



CSIS *California School Information Services*

St. Helena Unified School District

Food Service Review

April 5, 2011

Joel D. Montero
Chief Executive Officer





CSIS California School Information Services

April 5, 2011

Bill McGuire, Acting Superintendent
St. Helena Unified School District
465 Main Street
St. Helena, CA 94574

Dear Mr. McGuire,

In December 2010, the St. Helena Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for a food service review. Specifically, the agreement stated that FCMAT would perform the following:

1. The district is requesting the team to conduct an in-depth review of the district's food services department. The FCMAT team will conduct a review of the 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.

Review option for a cost effective farm to school program that might be implemented in the district at a future date. Review customer participation relative to healthy alternatives that have a higher standard than required through the national school lunch program. Investigate the needs and wants of the district and community regarding the perceptions of current school meals provided by the district.

This final report contains the study team's findings and recommendations in the above areas of review. We appreciate the opportunity to serve the St. Helena Unified School District, and extend our thanks to all the staff for their assistance during fieldwork.

Sincerely,

Joel Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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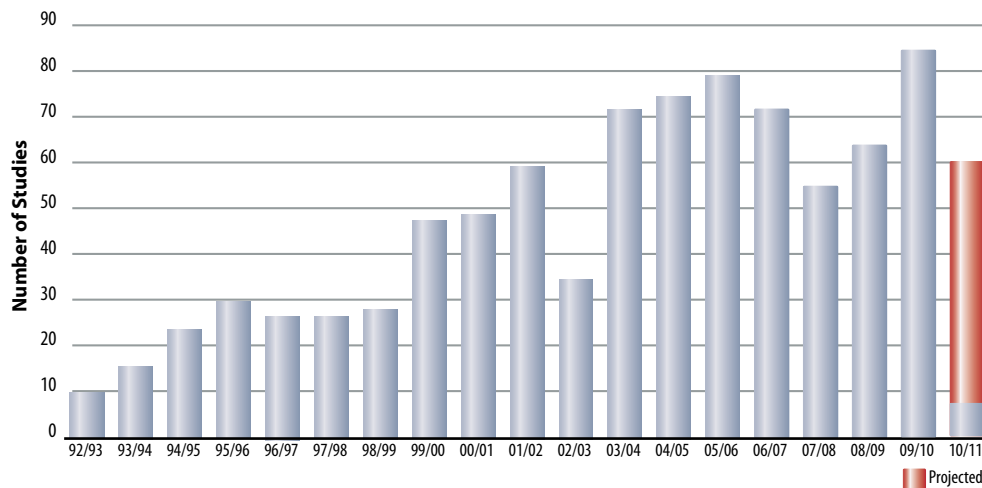
About FCMAT

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.

Study Agreements 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

St. Helena Unified School District is located in Napa Valley and is comprised of a K-2 primary school and grades 3-5 elementary school, both with alternative programs; a middle school, and a high school. The district has approximately 1,343 students. It is a basic aid district with an annual budget of approximately \$22 million.

Through parent groups, the St. Helena Public Schools Foundation and unmatched gifting, the local community augments the athletic and fine arts programs, enriches classrooms and provides an impressive number of scholarships to high school graduates. There is strong community support for the schools, including a tremendous volunteer support program.

The district is projecting flat enrollment in future years. The current free and reduced eligibility is 38%. Approximately 60% of the needy students participate in the meal program. Paid student participation is only about 18%. These numbers were very similar for the 2009-10 school year.

The cafeteria revenue has been declining, with an increasing deficit in the past few years and encroachment on the general fund. The district is looking for ways to enhance cafeteria revenues and improve the efficiency of the department to reduce contributions from the general fund. There is also interest in finding ways to improve the overall nutritional quality of the meals, with possible options for implementing a farm-to-school program.

In December 2010, the district entered into a study agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) that requested FCMAT to perform the following:

1. The district is requesting the team to conduct an in depth review of the district's Food Services Department. The FCMAT team will conduct a review of the 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 contributions needed to support the program and provide a more efficient operation.
2. Review option for a cost effective farm to school program that might be implemented in the district at a future date. Review customer participation relative to healthy alternatives that have a higher standard than required through the national school lunch program. Investigate the needs and wants of the district and community regarding the perceptions of current school meals provided by the district.

Study Team

The study team was composed of the following members:

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*As members of this study team, these consultants were not representing their respective employers but were working solely as independent contractors for FCMAT.

Study Guidelines

FCMAT visited the district on January 19 and 20, 2011, to conduct interviews with district staff, observe meal production and service, collect data, review documents, and inspect facilities.

Executive Summary

The St. Helena USD food service department meets and exceeds federal and state regulations for the menus served to students. Many foods are prepared from scratch, with an emphasis on fresh produce, lower fat content and whole grains. However, program encroachment on the general fund is of concern, as are the costs and logistics of offering the organic and farm-to-table options desired by some stakeholders. The district must balance the needs of students, parents and the community, and run a cost-effective program, which is difficult to do. As the district moves forward, there will need to be a detailed plan in place that is clearly ordered to reduce labor costs, increase free and reduced student participation, clearly identify the central decision maker for the program, and ensure that the menu is popular with students so they will select and consume the food. The district may decide to migrate to more farm-to-table choices in the future, but until the current program is modified to reduce or eliminate encroachment, making additional high-cost changes to the program clearly will affect the district's finances at a time when the district already finds itself having to make budget cuts.

A primary concern of every school food service program is to operate within the budget. In St. Helena, the cafeteria fund has relied on general fund contributions for several years to meet operating costs. The district faces a very difficult challenge in its efforts to make the cafeteria self-supporting.

Although food costs in the cafeteria program are reasonable, salaries throughout the district are some of the highest in the state, and the food service department is no exception. With the high compensation costs, the only way to eliminate encroachment is to significantly increase revenue or reduce labor hours. Most likely it will take a combination of both.

Sixty percent of free and reduced eligible students participate in the lunch program, but only 18% of the paid students regularly participate. To achieve the desired levels of productivity, the department would have to increase meal equivalents by 80% or cut staff by 43% (20 hours/day). The number of free and reduced eligible students impacts the number of meals served. Despite the affluence of the area, 38% of the district's students are needy and meet the criteria of the free and reduced program. During various interviews the FCMAT team perceived a lack of concern for the needs of the free and reduced students and a desire to cater to the more affluent population. While it is important to cater to both populations, the priority has to be meeting the needs of the free and reduced students due to the requirements in law.

All parties involved in the child nutrition programs seem committed to program success, but communication is lacking among food services staff, concerned parents and other district staff. The food service department, along with district administration, needs to find ways to publicize and promote the program so it is better understood by students and parents.

The desire for healthier food, including scratch cooking and organic foods, was repeatedly mentioned to the FCMAT team. It is important to remember that "healthy food" has many definitions and interpretations throughout the food industry. Regardless of the interpretation, the food service program must ensure that state and federal meal standards are met.

The department offers a varied menu of many fresh food choices and achieves high food standards by meeting nutritional targets and offering many more scratch-made items than most California school districts. Offering unprocessed, organic, scratch-cooked foods may be optimal but is expensive and has not been achieved for a reasonable cost even by districts with many more resources.

Some parents and groups would like to see more local (and perhaps organic) produce offered to students. They also would like for the department to participate in a farm-to-school program, purchasing from local farmers. The benefits of farm-to-school would need to be weighed against the additional time and cost that would occur with such a change. Farm-to-school would require organizing produce deliveries from multiple sources, which would be very time consuming. Buying directly from farmers also means extra work for food service staff because the produce requires cleaning and cutting. The produce is often much more expensive than through a distributor. Those additional expenses would further burden the budget.

Various parent and staff groups are attempting to completely change the food service program and menu items offered. This has included cooking demonstrations of new items in the classrooms, with some items being added to the menus. Students have accepted some of these new menu additions, but it must be remembered that students eat what they like best and what is most familiar. The department cannot afford to risk a drop in participation by substituting classroom-tested items into the lunch line unless there is a high acceptance level. Universally popular and yet healthy items should be served to maximize revenue and increase student participation.

Efforts are being made by some groups to contract out the food service program to outside entities that promise organic, scratch-cooked foods. California law has very specific regulations on food management companies in the school lunch program. These types of companies cannot manage the program but can only advise or consult. They cannot supervise or evaluate staff, and the district cannot lay off employees or reduce wages or benefits as the result of contracting with a management company (see Education Code Section 45103.5). So while the district explores other options, it must still ensure that Education Code provisions are followed.

Regardless of the source of food served to the district, the most important consideration in menu choices is that they must appeal to students, or participation will not improve. The menus must meet the needs of all district students. Not all stakeholders will be totally satisfied with any type of food service program. With the current encroachment on the program, sound objectives and compromise must be kept in focus.

A serious concern about the district's food services program is that too many people have a role in directing the program and dictating the menu who do not actually manage the program. There should be only one director of the program who is the official person in charge of the department and who plans the menus. Administration should ensure that she is allowed to run the department. The current food services director is highly qualified, with many years of experience in food services. New recipes and healthier versions of student favorites should be tried and input from interested parties should be welcomed, but the final decisions should be made by the food services director.

Another very important consideration in changing the food service program is to not make hasty or radical decisions. Incremental changes need to be made to increase participation and/or to consolidate staff. Decisions need to be made as to the types of foods to offer. The department has operated at a deficit for a long time, which will not be quickly remedied. With teamwork and communication about key issues with all stakeholders, positive changes can be made while reducing the deficit.

Findings and Recommendations

Financial Concerns

A primary concern of every school food service program is operating within the budget without encroaching on the district's general fund. The district's cafeteria fund has relied on general fund contributions for several years to meet operating costs.

The cafeteria fund deficit in 2008-09 was \$98,000, with general fund contributions of \$103,000. In 2009-10 the department had a deficit of \$116,637, with district contributions of \$125,000. The 2010-11 first interim financial report projects a deficit of \$135,476, with a district contribution of \$125,000. Revenue projections for 2010-11 are \$449,000.

Labor costs have been consistently high for the past several years. Per the National School Lunch Program (NSLP), salaries and benefits should be between 40% and 45% of revenue. In 2008-09 and 2009-10 labor costs were 81% and 88% respectively, which is double the NSLP standard. They are projected to be 81% in 2010-11. Because these costs are so high, it is difficult, if not impossible, to run a program that does not encroach on the general fund without significantly decreasing labor costs and increasing revenues.

Salaries throughout the district are some of the highest in the state, and the food service department is no exception. The district's hourly salary rate for food service assistants is \$13.83-\$18.49. For food service workers it is \$15.12-\$19.09, and for food service managers it is \$19.05-\$23.05. However, the food service director's salary isn't excessive compared to others in the state. That salary is \$60,000, which may be adequate for a district the size of St. Helena but doesn't seem in line with other district salaries.

Food expenses appear to be within reasonable limits per the NSLP guidelines. Food costs, as with salary costs, should be between 40% and 45% of revenue. For the past two years they have been 38% to 41%. The 2010-11 projections have slightly increased to 46%, which would not be a problem if labor costs were lower. The increase is understandable since the food service department has been trying to upgrade its menus to healthier food choices, which tend to be costlier.

Much discussion was heard during the FCMAT visit about the Fund-A-Need program and how it helped the food service department. Fund-A-Need was money raised through fundraising, in which \$60,000 was allocated among four schools to allow healthier choices for students. While the funding has been valuable in providing nutrition education, it does not appear to have helped with day-to-day operations. It is also important to remember that this is one-time money and cannot be counted on for ongoing operational costs.

With the already existing high salary costs in the district, the only way to balance the budget so it does not encroach on the general fund is to significantly increase revenue or reduce labor hours. Most likely it will take a combination of both.

A funding source is in place through Meals for Needy Pupils, which is additional federal funding created in 1978 that is meant to supplement cafeteria revenue to offset meal costs. However, because St. Helena is a basic aid district, this funding is not actually received but the amount is calculated as part of the revenue limit calculation that all districts must compute. For years, the calculated amount was transferred to the cafeteria program, which offset any encroachment. As many other districts have done because of continued reductions of funding from the

state, St. Helena has chosen to spend this money on general fund expenses other than cafeteria meals, which is allowed by law. The cafeteria deficit could be eliminated or partially reduced if the district used this money for its intended purpose. This would then decrease revenue to the general fund, but it is a choice that should be considered.

Recommendations

The district should:

1. Balance the food service department's budget.
2. Utilize one-time funds raised through fundraisers or donations as a way to do something special or extra for the food service program rather than using them to cover ongoing costs.
3. Consider using the Meals for Needy Pupils funds in the cafeteria program to reduce or eliminate the program deficit.

Staffing and Program Participation

FCMAT reviewed meal counts and food service labor hours to assess meals per labor hour (MPLH), which is an effective tool used to measure food service efficiency. MPLH was performed for each school in the district. The meal data used was from reports produced by the food service computer program for daily meal averages from August through December 2010.

There are various ways of calculating MPLH, but for this report, daily breakfast and lunch counts were added to an a la carte meal equivalent to determine the total meal equivalents, which were then divided by labor hours. A la carte sales are not significant in the district as a whole but were included in the calculation for elementary through high school. A simple formula for an a la carte equivalent is the average cost of a breakfast and lunch (in this case, 2 at elementary and 2.36 at secondary) divided into the daily a la carte sales. A spreadsheet outline of this is attached as Appendix A.

The MPLH calculations indicate that the district's food service department produces much less when compared with the National School Lunch Program target of 30 MPLH or more. The high school calculated at 13, the primary school at 19. Since the elementary school prepares food for the middle school and staff is shared, their numbers must be combined, which yields an MPLH of 14 for the elementary/middle school.

These results indicate severe overstaffing for the number of meals served. This, along with very high salaries, explains why labor costs are such a huge percentage of the budget. The district faces a very difficult challenge in its efforts to make the cafeteria a self-supporting (i.e., not encroaching) entity.

Sixty percent of free and reduced eligible students participate in the lunch program, but only 18% of the paid students regularly participate. A comparison of last year's meal averages indicates a slight (but insignificant) increase in meal counts. Breakfast counts have only increased by 5-15 meals per day at various sites and lunches just 11-19 per day from 2009-10. These statistics are included in Appendix A.

To achieve the desired levels of productivity, the department would have to increase meal equivalents by 80% or cut staff by 43% (20 hours/day). Either of these solutions would require serious changes in the way the department operates. It may be that all the preparation for the district should be at one site (such as the high school), with all other sites being treated as satellites. This may require adjustments in the serving times at sites so staff may be shared appropriately.

Even though labor hours overall are excessive, only nine food service employees plus the director serve meals at all schools. This makes drastic cuts in staff difficult. With the few meals served and similar menus offered at sites, preparation could probably be accomplished with fewer staff; meal service is the greater challenge. Careful observation of the number of points of sale (at secondary schools) versus overall participation needs to be made to determine if fewer staff could service the students' needs.

There is no easy solution, and open dialogue will be required to achieve success. It will take a cooperative effort among all stakeholders to improve the situation.

The number of free and reduced eligible students impacts the number of meals served. Despite the affluence of the area, the district average of needy students is 38%. The primary, elementary and middle schools have 42% to 45% and the high school 32%. There are probably many more eligible students at the high school, but families do not submit applications for them. Often older students don't want to participate in the program because they feel it's a stigma. During

various interviews the FCMAT team perceived a lack of concern for the needs of the free and reduced students and a desire to cater to the more affluent population. The needs of the free and reduced students must be met rather than attempting to only meet the needs of the more affluent students. While it is important to cater to both populations, the priority has to be meeting the needs of the free and reduced students because of the requirements in law. There cannot be the attitude that the affluent students are the only ones participating in the program.

The district needs to make every effort to capture as many eligible students as possible. While it is not legal to mandate that all students return free and reduced applications, incentives can be offered for all students to return them (such as a classroom party or free snack). Insufficient high school applications may be a problem because students at this age may be embarrassed to identify themselves as needy. Families should be made aware that filling out applications for their high school students not only qualifies the students for free meals but may also qualify the school for additional funding from state and federal sources. Instructions must be given to all parents to clearly mark if they are not eligible for free and reduced assistance, so that staff does not waste time processing applications that clearly are not eligible. Extreme care needs to be taken districtwide to avoid overtly identifying one lunch line as just for needy students; all students, both needy and affluent, must be served from the same lunch lines.

While the free and reduced application is available to download on the district's website, it is not easily found. Parents must go to "Letter to Households" under the Food Service page to find it. Making the application more accessible may increase participation. A link labeled "lunch applications" on the Food Service welcome page would make it easier. Parents should be informed they can mail applications to the district rather than having students bring them in personally. School newsletters should also promote applications weekly during September and monthly the rest of the year.

The district must serve the needs of all students, and under no circumstance should the needy students feel singled out. A concerted effort should be made to capture all the needy student applications and to make improvements that may enhance participation of the paid students. There should never be overt identification of the status of any student.

Compounding this challenge is that the food service director is regularly scheduled as a cook and serving person for approximately six hours a day. This severely inhibits her ability to observe what is happening at sites and to make changes. She is a registered dietitian who has been at the district for 18 years. She has prior experience as a restaurant owner and chef in the Napa Valley. Her time would be much better spent acting as a director and trainer rather than a food service worker. The program desperately needs consistent, close oversight. With the apparent excess staffing in the department, she should be able to begin acting as a manager rather than as a hands-on employee immediately. The high school cafeteria manager should be able to assume many of the planning, cooking, and site supervision duties.

The district's breakfast program is not well utilized. District staff indicated that a Universal Breakfast program in the classroom was attempted but was not successful. The district is not a good candidate for Universal Breakfast because of the low percentage of needy students. Universal Breakfast offers free breakfast to all students regardless of eligibility status. This does not make good financial sense unless a district is 85% free and reduced, since only \$.26 is received per paid meal reimbursement. If the free and reduce percentage were increased, this then would be a better option.

Since breakfast participation is very low at all sites, offering it may not be cost effective for the district unless it can be modified to attract more students. There is no mandate to offer school breakfast. Federal regulations for the National School Lunch Program require only one meal per day to be offered. While breakfast is very important, it may not be worth serving for financial reasons if students will not participate. The financial break-even point for food service is approximately 70 meals. The district only meets that break-even point at the high school.

The district should analyze breakfast participation thoroughly and look at alternatives such as eliminating breakfast service; offering a second chance breakfast only at nutrition break or recess; or simplifying breakfast menus to cold food or grab-and-go selections.

The price charged for a la carte items often is not enough to justify their sale, and they detract from the potential sales of full meals. Reimbursable meals always include fruits and milk, so that would encourage nutritious choices. Eliminating a la carte sales (except for beverages at meal-times) would maximize the revenue from the USDA for meals as well as for available commodities. This should be considered especially at grades lower than high school.

Recommendations

The district should:

1. Review statistics and goals with food service and site staff so all have an understanding of the challenges facing the cafeteria program.
2. Review staffing and consolidate where possible, perhaps by changing how and where meals are prepared and/or staggering meal times..
3. Make changes to the menu program and market them to entice more participation, and thus earn more revenue. More detail will be provided in the menu section of this report.
4. Take steps to ensure that the cafeteria fund does not encroach on the general fund.
5. Support the department as staffing decisions and menu changes are made.
6. Immediately assign the director's kitchen tasks to other staff and allow her to manage the program full-time.
7. Make a districtwide effort to capture as many free and reduced students as possible. Promote applications in newsletters throughout the year and make them readily available at all school offices and easily accessible on the district website. Educate staff and parents regarding the need to avoid bias or overt identification of these students.
8. Consider eliminating or serving breakfast only at the mid-morning break times, as is done at the high school and middle school. Monitor participation to determine if the district is breaking even on costs.
9. Instead of hot breakfasts, consider cold options – whole grain bread or cereal options, hard boiled eggs or string cheese, yogurt and fruit, etc. If hot items are considered essential, prepare quick-fix heat and serve foods.

10. Consider eliminating the sale of any a la carte item except beverages at meal-times to encourage the sale of complete reimbursable meals.

Menus and Program Issues

Nutritional Quality, Compliance and Controversies

The district's food services department participates in the National School Breakfast and Lunch program, following a USDA and state menu option called SHAPE Nutrient Standard Menu Program. The nutrient standards method means that the menu is designed to meet nutritional standards for each age group, consisting of designated calories, targets for protein, fat, saturated fat, iron, calcium, vitamin A and vitamin C.

SHAPE stands for Shaping Health as Partners in Education, which encourages the district to act as a team to improve the health and academic success of children. The team includes child nutrition staff, teachers, administrators, families and the community. The purpose is to provide a consistent nutrition message in child nutrition programs, classrooms and the school environment.

All parties involved in the child nutrition programs seem committed to program success, but may not be working or supporting each other as a team. There appears to be a lack of understanding and communication between food services staff and concerned parents and other district staff.

The food service department analyzes its menus in a state-approved program called Nutri-Kids. The analyses reviewed by FCMAT as well as meal observations indicate that the district surpasses requirements.

During the FCMAT visit, interviews were held with parents, school board members, administrators and teachers. The desire for "healthier" food, including scratch cooking and organic foods, was repeatedly mentioned in these interviews.

"Healthy food" has many definitions and interpretations. The school lunch program was originally designed to provide for the basic needs of students who did not have the financial ability to get food elsewhere. Adequate calorie intake needed to provide blood glucose for proper brain function should be the primary concern of school food service. After that, adequate protein intake for basic needs and blood sugar maintenance is essential, and vitamin/mineral intake for growth comes next. There are meal standards that must be met, and the cafeteria meals achieve these goals. (See Appendix B for the NSLP meal standards and Appendix C for food sale laws). While obesity issues make national headlines, students rarely eat enough calories or foods from school food service to cause obesity. St. Helena provides a varied menu with many fresh food choices. The portion sizes are not excessive for growing children. A la carte foods of minimal nutritional value should be limited so that students don't waste their money on empty calories.

Offering unprocessed, organic, scratch-cooked foods may be optimal but is an expensive option that has not been achieved for a reasonable cost even by districts with many more resources. While touted as possible by many organizations and individuals, few districts have been able to offer these foods while maintaining costs within the funding received because the costs are high.

At St. Helena, with labor costs already some of the highest in the state, the food service department needs to have clear goals that are achievable. FCMAT's assessment is that the St. Helena food service department is achieving high food standards.

The food services department is meeting nutritional targets and offering many more scratch-made items than most school districts throughout the state. Salad bars are filled with a variety of fresh fruits and vegetables, and most of the bread items are whole grain. The milk (from Clover Stornetta Farms) is certified hormone-free, not treated with recombinant bovine growth hormone (rBST), and is “free farms” American Humane Association monitored. The district has obtained milk from this source for more than 20 years. A list of homemade items and fresh fruits and vegetables served in the cafeteria is included as Appendix D.

The food service department, along with district administration, needs to find ways to publicize and promote its program. The Nutrition link under Food Services explains all that is done, but it is probably not seen by many. Newsletters and posters in cafeterias should highlight new items being offered. Monthly menus should tout the good foods offered.

Some groups in the district would like to see more local (and perhaps organic) produce offered to students. They would also like to see the department participate in a farm-to-school program, purchasing from local farmers.

Farm-to-school in its pure intent is not always possible. St. Helena does not appear to have a lot of locally grown produce that is student-friendly. Most local agriculture is devoted to wine grapes.

Farm-to-school would require organizing produce deliveries from multiple sources. This would be very time consuming for the director. Buying directly from farmers also means extra work for food service staff because the produce requires cleaning and cutting. The produce from such sources is often much more expensive than through a distributor. That, combined with the extra labor, would negatively impact the already challenged budget.

The produce distributor that the department utilizes can identify the most local products available through them. The cost must still be evaluated since local or organic products will be more expensive. With the cafeteria fund operating at a deficit, the district will have to decide if local/organic produce is something it is willing to subsidize from other sources.

Each school has a nicely stocked salad bar, but many students do not take advantage of this offering. While salad bars are a nutritional asset and are positively viewed by parents/groups wanting healthier foods, the actual usage does not warrant the excessive time or money necessary to purchase local or organic produce. Donations of produce can be accepted from farmers, but the farms must have appropriate health department credentials and liability insurance.

An essential aspect of menus is whether or not they appeal to their audience. For many of the needy students, school is the only place they eat regular meals. If food service does not provide menu items that are recognizable and enticing to needy students, then it fails the population it is supposed to serve. The needs and preferences of the participating students need to be considered rather than nutrition ideals that may not be realistic in a school setting. Surveys of all students and families may be helpful to assist in planning appropriate menus. To get a clear picture of parent and staff preferences versus students, separate surveys should be given to each group.

Various parent and staff groups are attempting to completely change the food service program and menu items offered in the district. This has included cooking demonstrations of new items in the classrooms, with some items being added to the menus.

Some of these new menu additions have been accepted by students, but many of them (such as the pesto and vegetarian pizzas and the spinach calzones) are being chosen by very few students,

and only when the pepperoni or plain cheese varieties are sold out. It is questionable whether there would be any sales if these were the only choices.

Items that are prepared and offered for a free taste in a classroom may be well received in that setting but may not translate into actual sales when offered on the menu.

Nutrition education efforts are a good way to encourage openness to new food choices. However, in the lunchtime environment, students are more concerned about recess or socializing. The reality is that students eat what they like best and what is most familiar. The department cannot afford to risk a drop in participation by substituting these classroom-tested items into the lunch line. Universally popular items should be served to maximize revenue.

During some interviews outside the food service department, staff stated that the new menu items have caused meal counts to increase. As is shown on the spreadsheet and discussed in a previous section, meals have increased this year but only very slightly. Student input is vital to determine what foods would entice them to participate. Production records in the food service department will show what items are actually being taken.

An International Foods Day was organized to promote new food choices and was a great success. However, it was very expensive (\$5,000 for 500 students = \$10 per meal). This should be clearly considered an educational experience and should in no way become an expectation for day-to-day school food service.

Some groups would like the district to consider contracting out the food service program to outside entities that promise organic, scratch-cooked foods. California law has very specific regulations on food management companies in the school lunch program. These types of companies cannot actually manage the program but can only advise or consult. They cannot supervise or evaluate staff and the district cannot lay off employees or reduce wages or benefits as the result of contracting with a management company (see Education Code Section 45103.5).

Some companies offer prepared meals that are meant to take the place of school-prepared foods. Since the district already participates in the National School Lunch Program, these meals would need to meet all nutrition guidelines and must be available for needy students as well as paid students. The cost of these meals may be prohibitive with the extremely high labor cost in the district. The department is already overstaffed based on the number of meals served. The district must consider what duties the employees will perform if all the food is purchased premade and delivered ready to eat. It is likely that the district would need to cut staff to justify the added food cost.

Purchasing ready-prepared foods from any source also contradicts the district's goal of scratch cooking at the schools. Many of these foods come pre-packed in disposable containers, which the district also is trying to avoid. It is common with some companies that profess all-scratch, organic cooking to supplement meals with processed foods from the same sources that the schools already use, such as purchased egg patties for breakfast sandwiches.

Other companies offer organic meals for sale that families may order for students. Some of these companies take online or phone orders for same-day deliveries to the school. However, the district would still need to provide meals for the needy students. If the district allowed such a company to vend to families that can afford these meals, it could violate laws in two ways – overt identification of needy students and competition with the lunch program.

As is the case with district-prepared food, this vended food still must appeal to the students to increase participation. Just because a food meets the nutrition desires of concerned adults, it may

not be what the students want. The bottom line of lunch program success is participation. To increase revenue, students must come through the door.

Not all stakeholders will be totally satisfied with any solution for the food service program. But with the current encroachment in the food program, good sense and compromise must be kept in focus. If participation doesn't drastically increase, then encroachment on the general fund will continue. It will only result in more cost if menu items are added to please the nutrition desires of adults but are not chosen by students.

A serious concern about the district's food services program is that too many people have a role in directing the program and dictating the menu who are not actually managers of the program. While it is helpful and beneficial to have so many parties concerned with the nutritional well-being of the students, there should be only one director of the program. The district has a food services director with nutrition and food service credentials. She is a registered dietitian and chef with many years of experience in food services. She is the official person in charge of the department, and administration should ensure that she is given the backing to run the department. She should be in charge of planning the menus. FCMAT agrees that new recipes and healthier versions of student favorites should be tried and input from interested parties should be welcomed, but the final decision as to what is being served should be made by the food services director.

Another very important consideration in changing the food service program is to not make hasty or radical decisions about which direction to go. Changes need to be made to increase participation and/or to consolidate staff. Joint decisions need to be made as to the types of foods to offer. The department has been operating at a deficit for a long time and is not going to be fixed quickly. With teamwork and communication about key issues with all stakeholders, positive changes can be made that will please students, staff, and parents while reducing the deficit.

Recommendations

The district should:

1. Support the food services department in its successful efforts to meet federal and state regulations and to prepare many foods from scratch.
2. Help the food service department market the program to families and students, highlighting the new, healthier menu items.
3. Conduct surveys to find out what changes would bring students into the program and are more nutritionally acceptable to all stakeholders to increase participation. Offer these choices more often. Evaluate the sales of these items over a two-month period and adjust menus accordingly.
4. Ensure that district administration supports the director as the person in charge of the department.
5. Continue classroom cooking demonstrations and nutrition education to teach the students healthy habits and skills, but not as the testing ground for the cafeteria menus.

6. Understand that while farm-to-school may not be realistic as a total concept in the district, it is a good program with many educational aspects. If prices are affordable, use local seasonal foods that are identified as such on the menu.
7. Carefully consider movements to contract out food services or bring in organic meals.
8. Ensure that menus meet the needs of all district students and are not chosen based on the desires of smaller populations.
9. Ensure that all regulations are met before any major changes are made to the food service program by having a discussion with the district's state child nutrition consultant.

Menu Selections

Maximizing nutritional quality doesn't always mean non-commercial foods. There are commercial products available that, although wrapped, maintain nutritional quality. The "stealth health" concept means that students are given foods that contain more nutrients than usual, yet they taste the same as typical foods. An example is sweet potato chocolate chip muffins, which are available commercially.

Cinnamon rolls were touted as a nutrition concern by various people during interviews. The food service department bakes cinnamon rolls from ready-made frozen dough. A whole wheat version of this is available from the same manufacturer that contains 3 grams of fiber and is low fat. The glaze used is orange juice based, but staff should be instructed to limit the amount of frosting on the rolls.

While many items, such as muffins, are school-made from a mix, packaged frozen items may provide the same nutrients, yet offer flexibility in the amount prepared so waste can be minimized.

Menu items that seem to be controversial with some concerned adults are chicken nuggets, pizza, and hamburgers made with commodity beef. Unfortunately, these are universally popular foods with students. All schools see a rise in participation when favorite items are offered. It is important to keep participation high, or the program will further encroach.

The district has begun making its own pizza, trying various flavors. However pepperoni and cheese remain favorites. Lower fat meats and cheeses can be used. Some of the menu problems that were addressed by the interviewees, such as pizza offered three times per day, have already been changed.

Chicken nuggets made from whole pieces of chicken (rather than ground and pressed meat) can be purchased. This product will cost more but may be a wise use of money if it pleases concerned adults while still bringing students to the cafeteria.

To decrease labor, a change can be made to offer only one hot food choice per day, along with cold food entrees such as yogurt and grahams, and/or cups of shredded cheese and chopped ham, or turkey or a hard cooked egg (which could be added to salad bar vegetables for an entrée salad). These foods would not be wasted if not taken by students (they could be used the next day). While adults like variety, many students, especially the youngest, like familiarity with the menu item. So, if one hot food choice were offered per day, students would still be walking by the well-stocked salad bars and would be able to make their choices for variety there.

While there is new legislation to provide water in the cafeteria at mealtime, it should not be offered as a first choice above milk. Students will typically take one or the other, and milk provides more nutrients than water. Water fountains in the cafeterias are adequate to meet the new legislation, or serving containers can be placed in a spot away from the food serving line.

Since high school participation is so low, the district should follow the K-8 menu for hot entrées at the high school rather than having a separate menu, so that no extra preparation is required. Some cold entrees could be offered as options – sandwiches, entrée salads, yogurt, etc.

A la carte sales should be limited to beverages only, encouraging students to take the more nutritious reimbursable meal and maximizing income. A student who may not buy a piece of fruit may take it if it is part of the meal, and may be more likely to eat it.

St. Helena High School is an open campus, which means students will eat off campus no matter how good the food is because of social pressures. According to district staff, this is a longtime tradition that will not be changed.

The high school is only feeding lunch to 32% of the students who are eligible for free and reduced meals. That is only 55 of the 170 possible students. To attract more of these students, the district could use vending machines that can be accessed at any time for reimbursable meals. They may reduce the stigma of free and reduced as well as boosting sales to paid students who can still go off campus at lunchtime. The high school principal who suggested this alternative feels that it could work. Vending machines that can use PIN codes, linking to the students' accounts, are available and can either be purchased or leased. This would maximize both reimbursement and cash sales. The labor cost required to prepare food for reimbursable meals in a vending machine would need to be evaluated against the potential sales.

Another alternative may be a simple grab-and-go lunch of pre-packaged items (commercially packaged food or from school food service) that students can take off campus. These could be sold in mobile carts strategically positioned in sections of campus where students are exiting.

Suggestions by staff to offer free fruit or vegetables family style at student eating tables is inconsistent with decreasing encroachment. A grant for Harvest of the Month or private donations should be pursued for that activity, but using food service revenue for free items will only increase the current encroachment.

Local companies have offered to donate products to the district but with the agreement that they get to dictate the menus served. The district should not agree to donations with strings attached. Also, any changes to menus because of occasional donations cannot be sustained over time financially.

Concerns were raised that items such as "uncrustables" peanut butter sandwiches are occasionally used. Food service staff must be supported when shortcuts such as this are needed because of special occasions. Products that are considered less than perfect must often be used because of physical or labor restrictions and low funding. Many times, to ensure food safety, a commercial product is really the best choice.

The concern was raised that food services gave students Pop Tarts for testing snacks. Food service staff should consider better alternatives for snacks during testing weeks (such as string cheese, sunflower seeds, or granola bars). These snacks could be funded by PTA or ASB accounts.

Recommendations

The district should:

1. Ask produce vendors to identify the local produce they offer, and maximize the use of local produce when in season. Specify organic produce only if the budget can support the increased cost.
2. Recognize that coordinating produce deliveries, usage and payments from many vendors is time consuming.
3. Require that local produce is purchased from farms with appropriate health department certification and insurance.

4. Evaluate the usage of produce on each salad bar and rotate offerings rather than offering so much variety each day.
5. Identify commercially made items that would increase the nutritional value of current offerings.
6. Change the menu to offer only one hot food choice, with simple cold food choices as alternatives to the main dish to streamline production and, therefore, reduce labor needs.
7. To decrease labor, consider only cold food breakfast choices.
8. Move the free water source out of the serving line to promote liquid consumption with more nutrients.
9. Offer the same lunch menu choices at the high school as at the elementary schools, since participation is so low at the high school.
10. Explore the purchase/lease of vending machines that will allow for reimbursable meal capture or a vending machine with a la carte choices to increase revenue at the high school.
11. Explore a pre-packaged grab-and-go lunch with point of sale positioned at the high school campus exit.

Environmental Issues

Many district staff and parents have expressed a desire for the district's food service program to operate in a more environmentally friendly manner by cutting down on the amount of disposable serving containers on the lunch line.

Labor could be reduced by allowing students to serve themselves fruit and other items from the salad bar that are now portioned into plastic serving cups. While the cost of the cups is minimal, the labor to portion is expensive and a decrease in non-recyclables would be achieved. If staff feels that this pre-portioning is labor saving, a study should be done to determine the actual savings versus the environmental and financial costs.

The food service department should be commended for continuing to wash soiled trays, a labor expense that most school districts have eliminated. The cutlery used by students is disposable, which bothers some staff members, but the cost of compostable disposables or the extra cost of labor to wash all cutlery is prohibitive at this time. Whether advertised "compostables" are truly environmentally friendly remains controversial. Washing non-disposable cutlery would be a labor expense the district truly can't afford. Students are also more likely to throw soiled cutlery in the trash, so the expense of replenishing cutlery must be considered.

Recommendations

The district should:

1. Evaluate the use of portion cups for many items that could be self-serve.
2. Evaluate the cost of compostable cutlery, as well as the cost of washing and replacing soiled cutlery, when the food service program becomes solvent.

Competitive Food Sales

In 2007, California legislation mandated that any foods sold outside the lunch program meet specific nutritional guidelines (these are often referred to as SB 12 and SB 965 food sale laws). A simple guideline is included with this report (see Appendix B). There also are many federal laws regarding food sales on school campuses. These laws apply to all food sales, whether by the cafeteria or other organizations on campus.

The student store at the middle school, while offering mostly compliant foods, is allowed to operate during the lunch break. Even though it is only open during the last 20 minutes of the lunch break, it still directly competes for student dollars that could be spent for school food service. The student store should be closed during those hours. Some items sold by the student store are exactly those that are criticized by health proponents (packaged snack foods and certain beverages).

Because of the fiscal deficit in the cafeteria fund, the district administration and school board should take a strict stand on supporting food service sales and encouraging other student fundraisers to be non-food type sales.

Staff stated that the student store income is being used to fund individual students for field trips. This is not allowed by Education Code and needs to stop immediately.

Recommendations

The district should:

1. Educate all staff and parents about the regulations for a la carte food sales. All entities that sell food outside the meal programs must adhere to these regulations.
2. Steer fundraising activities away from food sales to reduce competition with the food services department.
3. Consider closing the store during lunchtime to eliminate issues with competitive food sales.
4. Make sure that student store and other income from student or parent groups follow regulations. Revenues should never be linked directly to individual students.

Purchasing

The food services department is a member of the Ed Jones buying cooperative, and receives maximum benefits from buying commodities. Overall food prices are acceptable and similar to other districts.

More savings may be possible by banding together all local school districts for foods not purchased through the Ed Jones group. However, this requires a good deal of time to organize and promote. A larger district would have to take the lead and organize others.

Recommendations

The district should:

1. Continue using the current cooperative group and commodity foods to maximize purchasing power.
2. Explore other bids individually or with other school districts to secure the best prices available.

Catering

The district does a fair amount of catering. Year-to-date revenue for 2010-11 is approximately \$8,000. However, the true costs of catering to school meetings and other events may be more than is charged. The food services director often has to do caterings herself in an overtime mode, when the time required would be better spent in reducing costs in the food services department.

Recommendations

The district should:

1. Use local businesses for catering services whenever possible so cafeteria staff can concentrate on improvements to the lunch program.

Appendices

Appendix A – Meals per Labor Hour Worksheet and Meal Count Statistics

Appendix B – National School Lunch Program Meal Standards

Appendix C – Food Sale Regulations

Appendix D – Homemade Menu Items

Appendix E – Study Agreement

Appendix A

MEAL AND LABOR COMPARISONS ⁺						
Saint Helena Unified School District						
August 2009-January 2010 (108 days)						
	St Helena HS	St Helena PS	St Helena ES	RLS M/S	ES+RLS	District Tot
Breakfasts	10,485	2,772	2,880	6,856	9,736	20,113
Breakfasts/Day	97	26	27	63	90	213
Lunches	7437	11,475	13,027	10,908	23,935	29,820
Lunches/Day*	69	106	121	101	222	359
B+L/day	166	132	147	164	312	572
A la Carte Sales	5,897	N/A	2,704	6,591	9,295	15,192
A la Carte \$/Day**	55		25	61	86	141
A la Carte Equivalents	23		13	26	38	62
Total Meal Equivalents	189	132	160	190	260	634
LABOR HOURS	16.75	8	14.5	6.75	21.25	46
MPLH	11	16			12	14

MEAL AND LABOR COMPARISONS ⁺								
Saint Helena Unified School District								
August-December 2010 (83 days)							2009/'10	Difference
	St Helena HS	St Helena PS	St Helena ES	RLS M/S	Combined ES+RLS	District Tot	District Meal Totals	9-'10/'10-'11
Breakfasts	9,319	2,510	2,566	6,081	8,647	20,476		
Breakfasts/Day	112	30	31	73	104	247	213	34
Lunches	6,636	10,103	11,565	9,667	21,232	37,971		
Lunches/Day*	80	122	139	116	256	457	359	98
B+L/day	192	152	170	190	360	704		
A la Carte Sales	5,410	N/A	2,380	5,973	8,353	13,763		
A la Carte \$/Day**	65	N/A	29	72	101	166		
A la Carte Equivalents	28		14	30	45	72		
Total Meal Equivalents	220	152	185	220	301	777		
LABOR HOURS	16.75	8	14.5	6.75	21.25	46		
MPLH	13	19			14	17		
Note: Achieving the 30 MPLH goals would require reducing labor by 20 hours/day or increasing meal equivalents by 80%								
Breakfast Comparisons								
2009-2010	97	26	27	63	90	213		
2010-2011	112	30	31	73	104	247		
Increase/Decrease '10-'11	15	5	4	10	14	34		
Lunch Comparisons								
2009-2010	69	106	121	101	222	359		
2010-2011	80	122	139	116	256	457		
Increase/Decrease '10-'11	11	15	19	15	34	98		

Appendix B

California Department of Education
Nutrition Services Division

Education and Training Unit
January 2001

NUTRITION STANDARDS

Averaged over the School Week

For all of the School Meals Initiative Menu Planning Approaches
(except the Traditional Menu Planning Approach)

SCHOOL LUNCH PROGRAM				
Minimum Requirements for Nutrient and Calorie Levels				
Category	Minimum Requirements			Optional
Nutrients and Energy Allowances	Preschool	Grades K-6	Grades 7-12	Grades K-3
Energy Allowance (Calories)	517	664	825	633
Total Fat (as a percentage of total calories)	*	*	*	*
Saturated Fat (as a percentage of total calories)	**	**	**	**
Protein (g)	7	10	16	9
Calcium (mg)	267	286	400	267
Iron (mg)	3.3	3.5	4.5	3.3
Vitamin A (RE)	150	224	300	200
Vitamin C (mg)	14	15	18	15

SCHOOL BREAKFAST PROGRAM			
Minimum Requirements for Nutrient and Calorie Levels			
Category	Minimum Requirements		Optional
Nutrients and Energy Allowances	Preschool	Grades K -12	Grades 7-12
Energy Allowance (Calories)	388	554	618
Total Fat (as a percentage of total calories)	*	*	*
Saturated Fat (as a percentage of total calories)	**	**	**
Protein (g)	5	10	12
Calcium (mg)	200	257	300
Iron (mg)	2.5	3.0	3.4
Vitamin A (RE)	113	197	225
Vitamin C (mg)	11	13	14

* Not to exceed 30 percent over a school week.

** Less than 10 percent over a school week.

Appendix C

**LAWS REGARDING FOOD SALES TO STUDENTS
FOOD AND BEVERAGE REQUIREMENTS SB 12 & SB 965
EFFECTIVE JULY 2007**

FOOD SALES AT ALL SITES

- Must have sales approved by the Governing Board
- Must comply to the California Health Code Regulations
- May not be prepared on campus or in private homes (only commercially prepared and packaged food)
- Must meet the Food and Beverage requirements in SB 12 & SB 965 if sold during school day (see below)
- Foods that do not meet SB12 & SB965 may be sold either off campus or 1/2 hour after end of school day
- Laws apply to cafeteria sales, student and organization sales and vending machines

ELEMENTARY SCHOOLS

- No food sales at lunch or lunch recess
- Limited to 4 sales/year and one food item per sale.
- Food item cannot duplicate food sold in school cafeteria on that day.

SB 12 / SB 965:

Restricts food & beverages sales
during the school day to the following:

Full Meals or:

A la carte items, (individual portion sizes) of

- Nuts/seeds, eggs, cheese, fruit, & non-fried vegetables.

Dairy and grain products

(e.g., yogurt, ice cream, muffins granola bars)
may be sold a la carte, if:

Maximum of:

- 175 calories
- 35% of calories from fat
- 10 % of calories from saturated fat
- 35% of weight from sugar

Beverages:

- Water with no sweeteners added
- Low fat or non fat milk, including flavored milk
- Vegetable & fruit juice: min. 50% juice & no added sweeteners

MIDDLE & HIGH SCHOOLS

- 1 organization per day (e.g., student store/ASB) may sell everyday (no more than 3 types of foods.)
- 4 days during the year, multiple organizations may sell approved foods (all on the same 4 days).
- Food item cannot duplicate food sold in school cafeteria on that day

SB 12 / SB 965:

Restricts a la carte food & beverage sales
during the school day to the following:

SNACKS are limited to a maximum of:

- 250 calories per item.
- 35% of calories from fat (exception of nuts, nut butters, seeds, eggs, single serving cheese, fruit, & non-fried vegetables)
- 10% of calories from saturated fat
- 35% of weight from sugar

ENTREES are limited to maximum of:
(except in a reimbursable meal)

- 400 calories
- 4 grams of fat per 100 calories (36% fat)
- Must be categorized in the National School Lunch or breakfast program as an entrée.

Beverages:

- Same as elementary plus:
Electrolyte replacement beverage
(max 42 grams sugar/20 oz.)

Appendix D**HOMEMADE MENU ITEMS****LUNCH ITEMS**

Soups
Spaghetti, Marinara & Pizza Sauce
Pizza (fresh baked crust and a variety of toppings)
Calzones and Pizza Pockets
Deli Sandwiches on fresh baked wheat rolls or ciabatta bread
Quesadillas
Bean & Cheese / Chicken & Rice Burritos
Pork Sliders and Pork Carnitas on corn tortillas
Home cooked beans for nachos
Chicken and Beef Stir Fry
Spanish Rice & Fried Rice
Chicken Wraps
Beef, Turkey, Chicken & Bean Tostados
Vegetarian Chili (For Baked Potato Bar)
Grilled Ham & Cheese Sandwiches
Salad Dressings – Ranch, House Vinaigrette, Mock Caesar
Salsa

BREAKFAST ITEMS

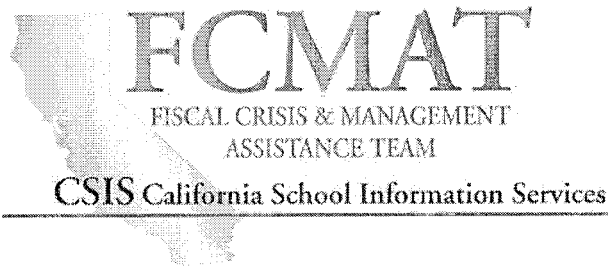
Breakfast Pizza
Egg Burritos
Cinnamon Apple Tortillas
Sausage & Cheese on English Muffins
Banana Bread & Apple Zucchini Bread
Yogurt Fruit and Granola Parfaits
Oatmeal with toppings
Fresh baked potato wedges with skins

SALAD BAR OFFERINGS

Lettuce
Corn
Peas
Celery
Carrots
Cucumbers
Broccoli
Cauliflower
Kidney & Garbanzo beans
Tomatoes
Olives, Pickles, Jalapenos
Fresh Fruit – apples, oranges, bananas and seasonal fruits when affordable – Pears, grapes, strawberries, mandarins, pineapple

Other items available as featured for Harvest of the Month or special menus.
Bread Basket using breads donated from local bakeries

Appendix E



FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM STUDY AGREEMENT December 20, 2010

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the St. Helena Unified 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 St. Helena Unified 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. The District is requesting the Team to conduct an in depth review of the District's Food Services Department. The FCMAT Team will conduct a review of the 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.

Review option for a cost effective farm to school program that might be implemented in the district at a future date. Review customer participation relative to healthy alternatives that have a higher standard than required through the national school lunch program. Investigate the needs and wants of the District and community regarding the perceptions of current school meals provided by the district.

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the School District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct an on-site review at the District office and at school sites if necessary.
- 3) 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.
- 4) 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.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the District administration following completion of the review.
- 7) 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:

- | | |
|------------------------------|---------------------------------------|
| <i>A. Michelle Plumbtree</i> | <i>FCMAT Chief Management Analyst</i> |
| <i>B. Judith E. Stephens</i> | <i>FCMAT Consultant</i> |
| <i>C. Janette Wesch</i> | <i>FCMAT Consultant</i> |

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.
- 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 \$10,000.

- 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 when possible.
 - 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.
- 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:

Orientation:	January 19, 2011
Staff Interviews:	to be determined
Exit Interviews:	to be determined
Preliminary Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Follow-Up Support:	If requested

7. CONTACT PERSON

Name of contact person: Bill McGuire

Telephone: (707) 967-2704 FAX: (707) 968-9310

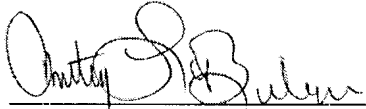
E-Mail: bmcguire@sthelena.k12.ca.us



12/20/2010

Bill McGuire, CBO
St. Helena School District

Date



December 20, 2010

Anthony L. Bridges, CFE
Deputy Executive Officer
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Date