Meals

Participation

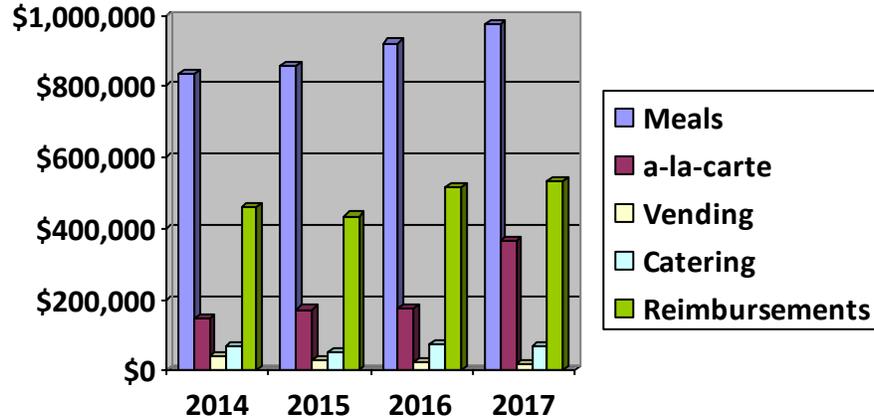
District Lunch Participation increased in 2017 as compared to 2016 at the Elementary, Middle and High Schools. District Lunch Participation includes the number of free, reduced and full price lunches served for the year divided by the number of serving days divided by the average daily attendance.

- District Lunch Participation was 44% for FY 2017 as compared to 41% for FY 2016.
- Paid Meal Participation was 38% for FY 2017 as compared to 35% for FY 2016.
- Free Meal Participation was 75% for FY 2017 as compared to 81% for FY 2016.
- Reduced Lunch Participation was 70% for FY 2017 as compared to 62% for FY 2016.



Overall District Participation in the Lunch Program

Revenue



The School Food Service Department had a beginning revolving account balance of \$110,276 and a year-end surplus of \$174,992. The revolving account balance as of July 1, 2017 was \$285,268.

Revenue increased \$192,846 for FY 17 compared to year-end 2016. Meal Sales, Reimbursements and A-La-Carte Sales increased in 2017 as compared to 2016. Food costs decreased to 42% as a percentage of sales compared to 43% last year. Staff has managed food costs well as the price of food has increased. Changes to the Commodity Program have allowed us to use all of our entitlement dollars which has helped to maintain food costs.

The cost of labor decreased to 40% as a percentage of sales in 2017 as compared to 45% in 2016 despite a 2 % cost of living increase to wages for those employees at longevity and a step increase for all employees not at longevity. Other costs (Uniforms, Equipment Purchases, Equipment Repair, Delivery Charges, Office Supplies etc.) decreased slightly to 9% as a percentage of sales in 2017 as compared to 10% in 2016.

A total of \$24,733 in equipment was purchased this year. Most leased milk refrigerators were replaced by purchased milk refrigerators at the schools eliminating the equipment up charge on milk purchases. The remaining four leased refrigerators will be replaced in 2018 with purchased refrigerators.

	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>
Beginning Balance	\$70,435	\$20,119	\$0	\$110,276
Revenue	\$1,553,118	\$1,553,314	\$1,763,547	\$1,956,393
Labor	\$695,875	\$735,278	\$736,425	\$781,418
Food	\$764,721	\$722,326	\$741,555	\$815,961
Other	\$142,839	\$136,621	\$175,290	\$184,021
Total Expense	\$1,603,435	\$1,594,225	\$1,653,270	\$1,781,401
Surplus/(Deficit)	(\$50,316)	(\$40,911)	\$110,276	\$174,992
Ending Balance	\$20,119	(\$20,792)	\$110,276	\$285,268

Notes:

- *FY14 \$130,200 in Health Insurance Benefits included in Labor
- *FY15 \$97,565 in Health Insurance Benefits included in Labor
- *FY15 School Department credited Food Service Account \$20,792 to bring 2015-2016 Beginning Balance to \$0.
- *FY16 \$103,085 in Health Insurance Benefits included in Labor
- *FY17 \$113,634 in Health Insurance Benefits included in Labor

Substitute Labor Rates

Substitutes are currently paid \$11.57 per hour. An increase to \$11.88 an hour is recommended for fiscal year 2018. Permanent step 1 aide pay rate increased to \$12.18 an hour from \$11.87 on July 1, 2017. The proposed substitute rate will still be less than a permanent aide rate. Minimum wage in the State of Massachusetts was increased to \$11.00 an hour in January 2017. A competitive substitute wage rate above the state minimum will help the Food Service Department attract and maintain a substitute labor pool.

Goals

- Direct and oversee a high quality and financially stable program.
- Increase Program Participation
- Continue positive momentum with marketing campaign

Thank you for your continued support!!



SHREWSBURY PUBLIC SCHOOLS

LOCAL MEAL CHARGE ADMINISTRATIVE POLICY

Effective July 2017

District Philosophy

It is the philosophy of the district to provide nutritious meals to all students who wish to purchase a meal or are eligible for a free or reduced price meal per the regulations of the National School Lunch Program. Parents are responsible for either providing their children with meals, applying for free or reduced price meals when appropriate, or providing adequate funds for their child to purchase a meal. But under no circumstance will a student be denied a breakfast [when offered] or a lunch meal due to a lack of money or a negative food account balance. A child will not be denied a school meal because of parental negligence as we know this unfairly punishes children and impedes their ability to learn.

Regulations and Guidelines

This policy is informed by regulations and guidelines published by the United States Department of Agriculture under the National School Lunch Program, Massachusetts General Law, and the Massachusetts Department of Elementary and Secondary Education's Office for Food and Nutrition Programs.

Policies

a) Policy on Communicating Student Food Account Balances

Parents are responsible for knowing the amount of their child's food account balance.

Parents may view their child's food service account balance at anytime by looking in *PowerSchool* using their Parent Portal Access. Parents of students who have a negative account balance will receive an email communicating the negative balance amount until it is rectified. The use of automated telephone calls will also be employed for the collection of delinquent accounts. Parents may set up automatic replenishment of their child's account through the district's online payment processor to avoid negative account balances.

b) Policy on Charging Meals and a la carte Items

A child will not be denied a school meal because of parental negligence as we know this unfairly punishes children and impedes their ability to learn. Students who have a negative fund balance may charge a la carte items to their account only when those a la carte items are accompanied by a meal. Students who have a negative

account balance cannot further their indebtedness by purchasing a la carte items without a meal.

So called “alternative meals” i.e. peanut butter and jelly or cheese sandwiches will not be used as substitutes as this identifies the child as having a delinquent account in front of their peers and will likely not provide any added incentive for the parent to pay.

c) Policy on Delinquent Debt Collections

Payment for negative account balances may be made at anytime using the district’s online payment processor. Parents can access this feature via their PowerSchool Parent Portal access account. Students may also rectify their account by paying cash or by check to the cashier at their school. Parents may also rectify negative accounts by making a check payment to the Shrewsbury School Department and mailing it or dropping it off at the Food Service Director’s Office, Shrewsbury High School, 64 Holden Street, Shrewsbury, MA 01545.

When a student account balance goes negative to a sum that exceeds three times the cost of a lunch meal, this will be considered a delinquent account. The Food Service Director, in consultation with the school cafeteria manager, will then begin collection efforts with the respective parent or guardian. The Food Service Director may also share a negative account balance report periodically with school principals because this information may be useful as an additional symptom of a larger problem that the student and their family are experiencing. If attempts by the Food Service Director do not result in payment, then the delinquent account will be sent to the School District Business Office. The Business Office will attempt collection through parent/guardian communications. Collection efforts may result in denial of access to discretionary school programs, pursuit in small claims court, or sale of the debt to a collection agency.

Denial of access to school programs as noted above may include but is not limited to: graduation activities or ceremonies, the Extended School Care Program, Summer Programs, Extra-Curricular/After School Programs, and other, optional, fee-based programs.