

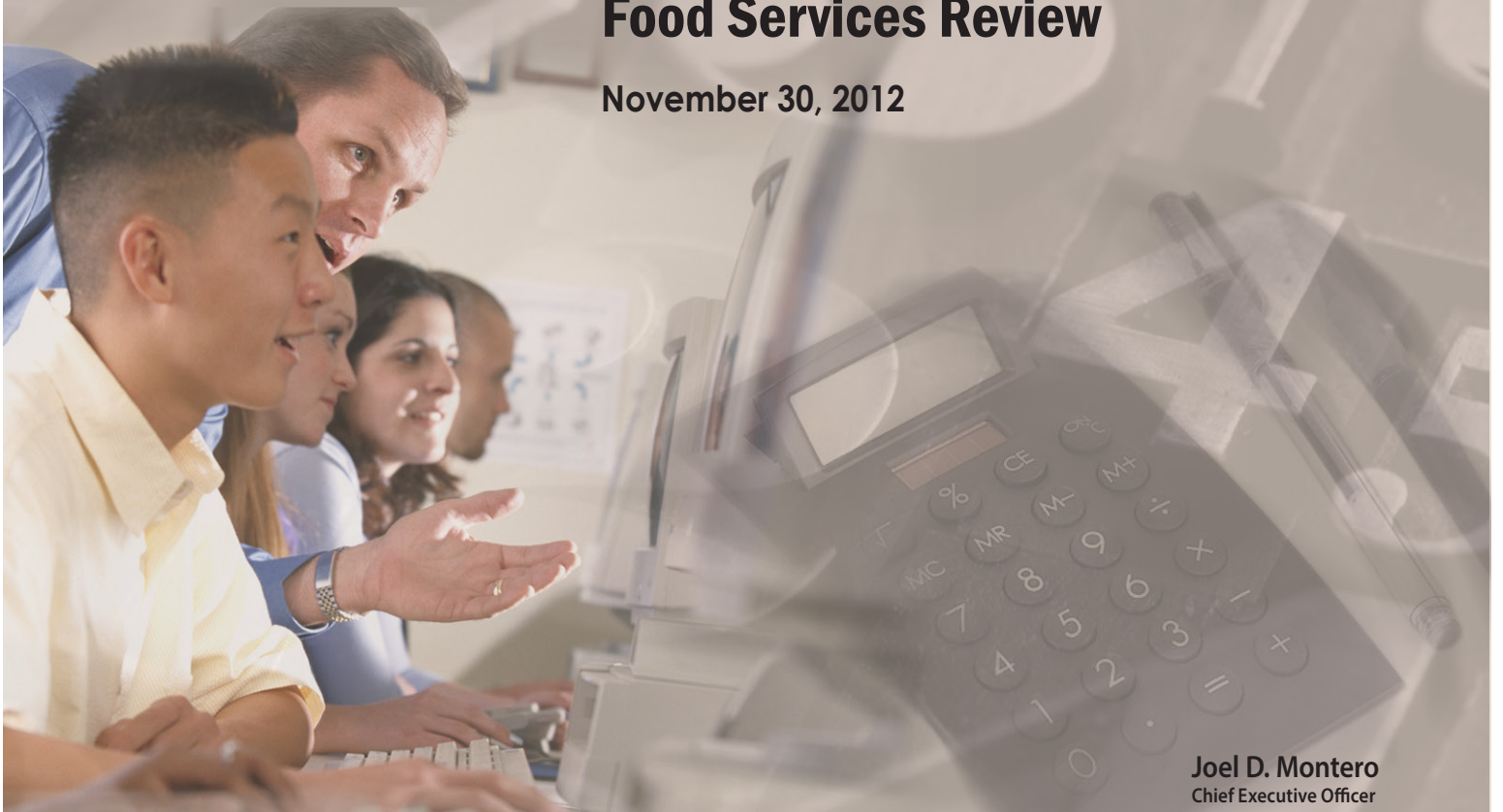


**CSIS** California School Information Services

# Lassen Union High School District

## Food Services Review

November 30, 2012



**Joel D. Montero**  
Chief Executive Officer







November 30, 2012

Roy J. Casey, Interim Superintendent  
Lassen Union High School District  
55 South Weatherlow Street  
Susanville, CA 96130

Dear Interim Superintendent Casey:

In August 2012 the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement with the Lassen Union High School District for a review of the food service program. Specifically, the study agreement provided that FCMAT would perform the following:

1. Conduct a review of the Lassen Union High School District's current child nutrition program including food preparation, ordering, inventory, cash management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing and facilities. The team will provide recommendations for enhancing revenues or implementing changes to reduce the potential level of unrestricted general fund contribution needed to support the program and provide a more efficient operation.
2. The district is also requesting a one day review of the Johnstonville School District food services program, which is under the Lassen Union High School District administrative oversight for the food service and nutritional program. This component will consist of reviewing the food service program operations and make recommendations to improve the operational efficiency, if any.

This report contains the study team's findings and recommendations. On behalf of FCMAT, we appreciate the opportunity to serve you and extend our thanks to all the staff of the Lassen Union High School District for their cooperation and assistance during fieldwork.

Sincerely,

Joel D. Montero

Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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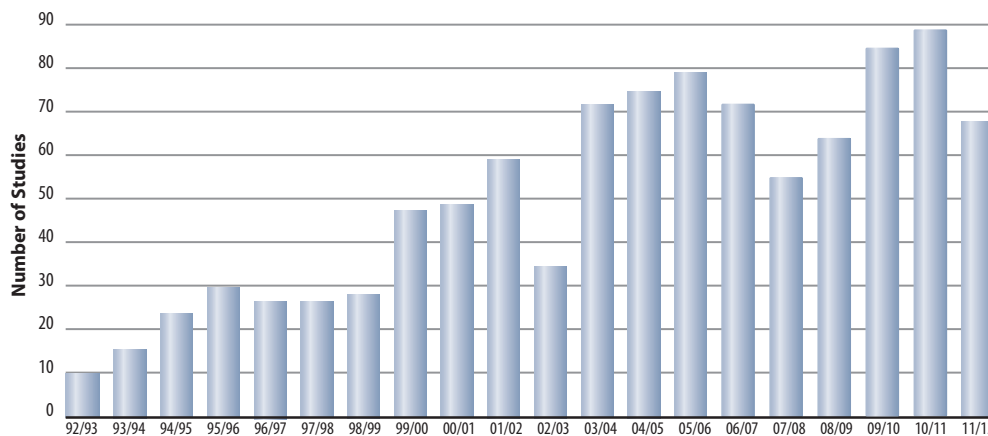
# About FCMAT

FCMAT's primary mission is to assist California's local K-14 educational agencies to identify, prevent, and resolve financial and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT's fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices and efficient operations. FCMAT's data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and share information.

FCMAT may be requested to provide fiscal crisis or management assistance by a school district, charter school, community college, county office of education, the state Superintendent of Public Instruction, or the Legislature.

When a request or assignment is received, FCMAT assembles a study team that works closely with the local education agency to define the scope of work, conduct on-site fieldwork and provide a written report with findings and recommendations to help resolve issues, overcome challenges and plan for the future.

**Studies by Fiscal Year**



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help local educational agencies operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) arm of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS) and also maintains DataGate, the FCMAT/CSIS software LEAs use for CSIS services. FCMAT was created by Assembly Bill 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. Assembly Bill 107 in 1997 charged FCMAT with responsibility for CSIS and its statewide data management work. Assembly Bill 1115 in 1999 codified CSIS' mission.

AB 1200 is also a statewide plan for county office of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756 (2004) provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 850 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.



# Introduction

## Background

Located near the city of Susanville in Northern California, the Lassen Union High School District serves almost 1,000 students at Lassen High School, Diamond Mountain Charter High School, Credence High School (alternative), and Lassen Community Day School.

The Johnstonville Elementary School District is a single-school K-8 entity that serves approximately 230 students and is also located near Susanville. While it is a separate district with separate site administration, it shares a superintendent with the Lassen Union High School District. Johnstonville Elementary also has seven additional students in the preschool, infant/toddler program and Steps to Success class. Approximately 40 percent of the students attend Johnstonville as interdistrict transfer students.

In August 2012, the district entered into an agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for a study that would perform the following:

1. Conduct a review of the Lassen Union High School District's current child nutrition program including food preparation, ordering, inventory, cash management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing and facilities. The team will provide recommendations for enhancing revenues or implementing changes to reduce the potential level of unrestricted general fund contribution needed to support the program and provide a more efficient operation.
2. The district is also requesting a one day review of the Johnstonville School District food services program, which is under the Lassen Union High School District administrative oversight for the food service and nutritional program. This component will consist of reviewing the food service program operations and make recommendations to improve the operational efficiency, if any.

## Study Team

The study team was composed of the following members:

William P. Gillaspie, Ed.D.  
FCMAT Deputy Administrative Officer  
Sacramento, CA

Judith E. Stephens  
FCMAT Consultant  
Nipomo, CA

Leonel Martínez  
FCMAT Technical Writer  
Bakersfield, CA

## Study Guidelines

FCMAT conducted an initial review of the Lassen Union High School District's nutrition program in October 2010. A follow-up review was performed in September 2011 to assess progress in the goals and recommendations of the original study. FCMAT conducted the current review on October 9-11, 2012 to determine additional progress. The primary objectives were as follows:

- Review the menu system and ascertain the progress towards compliance with new program regulations (and the previous recommendations from the state program review).
- Review the variety and customer appropriateness of the menu.
- Informally review the budget and staffing and student participation although these were not listed as priorities of this study. This review was conducted to determine how the new meal regulations may affect the program.
- Review the Hazards Analysis and Critical Control Points (HACCP) and wellness policies.

# Executive Summary

The Lassen Union High School District's food service operation has struggled for some time because of an open campus, allowing a large number of students to leave the campus at lunch, and the low number of students who qualify for free and reduced-price meals. Strict new menu regulations from the government also make it difficult to provide meals that appeal to the student clientele.

The district's menus comply with the new regulations as far as can be determined without a nutritional analysis of calories and saturated fat. As part of the process of menu certification, the district is required to complete detailed worksheets. The supervisor attended the state certification workshop and understands the steps necessary to complete this process. Since there is a timeline for completing the menu certification, this should be the department's top priority.

After certification, the district should implement changes to enhance participation. These include surveying students to determine their preferences and adding a simple and popular second entrée daily to appeal to a larger group. Adding choices will increase food costs; however, revenues could increase if these changes result in additional participation. The district has solicited bids and communicated with vendors to receive lower prices. This effort should be ongoing, and the district should consider partnering with the Johnstonville School District to solicit bids for common products.

Any changes to the menus must meet the new regulations because as part of certification process, the district affirms to the state that it adheres to these requirements. Although the district is not required to recertify when changes are made, it must maintain the standards.

The food service supervisor has worked diligently to learn the program requirements, attending classes and implementing changes to ensure compliance. Current menus are made partially from scratch as requested by the administration. The snack program was eliminated in hopes of serving more meals, but this has resulted in decreased income and meal equivalents.

An assessment of meals per labor hour (MLPH) suggests it will be difficult for the program to become self-sustaining. The productivity number of 14 meals per labor hour this year is almost half what it was two years ago. If this number remains stable or continues to decline, the district cannot justify its current staffing levels without accepting that the annual general fund contribution to the program could be permanent. The food services program had a deficit of \$45,000 in 2011-12 and projects a deficit of \$31,810 in the current year.

The department has made efforts to improve the nutritional quality of meals and meet program requirements, but these changes have not resulted in financial solvency. As participation continues to decrease, the resultant low revenue and current staffing will continue to create a deficit. Increased reimbursement resulting from menu certification will not significantly affect this. With the average number of lunches at 72 per day, the six cents of additional income per meal will translate to less than \$1,000 in revenue this year, and the new requirements may actually increase costs.

The district should make a philosophical as well as financial decision regarding food services. In recent years, decisions were made to provide more scratch cooking and discontinue a la carte sales, keep the program self-operational instead of allowing another district to operate it, and provide the food services staff with sufficient work hours to attract quality personnel. All these factors affect the department's financial status. Participation could improve by adding

menu choices and selling some popular items a la carte, but a contribution from the district's unrestricted general fund would likely still be necessary. Therefore, the district should decide the level of contribution it can afford and the modifications it is willing to make to generate more revenue.

The district's wellness and Hazards Analysis and Critical Control Points (HACCP) policies should be completed to comply with regulations. Since these have been in place for several years, and the district has received several recommendations to implement them, this should be a high priority for this school year.

The Johnstonville Elementary School is a separate site but shares the same superintendent as the high school district and has an effective menu program. The menus meet the requirements and are generally appealing to students. The cook understands the meal program and has worked diligently to recreate menus that meet these requirements.

The cook coordinates a reasonably efficient operation; however, the entire program could benefit from increased efficiencies. Steps that can save time include substituting ready-made bread items for the home-baked variety and switching from plastic washable trays to disposable ones at lunch. Students should also be provided with more flexibility in offer vs. serve food selection, saving time and money.

Lunch participation is high but could be increased with a few simple changes such as providing additional entrees and gauging students' opinions on the menus and foods they prefer. Breakfast participation is low, and the district should consider implementing the recommendations in this report to increase participation. This should be a high priority.

Overall food costs are low, and the cook is conscientious about utilizing commodities; however, individual food items may be overpriced. The district should request quotes, investigate the possibility of combining bidding with Lassen High School and consider joining a food buying cooperative. With the state of the budget, every avenue of revenue enhancement and cost savings needs to be considered.

Labor costs are extremely high and include the cook as well as percentages for maintenance, custodial and secretarial services.

Even if it implemented the changes recommended in this report, the district would likely still need to subsidize or contribute from the district's unrestricted general fund to support the cafeteria fund. The only other alternative would be to contract the program to another district, but this would entail significant changes that should not be implemented without extensive consideration of the advantages and disadvantages.

# Findings and Recommendations

## Lassen Union High School District

### Menu Program

The Lassen Union High School District's food services program has experienced additional obstacles since FCMAT's last review. As a result of the Hunger-Free Kids Act of 2010, new regulations in the school lunch and breakfast program are being phased in beginning with the 2012-2013 school year. These are the most comprehensive changes in the program in more than 15 years. The new lunch meal pattern is effective as of July 1, 2012, and the changes to the breakfast program (except the new milk requirement) will be phased in beginning July 1, 2013.

Districts are required to comply before the end of the school year 2012-2013. Districts will receive an additional six cents per meal after they have completed a very specific certification process, which involves submitting menus and a nutritional analysis to the state for approval. This submittal includes completing a detailed worksheet outlining specifics of the menu offerings. To properly complete this worksheet, the district will need accurate production records, standardized menus, and nutritional specifications for all food served.

The state approval process is estimated to take 60 days after districts submit materials. Once the menus are approved, the extra reimbursement will be paid, retroactive to the month of the menus that were certified. Districts not complying will not receive funds and will be first in line for administrative reviews in 2013-2014. They will still be expected to comply at that time.

Although these new regulations are intended to improve the quality of student meals, they are difficult to implement. They include changes in the quantities and types of fruits and vegetables; limits are established for minimum and maximum levels of calories, meats and breads in the meals. A summary of these requirements is attached as Appendix A to this report. More detailed information can be found on the USDA website at the following address:

<http://www.fns.usda.gov/cnd/governance/Policy-Memos/2012/SP10-2012ar4.pdf>

<http://www.gpo.gov/fdsys/pkg/FR-2012-01-26/pdf/2012-1010.pdf>

Since last year, the district met many goals regarding staff training and the menu program. The supervisor took many classes to improve her understanding and skills in child nutrition, including workshops on the new meal requirements. The supervisor has a thorough understanding of the new menu patterns and has been planning menus to comply. Menus have been simplified to include only one entrée a day in an effort to reduce food costs and streamline food production.

Production records are in a clear format and are completed daily. These records indicate that meals served comply with menu regulations, at least regarding the required portions of the various components; meats, breads, fruits, vegetables and milk. Since the department has not yet implemented its nutritional analysis program, it is unknown whether these meals meet calorie and fat requirements until the nutritional analysis worksheets required for the certification are completed. All indications are that the district will pass certification.

Although progress has been made with standardized recipes and nutrition specifications on products, this project is not yet complete.

The food supervisor has been conscientious about collecting product specifications, but many of these records are labels from food boxes, which are difficult to organize. Most nutritional specifications are available online from manufacturers or the USDA. These should be obtained and maintained in a notebook or file for easy access.

A standardized recipe is one that has been carefully adapted and tested to ensure product consistency, predictable yield and accurate nutrient content. These can also control costs because less food is wasted. These recipes, which are required as part of meal regulations, have been started for some food items, but need to be completed for all menus.

Last year, the district purchased nutritional analysis software that will ease the process of developing recipes, maintaining production records, and performing a nutritional analysis of menus; however, the program has not been implemented because of time constraints. The FCMAT study team reviewed the program procedure for creating recipes to complete recipes for one week of the menu. This type of process will need to be completed for all menus, and once accomplished, a nutritional analysis of menus can be performed. Production records are also linked to the menus in the program and can be printed directly, eliminating the need to create them by hand. After the state meal certification is completed, implementing this program should be a priority for this year.

In prior years, the menu consisted primarily of frozen heat-and-serve, fast-food type entrees, and the district expressed the desire for more homemade-type meals. As a result, the supervisor has made concerted efforts to offer more entrees that are cooked from scratch. Since pizza is a favorite of virtually all students, a high-quality frozen pizza is still offered weekly. Although this product is popular, the district could serve a vended pizza such as the Round Table brand used by the Johnstonville School District. The district pays \$1.25 per slice, which is only 13 cents more than the frozen pizza. If these two districts bid together, they may be able to negotiate lower pricing. Most students are brand-conscious, and the name recognition could considerably increase participation. Vendors can also create products that fit the a la carte regulations, which would allow a la carte sales.

Most of the remaining choices are home-cooked items. Prior menus also used corn and tortilla chips as the main grain/bread options. New menus offer whole grain breads, whole wheat pasta and brown rice for the majority of the grain servings in keeping with the new requirements.

The most difficult aspect of the new menu regulations are the mandated portion sizes. In the past, menu requirements mostly focused on the minimum servings of food categories (breads, meats,) and number of calories. The new regulations also mandate the maximum servings of breads and meats that are allowed to be served in a week as well as maximum average daily calories. These regulations make menu planning challenging, and current portions appear inadequate at the high school level.

Additionally, the new regulations include strict requirements for vegetables. Previously, schools were required to serve a half-cup fruit or vegetable serving at lunch, but the new guidelines require one cup each of fruits and vegetables to be offered daily (five cups each/week). More specifically, several vegetable subgroups (dark green, red, and orange, legumes, starchy and a group called “other” which includes all vegetables not in specific categories) must be represented weekly in designated serving sizes. The district’s new menus meet these requirements.

The district will need to slightly modify its menu by specifying the type of fresh fruit offered each day since the menu indicates ~~only~~ ‘fresh fruit’ at present. For planning on a master menu, “fresh fruit” can be used generically, but the type of fresh fruit must be listed on menus each month when seasonal availability is known.

Another change regarding produce is that students are required to select at least a half-cup of fruit or vegetable for the meal to qualify for reimbursement. Under the old requirements, students had the choice of whether to accept these. Unlike the bread and meat components, there are no maximum-portion restrictions for fruits and vegetables. These criteria promote healthy choices, but they are not necessarily as appealing to students, and most will not want to consume large quantities of produce while being restricted on entrée sizes.

Because of the significant menu changes that are mandated and chosen by the district (home-made vs. “fast-food” options and only one daily entrée choice), the students could be surveyed to determine their food preferences and which can be provided while remaining within the regulations and budget restraints.

## Recommendations

*The district should:*

1. Obtain food-product specifications online from the manufacturers of the USDA and maintain them in a notebook or file for easy access whenever possible. The current method of collecting labels from food boxes is cumbersome, inefficient and difficult to organize.
2. Use its recently purchased nutritional analysis software to complete standardized recipes, which are required as part of meal regulations, for all menus. Once this is accomplished, the district should perform a nutritional analysis of all menus.
3. Investigate the possibility of serving a vended pizza such as the Round Table brand used by the Johnstonville School District to help increase participation.
4. Evaluate the portions at the high school to determine whether they are adequate according to the new menu regulations.
5. Slightly modify its menu by specifying the type of fresh fruit offered each day.
6. Survey students to determine their food preferences and which can be provided while remaining within the regulations and budget restraints.

## Budget

The cafeteria budget has required contributions from the unrestricted general fund for the past few years. The subsidy was \$10,000 in 2010-2011, \$35,000 in 2011-2012 and is projected to be \$25,000 in the current fiscal year. Revenue has decreased by more than \$55,000 since 2010-2011. Even though staff hours have slightly decreased, labor and benefit costs have increased by \$4,000 since 2010-2011; however, the district predicts that it may not use the \$10,000 budgeted for substitutes this year, so labor may not be as high as originally forecast.

Food costs have decreased by \$20,000 since 2010-2011. Ideally, food and labor costs should each be 40% to 45% of revenue, but the district's labor costs were 54% of revenue and food was 51% this year. Food has remained at about the same percentage of revenue for the three years of the comparison.

Labor cost percentages appear to have risen more (the difference between 37% and 51%) but that percentage may be skewed because of the resignation of the entire food service staff before the end of the contracted year in 2011.



The changes in the increased deficit and higher contributions are largely because of the elimination of the snack program and the fact that the number of meals served has decreased slightly (7%). This had a huge impact on revenue. By removing the snack program, the district hoped to have higher participation in the meal program, but that did not occur. The other goal was to improve the nutritional quality of the meals, and while this has occurred, fewer students are eating them.

These trends in the cafeteria budget present a problem. If participation continues to be low and staffing remains the same, the deficit will not improve.

### *Three-Year Cafeteria Budget Comparison*

	2010-11	Percent Revenue	2011-12	% Revenue	2012-13 (Projected)	Percent Revenue
<b>Actual Cafeteria Revenue</b>	\$151,195		\$95,903		\$93,200	
<b>General Fund Contribution</b>	\$10,000	7%	\$34,898	36%	\$25,000	27%
<b>Total Revenue</b>	\$161,195		\$130,801		\$118,200	
<b>Labor</b>	\$42,528		\$44,323		\$43,750	
<b>Benefits</b>	\$16,754		\$21,996		\$19,560	
<b>Total Labor/Benefits</b>	\$59,282	37%	\$66,319	51%	\$63,310	54%
<b>Food and Supplies</b>	\$80,863	50%	\$61,444	47%	\$60,000	51%
<b>Other Expenses</b>	\$8,761		\$13,363		\$1,700	
<b>Total Expenses</b>	\$148,906		\$141,126		\$125,010	
<b>Excess or Deficit</b>	\$12,289		\$(10,325)		\$(6,810)	
<b>Excess or Deficit Excluding Contributions</b>	\$2,289		\$(45,223)		\$(31,810)	

## Recommendation

*The district should:*

1. Determine whether low participation and current staffing levels are acceptable in the cafeteria budget.

## MPLH Comparisons

In 2010-2011, the number of staff hours for three part-time employees was 13.33 per day. An average of 78 breakfasts and 97 lunches were served daily (175 total meals). A large quantity of a la carte snacks and entrees were sold, adding another 357 meal equivalents to the total meals served each day, and meals per labor hour (MPLH) were 27.

In 2011-2012, the staff had changed because of the previous year's staff resigning. Two new staff members were hired, and total hours decreased to 11.5 per day. An average of 124 breakfasts and 82 lunches were served per day (206 total) and another 26 meals for the charter school. Average meals totaled 232 per day for a MPLH of 21. The biggest change in the cafeteria meals that year was the elimination of the snack bar and a la carte sales except for juice, milk, and individual entrees sold in meal lines.

In September 2012, the number of meals has decreased to 67 breakfasts and 72 lunches and another 23 meals at the charter school for a total of 162 daily meals. With 11.5 labor hours, the MPLH have decreased to 14.



The number of total meals served per day has significantly decreased since last year with the biggest change in breakfasts, which are down 57 per day. The breakfast menus have not changed since the new requirements for breakfast do not become effective until next school year. Lunches are down by 10 per day, and free and reduced eligibility is at 23% compared to last year's 27%. The participation of eligible students is similar to previous years at 28%. The most significant change in last year's practices was the elimination of the snack program; however, the department still sells a significant number of a la carte entrees in the meal lines, and these are often purchased as second portions in addition to meals. This year all, a la carte sales have halted except for milk and juice. Since lunch participation is similar to last year, it is difficult to determine whether the new menus are having an impact.

As stated in previous reports, much of the low participation is a result of the culture of high school students (who often do not want to eat in the cafeteria), the open campus policy, and easy access to fast foods that appeal to students and are often less expensive or offer more food for the same cost as a school meal. Schools are at a disadvantage because of the restrictions limiting the menu items (and portion sizes) the students prefer. In addition to the types of food available off campus, leaving school at lunchtime appeals to many students because of the opportunity to socialize with friends.

## Recommendation

*The district should:*

1. Decide whether to make changes that may counteract the decreasing number of meals per labor hour or continue as a self-operating, home-cooking cafeteria with only one entrée choice and no a la carte sales.

## A La Carte Food Sales

Before 2011-2012, the department averaged \$433 per day in a la carte sales from a snack bar window. These sales were factored into the MPLH calculations, which is the reason for the decrease in successive years. The snack bar was popular, but was discontinued because of the high labor needs and a lack of proper inventory management.

Only milk, juice, and a few entrees in meal lines have continued as a la carte sales. The problems with selling entrees a la carte include the fact that many do not fit the more stringent nutritional requirements for foods sold outside the meal program. A la carte entrees at the high school level are required to have 400 calories or less and be less than 36% fat. The menu items in the meal program sometimes exceed those limits, but nutritional requirements for meals are based on the entire meal, not just the entrée.

Some entrees may meet the requirements, but it would be confusing to students and the staff if entrees could be sold on some days and not others; therefore, it would be more logical to sell only full meals (and milk, juice) in the lines. The district plans to use this option. Another option would be selecting one or two popular entrees that meet the a la carte requirements such as another kind of pizza or burrito and offer those as daily alternatives with the meal and a la carte.

Pizza is one of the most popular meal items on the menu and students often want extra slices. However, the pizza served does not meet the fat requirements for a la carte sales.

These a la carte rules also apply to any organization on campus. It has been common for clubs to request pizzas from the kitchen for meetings and sell it to students. While the kitchen receives the revenue, the product does not meet the nutritional requirements to be sold in this manner. Either the students should buy a full meal at the cafeteria using their student identification cards, or the clubs should seek other alternatives. No outside vendor can sell to the club and deliver pizza or other foods on campus, but students could pick up their own lunches off campus or bring a lunch from home. As long as food is sold to students on campus, it must fit regulations. If it is given away, requirements don't apply.

Lassen High School has experienced ongoing problems with student food sales either not meeting regulations or competing with cafeteria sales.

The purpose of the competitive foods laws is to prevent food sales outside the cafeteria from interfering with student participation in the school meal program and, therefore affect the solvency of the cafeteria fund. The district prohibits student food sales as fundraisers.

The cafeteria plans to eliminate all a la carte sales, but the meal program does not seem to attract enough students to make the program solvent. A la carte sales previously generated enough revenue to reduce the deficit. The cafeteria could return some entrees and snacks that fit the nutritional requirements and are simple enough for the cafeteria staff to manage. Another option would be to partner with student groups, using students to help sell foods in the cafeteria snack bar and to share the profits. This may keep more students on campus and may even draw more students to the meal program.

## Recommendations

*The district should:*

1. Sell only full meals (and milk, juice) in the cafeteria lines. Another option is to select one or two popular entrees that meet the a la carte requirements to offer as daily alternatives with the meal and a la carte.
2. Discontinue the practice of allowing clubs to obtain pizza from the kitchen for meetings and sell it to students. The product does not meet the nutritional requirements to be sold in this manner.
3. Revisit the decision to totally eliminate a la carte sales and return some entrees and snacks that fit the nutritional requirements and are simple enough for the cafeteria staff to manage. Another tact would be to partner with student groups, possibly using students to help sell foods in the cafeteria snack bar and to share the profits.

## District Wellness Policy

Wellness policies have been required of school districts participating in the National School Lunch Program since 2006. This regulation was part of the Child Nutrition Reauthorization Act of 2004. The Lassen High School District has a policy that covers the basic requirements of that legislation, including goals for nutrition education, physical activity, and nutrition guidelines for all foods available on campus. The policy is generic, and the wellness committee has not included all the required participants (e.g., food service staff) or been active in promoting the policy or measuring implementation. During the state nutrition program review (CRE) in November 2010, the district was cited for lack of policy implementation and measurement, not having food service represented, and not keeping up to date with newer policy requirements. The Hunger-Free Kids Act of 2010 specified new requirements for wellness policies, including the following:

- Designate one or more school officials to ensure that the school complies with the policy.
- Include goals for nutrition promotion.
- Expand the committee members to include physical education teachers and school health professionals.
- Inform and update the public about the content and implementation of the policy,

The district lacks an active wellness committee and has not followed through with promotion or implementation of the policy. It does not have a designated wellness coordinator and has not yet updated its policies to comply with the 2010 requirements. The new requirements were discussed with district office staff and they plan to begin making the necessary changes. Because schools face many challenges, it is difficult to have the time and resources to complete all aspects of this policy. The government recognizes this and provides many guidelines to help districts understand and implement this important, but time-consuming regulation.

An overview of the wellness policy requirements including a comparison chart of the original 2004 and 2010 regulations and several policy resource links is attached as Appendix A to this report.

## HACCP

A major concern noted in the 2010 CRE was the requirement to create and implement a Hazard Analysis Critical Control Point (HACCP) plan for the department. This is a comprehensive food safety plan that has a detailed and specific format and complex methods for ensuring food safety, and FCMAT also pointed out this issue in a 2011 letter. The district has copied sample policies from a food safety workshop that the food service supervisor attended; however, it needs to create policies based on regulations and that apply to its particular operation. Templates are available for personalizing the district plan on the following USDA website:

[http://www.fns.usda.gov/fns/food\\_safety.htm](http://www.fns.usda.gov/fns/food_safety.htm).

The district is aware of the HACCP requirements and plans to complete these policies. The food service supervisor is certified in food safety and follows appropriate food safety procedures, but the department is also required to comply with written policies.

## Recommendations

*The district should:*

1. Ensure it has an active wellness committee that includes all the required participants such as members of the food services staff.
2. Ensure the wellness committee is active in promoting the policy or measuring implementation.
3. Designate a wellness coordinator and update its policies to comply with 2012 requirements.
4. Create and implement a Hazard Analysis Critical Control Point (HACCP) plan for the department. Policies should be based on regulations and that apply to its particular operation.

# Johnstonville School District

The scope and objectives of this section of the study were to review the following areas: The budget and encroachment, including food prices, bidding and labor costs; staff hours including a review of meals per labor hour and time management; review of menus including status of compliance with new regulations, appropriateness for student population and staffing levels. Also reviewed were the wellness policy and HACCP food safety plans and the state CRE review.

## Background

The Johnstonville School District participates in the National School Meal Program, providing students with breakfast and lunch. At the end of September 2012, 49 percent of the student body was eligible for free and reduced-price meals.

The cafeteria budget requires a contribution from the general fund, and this year's projections indicate a subsidy of \$33,868 will be necessary, which is 30% of the department's budget. In the 2011-2012 school year, the unaudited actuals report shows a \$30,000 contribution, which was 25% of total revenues.

Labor and benefit costs for the current year are projected at 63% of revenue and food and supplies at 31%. In the prior year, salaries and benefits totaled 56% and food was 32%. Ideals for food and labor costs are between 40-45% each.

The kitchen has only one employee, a seven-hour lead cook who is also responsible for menu planning (including compliance to regulations) and ordering. The average number of meals served per day is 41 breakfasts and 141 lunches based on the September 2012 reimbursement claim report. The MPLH is calculated to be 24 to 26 (breakfasts and lunches combined) depending on the formula used. Target numbers for highly productive programs are in the 30 MPLH range, and a more thorough discussion of this topic will follow later in this report, including staff efficiencies and suggestions for streamlining procedures.

## Budget

The district cafeteria budget requires contributions from the district general fund. In 2011-2012, the district contributed \$30,000 and this year projects a subsidy of \$33,000 or 25 to 30% of the cafeteria budget.

Labor and benefit costs are by far the biggest percentage of the budget, and this year's projections indicate that the district will expend \$70,918 in these areas (of \$113,418 in total revenue). In addition to the cook's salary (\$25,918), this fund pays portions of other salaries: 6% (\$2,488) of maintenance, 21% (\$4,226) of custodial and 33% (\$8,314) of the secretary (who processes applications and claim forms, track daily meals and collects lunch money). Twenty-one percent of the salaries are for district staff members other than the cook.

While these are all legitimate charges, they affect the department's labor budget, necessitating district contributions. Health and welfare benefits alone cost the department \$18,478 per year. In charging salaries for staff members other than those in food service to the cafeteria fund, it must make sure it monitors the actual time spent on food -service related work according to personalized activity report (PARS) procedures in the school accounting manual.

## Recommendation

*The district should:*

1. Monitor the time spent performing work related to food service according to (PARS) procedures in the school accounting manual in charging salaries for staff members other than those in food service to the cafeteria fund.

## Food Costs and Bidding

Overall food costs range from 31% to 43% of budget in the current and prior year; however, a review of invoices indicated that some individual prices may be high. The district buys from a few local distributors and has not requested bids from other vendors or discussed better prices with local vendors.

Milk is relatively expensive, especially the 1% fat variety at 30 cents per carton and the chocolate milk at 33 cents per eight-ounce carton. Nonfat white milk is 24 cents per carton. Many districts obtain prices in the range of 20 cents to 21 cents per carton by bidding, but considering the remoteness of the district and the need to obtain milk from a supplier other than a dairy, it may not be possible to get significantly lower prices. Other items that appear to be high in price are corn dogs at 51 cents each and pancake on stick at 48 cents each (compared to 35 cents at other districts). Bean burritos are 52 cents apiece, which is a reasonable price. The department uses bulk breakfast cereals and portions them into bowls, which costs 16 cents to 17 cents per serving and requires more labor. Other districts purchase individual bowls at 19 cents each. Since cereal is frequently offered at the district, this option should be considered. Chicken nuggets are 13 cents each or 65 cents for a serving of five, about twice the price some districts are pay.

District invoices include a bulk plain bagel for 16 cents each and a whole wheat wrapped bagel for 31 cents. The plain nonwrapped bagel is a fair price, but the other seems high; however, this may be because it is wrapped and whole grain. Yogurt costs the district 73 cents per container versus 48 cents at other districts.

The district indicated that it does not seek bids but uses a local supplier (Morning Glory) for most supplies and a local produce company for fruits and vegetables.

The district's remoteness may prevent it from receiving significantly lower prices, but it should still make the attempt. Sysco delivers to Lassen High School and therefore may be an alternate choice for Johnstonville. While the district may have some loyalty to local suppliers, competition can result in better prices from the preferred vendors.

## Recommendations

*The district should:*

1. Investigate the possibility of purchasing individual cereal bowls instead of portioning bulk cereals onto bowls. Prices may be similar or slightly higher but this would save considerable staff time and efficiency.
2. Seek bids for food products instead of relying on only one local supplier. The district should consider bidding with the Lassen Union High School District for similar products to maximize savings.

## Meal Program

As a result of the Hunger-Free Kids Act of 2010, new regulations in the school lunch and breakfast program are being phased in beginning with the 2012-2013 school year. These are the most comprehensive changes in the program in more than 15 years.

The new lunch meal pattern is effective as of July 1, 2012. The changes to the breakfast program (except the new milk requirement) are not required to begin until July 1, 2013.

Districts must comply before the end of the 2012-2013 school year. An additional six cents per meal will be provided to districts after they have completed a very specific certification process, which involves submitting menus and a nutritional analysis to the state for approval. This submittal includes a completing a very detailed worksheet outlining specifics of the menu offerings. To properly complete it, the district must have accurate production records, standardized menus and nutritional specifications for all food served.

The state approval process is estimated to take 60 days after districts submit materials. Once menus are approved, the extra reimbursement will be paid, retroactive to the month of the menus that were certified. Districts not complying will not receive funds and will be first in line for administrative reviews in 2013-2014, at which time they will be expected to comply.

These new regulations are intended to improve the quality of student meals, but they are very challenging to implement. They include changes in the quantities and types of fruits and vegetables; limits are set for minimum and maximum levels of calories, meats and breads in the meals. A summary of these requirements is included in the appendix section of this report. More detailed information can be found on the USDA website at the following Web addresses:

<http://www.fns.usda.gov/cnd/governance/Policy-Memos/2012/SP10-2012ar4.pdf>

<http://www.gpo.gov/fdsys/pkg/FR-2012-01-26/pdf/2012-1010.pdf>

The lead cook is responsible for ensuring the program is complies with regulations. This employee has attended state workshops regarding the new regulations and certification process. Menus were modified to meet requirements. The lead cook's production records, which are meant to document proper quantities of food served to students, were modified to reflect the new portion sizes. Changing the menus to the new format was complicated because the district followed a completely different menu option until it was required to change this year.

Menus appear to meet the new regulations, including the correct meal components (meats, breads, fruits, vegetables and milk) and portion sizes, calories, and saturated fat. The district has an advantage in assessing the new menus because it already uses a nutrition analysis program and can confirm in advance that menus meet requirements, saving a tedious step in the certification process.

Menus are varied and generally appealing to students although a few items such as the taco soup and chili are unpopular. These items are offered because they are low in cost and often appealing in cold weather; however, it may be prudent to serve other items. Pizza sticks (cheese stuffed bread sticks) are a popular and flavorful entrée with an appealing aroma similar to fresh-baked bread or pizza. Another option is to pair the chili with a small bag of corn chips (Fritos) instead of cornbread, a popular offering at many districts that also saves time because no cornbread is prepared.

The district serves only one entrée choice per day. While this can help decrease costs and reduce labor, some simple additions may prompt more students to participate, especially on days in



which relatively unpopular entrees are offered. Items that could easily be added to the menu include yogurt and graham crackers or peanut butter sandwiches.

Many items are home-cooked rather than prepackaged. The cook has recipes for all items as required; many are from USDA and others have been formulated and entered into the analysis program.

District administration questioned the practice of serving Round Table Pizza every Friday because of the cost of \$1.25 per slice; however, participation on greatly increases on those days. The remaining menu choices are low cost, and many are based on commodity foods. A cheaper frozen pizza could probably be purchased, but this would likely reduce counts because children are brand-conscious.

Lassen High School uses a quality frozen pizza at \$1.18 a slice that is similar store varieties. The high school could instead use Round Table with the districts bidding together to determine whether they can reduce the cost. A vended pizza at the high school could also attract more clientele.

Many home-baked goods are served, including Italian yeast bread, yeast dinner rolls, cookies, cakes, cornbread, and muffins. These are popular and produce appealing aromas in the cafeteria. However, because these items are labor-intensive to prepare in a small one-person operation, the district should evaluate this practice and consider substituting premade items. Many quality products that are partially baked or can be heated and served while emulating home-made aromas and taste. Items that should be considered for this change include cookies, yeast breads and muffins. Cornbread is simple to prepare from scratch, and ripe bananas can be utilized to make banana bread. Other possibilities include using fresh dinner rolls, frozen proof-and-bake rolls, or frozen heat-and-serve soft bread sticks similar those served in Italian restaurants. Since the food budget is low, the district can afford to use some ready-made product even if they cost more than homemade.

On the day of FCMAT's site visit, the cafeteria served toast for breakfast using leftover homemade bread. The cook sliced loaves of bread, placed it on trays, buttered it, and toasted it in the oven, a process that took approximately 30 minutes excluding the time spent originally making the yeast bread. A considerable amount of time could be saved by using a purchased product. The cook indicated that purchased bread becomes too hard, but cooking this type of product for a shorter time should have acceptable results. Likewise, English muffins or bagels can be substituted.

Sugar cookies were prepared from scratch, which took about two hours. Other work was performed while cookies were baking, but the time spent mixing, scooping and cleaning the mixer could be eliminated if drop-and-bake cookie dough were purchased. The products available are acceptable in quality and would produce an aroma that may attract customers.

Although changes in the breakfast menu are not required until next year, the cook plans to begin making changes this year. Menus do not reflect requirements for next year, but comply with this year's required format. Sweet items include the super bun (essentially a fortified doughnut), many items served with syrup, Frosted Flakes, Fruit Loops, Honey Nut Cheerios and animal crackers. Using alternatives (English muffins and bagels) more often and serving protein items more frequently could improve the nutritional quality (and perception) of the menus. Yogurt is served a couple of times a week, but the only other significant protein choice is scrambled eggs with ham, served once a month. Protein suggestions that are simple and inexpensive are string cheese and hard-boiled eggs, which could be offered daily. Ready-made egg patties are available and could be served on an English muffin to make a breakfast sandwich.



## Recommendations

*The district should:*

1. Substitute other items for those that are unpopular to students such as taco soup and chili. The possibilities include pizza sticks or pairing the chili with a small bag of corn chips instead of cornbread.
2. Add some simple items to the single entrée choice offered per day to increase participation. Items that could be added include yogurt and graham crackers or peanut butter sandwiches.
3. Investigate the possibility of bidding with the Lassen Union High School District for Round Table pizza in an effort to obtain better pricing.
4. Evaluate the practice of substituting premade items for home-baked goods such as Italian yeast bread, yeast dinner rolls, cookies, cake, cornbread and muffins. These products are less labor-intensive.
5. Improve the nutritional quality of menus by using alternatives to sweet items more often and serving protein foods more frequently.

## Meals per Labor hour and Staff Efficiency

The number of meals per labor hour (MPLH) is the most commonly used method of assessing staffing needs and productivity in a food service operation. While there is no universally agreed-upon method for calculating these or consensus as to the ideal numbers, experience indicates what is effective in highly productive/financially solvent operations.

The Johnstonville School District uses the following formula:

One meal is equal to one lunch, and three breakfasts are equal to two lunches (or .67 of a lunch). The district lists a factor of .33 for snacks, but does not serve snacks and figures breakfast meals separately from lunch. The CSEA contract requires MPLH for breakfast to be 18-38 MPLH and lunch 18-24. The kitchen has only one seven-hour person. The calculation also counts one hour for the custodian to help serve, but this rarely happens so only the seven hours should be counted. It is unusual to count MPLH separately for breakfast and lunch, and this does not accurately reflect the workload since preparation for these meals often overlaps.

The district formula is excessively complicated. Breakfast can be and often is counted as a fraction of lunch because it requires less preparation. However, because school meals use more convenience products than in the past (even if they utilize more scratch cooking like the district) both meals can be counted as equal to simplify the calculation. Therefore, daily breakfasts and lunches should be added together and given equal weight. The following, using September 2012 meal counts, would be a simpler formula:

Total breakfasts = 704; total = lunches 2,393 = 3,097/17 days = 182 meals per day/7 hours = 26 MPLH (using the district's formula of .67 breakfast/1 meal - would result in 24 MPLH).

Averaging the district's contract requirements for breakfast and lunch results in a range of 18 to 31 MPLH. Eighteen is excessively low considering the simplicity of school meals but the higher range is similar to the 30 MLPH target usually recommended by FCMAT food-service reviews as a result of experience and observations of successful districts. Twenty-six MPLH is reasonable

considering the cook's other responsibilities, but a few changes in the menus and procedures could ease the workload of this employee and help increase participation and MPLH.

The cook's responsibilities that go beyond meal service and include planning and analyzing menus, and ordering food. This position also has become familiar with the new regulations, revised menus and prepared them for submittal to the state for certification, which will be a time-consuming process. While occasional extra time may be necessary for duties such as the new menu certification process, or planning and ordering food for the beginning of school, seven hours a day should be adequate with a few steps to simplify the process.

Significantly reducing the number of home-baked items would free time in preparation and clean up. The district also is still uses plastic trays for lunch service, and these must be scraped and washed. Utilizing disposable trays would add some costs, but could save about an hour a day that could be used for other planning and ordering duties.

The cook manages her time effectively overall, multitasking on preparation and clean-up, and is punctual for meal service. The cook's hourly wages are reasonable at \$16.85 per hour. A careful review of menu items and more streamlined methods should result in completion of the required tasks without extra time.

## **Other Program Issues**

### **Coordinated Review Effort (CRE)**

A state food service program review was conducted at the Johnstonville School District in May 2012, and the results were positive. A few minor areas were noted as being out of compliance, but simple corrective actions were completed, and the district passed the review.

The state reviewer had only one modification for the district's wellness policy regarding monitoring and documenting implementation.

The summation report for this review recognized the conscientiousness of the staff and the effectiveness of the meal program.

### **Meal Counting**

The method of recording reimbursable meals at breakfast is out of compliance. Students are marked off on rosters as they come through the line, but they should be identified by speaking their names instead of by recognition. Instead, the district serves several students at a time and attempts to mark them off by visual identification once they are seated at the tables. This practice is prohibited, and the district could be cited at the next CRE. The new guidelines will also require breakfasts to be reviewed. The cook indicated she cannot properly record students without the help of another staff member. Slight modifications in the serving process would allow for proper recording. A few students at a time could be marked and served as they line up, and this could be repeated throughout the serving period. The process could also be simplified if students selected own food rather than having everything served to them.

### **Offer vs. Serve**

The district meal planning option includes the approach known as offer vs. serve. This means that all the foods on the menu are offered (meats, breads, fruit, vegetables and milk), but students need to be served or select only some. Four items must be served at breakfast and five at lunch, but in both cases, students need to take (be served) only three. Site observation and in discussions with the cook found that this is not the practice. Instead, students are served all items unless they indicate otherwise.

The government provides the offer vs. serve option to save money, and students are more likely to consume foods if they choose what is placed on their trays. When students are served every item, many foods wind up being discarded. Service would also be faster if the cook served only items that must be dished and allowed the students to choose the rest. All but the smallest students should be able to accomplish this task (the serving line is taller than some of the younger children). The only restriction in what needs to be selected is the number of items listed above and the fact all students must take a fruit or vegetable beginning this year. Allowing students to have more flexibility in selection may also make the meal program more appealing to picky eaters.

### **Participation & Meal Pricing**

The district charges paid students \$1.40 for breakfast and \$2.50 for lunch. Prices charged to students that do not qualify for free or reduced-price meals have recently been addressed by the USDA and state. The Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296, requires that meals for non-needy students are not subsidized by federal reimbursements for meals of needy students. Guidelines on this issue are posted on the following USDA websites:

[http://www.fns.usda.gov/cnd/Governance/Legislation/Pricing\\_Equity\\_Facts.pdf](http://www.fns.usda.gov/cnd/Governance/Legislation/Pricing_Equity_Facts.pdf)

and <http://www.fns.usda.gov/cnd/governance/Policy-Memos/2011/SP39-2011osr.pdf>

In summary the ruling indicates that a district's average meal prices should be an amount that is at least equal to the difference between the higher federal subsidies for free meals and the lower subsidies for paid meals.

The current federal reimbursement for free lunch is \$2.86 and 27 cents for paid lunches, and the difference is \$2.59, which is the minimum the district should charge. It could be rounded up to \$2.75, which should be affordable to families and will add a small increase in revenue. Because the difference in the free and paid breakfast reimbursement is \$1.28, the current breakfast cost is appropriate. Meal prices should be adjusted each year to reflect yearly increases in reimbursements.

Participation in the program is high. At lunch, the district captures 82% of its free students, 67% of its reduced-price students, and 34% of those who pay full price. Breakfast participation is lower with 33% of free, 3% of reduced-price students and 5% of paid students. Reduced-price students pay the allowed 40 cents a meal although some districts waive this charge to encourage additional participation. The 40-cent share of cost would be lost, but the \$1.15 at breakfast and \$2.46 at lunch may be realized for more students.

In the CRE review, the state consultant mentioned the school's low breakfast and suggested that the district consider alternative times and options. With a relatively high number of free and reduced students, capturing more breakfasts would increase revenue. Options could include offering "grab and go" sack breakfasts that could be eaten in the classroom (with the district's support) or a breakfast scheduled at morning recess. Students often want breakfast, but do not arrive at school in time.

Marketing any positive program changes (such as menu changes discussed previously and any changes to times or options for breakfast) may also help increase participation. Making diligent efforts to educate students and families about the importance of breakfast and its correlation with academic success may make more families consider participating.



# Appendices

**A: Summary of New Nutrition Standards**

**B: Study Agreement**



## NEW NUTRITION STANDARDS FOR NATIONAL SCHOOL LUNCH & BREAKFAST PROGRAMS

As a result of the Hunger-Free Kids Act of 2010, new regulations in the school lunch and breakfast program are being phased in beginning with the 2012-2013 school year. These are the most comprehensive changes in the program in more than 15 years.

The new lunch meal pattern is effective as of July 1, 2012. The changes to the breakfast program (with the exception of the new milk requirement) will be phased in beginning July 1, 2013.

Districts must comply within the school year 2012-2013. An additional 6 cents per meal will be given to districts after they have completed a very specific certification process, which involves submitting menus, production records, recipes and nutritional analysis to the state for approval. The approval process is estimated to take 60 days after districts submit materials. Districts not complying will not receive funds and will be first in line for administrative reviews in 2013-2014. They will still be expected to comply at that time.

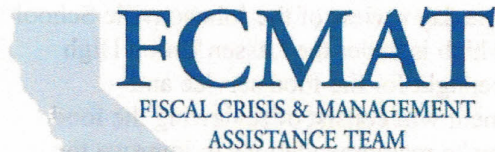
**The key changes for children in K-12 are as follows:**

### School Lunch and Breakfast Programs

- Only one menu planning approach is allowed – a food based plan based on age/grade groups
- Fruits and vegetables are separated into two separate food components
- Requires a daily fruit serving
- At lunch specifies daily and weekly minimum serving sizes of fruits and vegetables  
Required portion sizes have increased.
- At lunch requires weekly minimum servings of vegetable subgroups, including dark green, red/orange, bean/pea (legume), starchy, and 'other' vegetables.
- Students must select at least ½ cup fruit or vegetables for the meal to be reimbursable (previously schools were required to offer these but students were not required to take them).
- Requires daily minimum servings of grains plus weekly minimum and maximum servings  
Weekly portions allowed have been decreased.
- In school year 2012-2013, 50% of grains served in lunches must be whole grain. In 2014-2015, all grains must be whole grain. Similar requirements apply to breakfast beginning in 2013-2015.
- Only Fat-Free (flavored or unflavored) and 1% low-fat (unflavored) milk are allowed.
- Calorie minimum and maximum levels are required (previously it was only minimums).
- Weekly minimum and maximum servings of meat/meat alternates as well as daily minimums. The maximums reduce previous serving sizes allowed in a week.
- At breakfast, meat/meat alternates may not be offered until minimum grain requirements are met.
- By the year 2014-2015, 1 cup of fruit must be offered daily at breakfast
- Limit on saturated fats but not total fats (as allowed by calorie limits)
- Trans fats are limited (this was already required by California law)
- Sodium limits will be phased in (declining in amounts beginning in 2014-2015 and finalizing in 2022-2023).
- A 3-year administrative review (previously called CRE) will begin in 2013-2014 (previously reviews were every 5 years)







CSIS California School Information Services

**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM  
STUDY AGREEMENT  
August 22, 2012**

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Lassen Union High School District, hereinafter referred to as the District, mutually agree as follows:

**1. BASIS OF AGREEMENT**

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the Lassen Union High School District operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report. The final report will be published on the FCMAT website.

**2. SCOPE OF THE WORK**

**A. Scope and Objectives of the Study**

The scope and objectives of this study are to:

1. Conduct a review of the Lassen Union High School District's current child nutrition program including food preparation, ordering, inventory, cash management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing and facilities. The team will provide recommendations for enhancing revenues or implementing changes to reduce the potential level of unrestricted general fund contribution needed to support the program and provide a more efficient operation.

2. The district is also requesting a one day review of the Johnsonville School District food services program, which is under the Lassen Union High School District administrative oversight for the food service and nutritional program. This component will consist of reviewing the food service program operations and make recommendations to improve the operational efficiency, if any.

**B. Services and Products to be Provided**

**Orientation Meeting** - The Team will conduct an orientation session at the District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.

**On-site Review** - The Team will conduct an on-site review at the District office and at school sites if necessary.

1. **Exit Report** - The Team will hold an exit meeting at the conclusion of the on-site review to inform the District of significant findings and recommendations to that point.
2. **Exit Letter** - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
3. **Draft Reports** - Electronic copies of a preliminary draft report will be delivered to the District administration for review and comment.
4. **Final Report** - Electronic copies of the final study report will be delivered to the District administration following completion of the review. Written copies are available by contacting the FCMAT office.
5. **Follow-Up Support** – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no cost. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

**3. PROJECT PERSONNEL**

The study team will be supervised by Anthony L. Bridges, CFE, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

**A. Dr. William Gillaspie**

**B. Judy Stevens**

**FCMAT Deputy Administrative Officer**

**FCMAT Consultant**



Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

#### 4. **PROJECT COSTS**

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings. The cost of independent consultants will be billed at the actual daily rate based on the provisions of Education Code section 84041.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District.

**Based on the elements noted in section 2 A, the total cost of the study is estimated at \$7,500.00**

- C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools - Administrative Agent.

#### 5. **RESPONSIBILITIES OF THE DISTRICT**

- A. The District will provide office and conference room space while on-site reviews are in progress.
- B. The District will provide the following (if requested):
  - 1. A map of the local area
  - 2. Existing policies, regulations and prior reports addressing the study request
  - 3. Current or proposed organizational charts
  - 4. Current and two (2) prior years' audit reports
  - 5. Any documents requested on a supplemental listing
  - 6. Any documents requested on the supplemental listing should be provided to FCMAT in electronic format.
  - 7. Documents that are only available in hard copy should be scanned by the district and sent to FCMAT in an electronic format.

8. All documents should be provided in advance of field work and any delay in the receipt of the requested documentation may affect the start date of the project. Upon approval of the signed study agreement, access will be provided to FCMAT's SharePoint document repository and all requested documents shall be uploaded by the district.

- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

## 6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones:

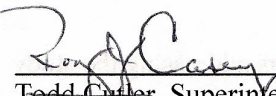
<b>Orientation:</b>	<b>October 8, 2012</b>
<b>Staff Interviews:</b>	<b>October 8-10, 2012</b>
<b>Exit Meeting :</b>	<b>October 10, 2012</b>
<b>Preliminary Report Submitted:</b>	<b>to be determined</b>
<b>Final Report Submitted:</b>	<b>to be determined</b>
<b>Board Presentation:</b>	<b>to be determined</b>
<b>Follow-Up Support:</b>	<b>if requested</b>

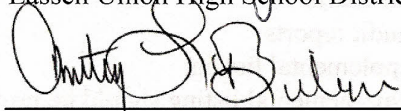
## 7. CONTACT PERSON

Name of contact person: Debbie Fry, Director of Business and Personnel

Telephone: 530-251-1194 FAX: \_\_\_\_\_

E-Mail: Debbie.fry@lassenhigh.org

  
 Todd Cutler, Superintendent Roy J. Casey 8-22-2012  
 Lassen Union High School District Date

  
 Anthony L. Bridges, CFE August 22, 2012  
 Deputy Executive Officer Date  
 Fiscal Crisis and Management Assistance Team