



Vallecito Union School District Food Services Review

June 24, 2008

Joel D. Montero
Chief Executive Officer



CSIS California School Information Services

June 24, 2008

Glenn Sewell, Superintendent
Vallecito Union School District
P.O. Box 329
Avery, CA 95224

Dear Superintendent Sewell:

In March 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement with the Vallecito Union School District for a study in which FCMAT would perform the following:

1. Conduct a review of the district's food service program and provide recommendations that, if implemented, will assist the district in reducing the level of general fund contribution needed to support the program and increase the participation rate at the three school sites.

FCMAT visited the district to collect data, review information and interview staff members. This report is the result of that effort. Thank you for allowing us to serve you, and please give our regards to all the employees of the Vallecito Union School District.

Sincerely,

Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

1300 17th Street - CITY CENTRE, Bakersfield, CA 93301-4533 • Telephone 661-636-4611 • Fax 661-636-4647
422 Petaluma Blvd North, Suite. C, Petaluma, CA 94952 • Telephone: 707-775-2850 • Fax: 707-775-2854 • www.fcmat.org
Administrative Agent: Larry E. Reider - Office of Kern County Superintendent of Schools

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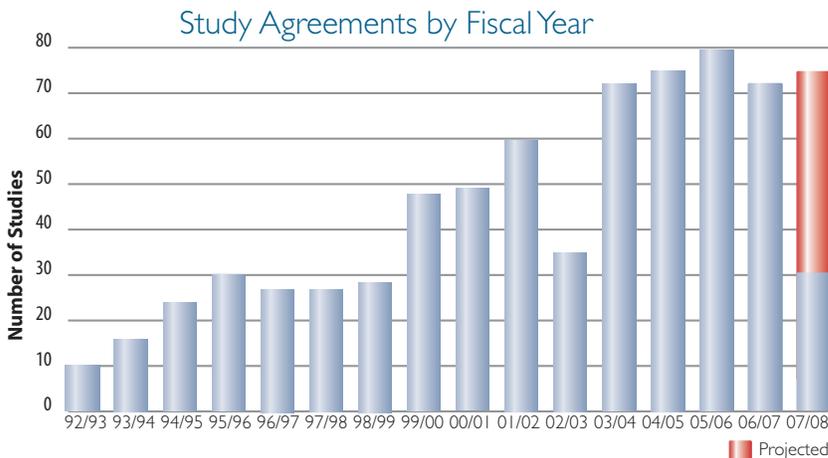
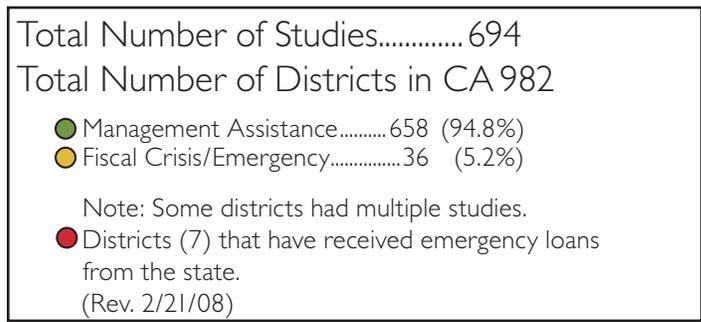
Foreword

FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district’s progress on the improvement plans.

Since 1992, FCMAT has been engaged to perform nearly 700 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of 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

The Vallecito Union School District is located in the town of Avery, which is in the Central Sierra foothills of northeastern Calaveras County. The district serves approximately 840 students at three schools.

Two K-5 elementary schools, Albert A. Michelson and Hazel Fischer are located in the communities of Murphys and Arnold, respectively. Avery Middle School is located in the town of Avery and serves students in grades 6-8. The food service program provides meals for students at all three schools as well as providing reimbursable snacks for an after-school program.

In March 2008, the district contacted the Fiscal Crisis and Management Assistance Team (FCMAT) to request a review of the district's food service program. The study agreement calls for FCMAT to complete the following:

1. Conduct a review of the district's food service program and provide recommendations that, if implemented, will assist the district in reducing the level of general fund contribution needed to support the program; and, increase the participation rate at the three school sites.

Study Team

Leonel Martínez
FCMAT Public Information Specialist
Bakersfield, CA

Rodney S. Blackner*
Director of Food Services
Paso Robles Joint Union School District
Paso Robles, CA

*As a member of this study team, this consultant was not representing his respective employer but was working solely as an independent contractor for FCMAT.

Study Guidelines

The study team visited the district on May 22 and 23, 2008 to conduct interviews, collect data and review information related to the food service program. This report is the result of these activities and is divided into the following sections:

- I. Executive Summary
- II. Financial Factors
- III. Personnel
- IV. Opportunities

Executive Summary

In most school districts throughout the state, food service departments strive to be self-supporting by operating without subsidies from the general fund. At the Vallecito Union School District, the food service program is subsidized by the general fund, and changes should be implemented to make the program self-supporting.

Student participation in the free and reduced meal lunch program is high, while participation in the paid category is low, but still acceptable. On average, schools with socioeconomic factors comparable to Vallecito Union have a similar paid participation rate. In districts where participants believe the meal program is a good value, this rate is higher. Participation in the before-school breakfast program is low at all sites.

Many districts have addressed low levels of breakfast participation by serving the meal during morning recess or nutrition breaks. Although the state suggests a two-hour gap between breakfast and lunch, this is not a mandate. A districtwide effort would be required to implement breakfast service later in the morning since this would necessitate revising classroom schedules. The change can increase food services revenues by \$38,000 or more, which is important because of the impact of recent changes in a la carte options at the middle school.

The lunch program is well presented with a wide variety of foods. The theme bar at each school contains items that should be appealing to students, but it is underutilized. Most of the 30 students and staff members interviewed by the study team indicated they would prefer the theme/salad bars to offer a greater variety such as fresh fruit, canned fruit, and more salad greens and vegetables.

The district should consider sending all families a letter that includes a cost/nutrition comparison of a sack lunch made at home and a lunch with the varieties of food available at school. This would also be an interesting topic for the school newspapers.

Most food production equipment in district kitchens is more than 20 years old, and some do not function properly. The district should develop a plan for equipment replacement. If funds are available, priority should be given to purchasing dishwashers or removing the old machines and installing three compartment sinks in their place. The warming cabinets should be the next items replaced, and eventually, all equipment should be updated.

The food service program utilizes 31.05 labor hours per day to prepare meals, excluding the director. With steadily declining enrollment, the level of labor hours compared to meals served exceeds industry standards based on formulas that calculate meals per labor hour (MLPH). In most districts of this size, the manager-level position participates significantly in daily production.

The district has opportunities to increase meal participation and food sales, which would justify the current labor patterns. However, if the MPLH isn't monitored and adjusted, the district will continue to experience excessive labor costs.

At one time, the district was part of the Calaveras Joint Powers Authority (JPA), which provided a Food Service Director position to serve several districts. The JPA was dissolved, and the two remaining districts, Bret Harte High School District and Vallecito Union School District, contracted for the JPA Food Service Director. At present, Vallecito Union's portion of the cost is \$55,271.99, which is 16.4% of the district's 2007-08 estimated actuals for food service. Most school food service departments expend 5-8% of their budgets on administration. Districts the size of Vallecito Union will commonly assign the Food Service Department's administrative functions to the Business Manager or Chief Business Official and create a classified manager position to coordinate day-to-day operations and maintain compliance in the program. Having the services of a Food Service Director provides benefits to the district, but it is costly. With this position, the business manager is not required to keep up to date on the numerous state and federal regulations or become directly involved in yearly food service bids and the USDA Commodity Program.

With the district's continuing decrease in enrollment, it is doubtful that the food service program will be able to increase participation sufficiently to offset the deficit, making it more important to readjust staff schedules each year. During lunch, two staff members are required to keep the serving lines moving smoothly. The hours of the Cook Site Manager positions should be reviewed for possible reduction. Purchasing a meat slicer would allow the district to eliminate weekly runs to Angels Camp to pick up sliced meats.

The district uses all its state commodity allocations, which is an effective method of keeping food costs down.

A dress code should be enforced to ensure that clothing and shoes worn by the staff meet health and safety code requirements. The Maintenance and Operations Department should be requested to remove the heavy wax buildup and clean the walls in the Michelson kitchen. Posters in the kitchen areas should be replaced with updated information on cooking temperatures in a commercial kitchen. The HACCP log sheets should be updated to reflect proper cooking temperatures for premanufactured food items.

Opportunities to increase revenues and student participation include entering into agreements with beverage vendors to provide vending machines stocked with items that meet state and federal nutritional guidelines. Taste-testing sessions and student/parent surveys can be used to measure interest in expanding food choices, and could become part of the overall plan to increase participation levels at all schools.

Findings and Recommendations

Financial Factors

Food is prepared and served at all three school sites in the Vallecito Union School District. A Calaveras County Office of Education special education class is provided with meals from the Albert Michelson Elementary School kitchen as is an after-school snack program. Basic food and supplies orders are delivered to a central location and transported throughout the district. Staffing in the food service program consists of one Food service Director (the salary and hours of this position are shared with Bret Harte High School District), three cook site managers, three part-time food service workers, and one Delivery Driver.

Operating Costs

At most school districts throughout the state, food service departments try to be self supporting, without requiring subsidies from the general fund. For that reason and because of the full cost of running the program, the operating budget should include direct and indirect costs. The food service program at Vallecito Union is annually subsidized by the general fund.

Based on profit and loss statements, the Food Service Department has operated at a deficit for several years. In 2006-07, the deficit was \$37,567. In 2007-08, the deficit is estimated to be \$86,070, and in 2008-09, it is estimated to be \$99,399. This trend should be reversed and changes made so that the program becomes self-supporting.

The 2006-07 estimated actuals report provides a clearer picture of some of the problems that cause the deficit. Overall revenues were \$2,000 less than budgeted. Fewer meals were served, and a la carte sales were less than projected. In 2006-07, food costs accounted for 42% of revenue, which is appropriate, and labor costs accounted for 44% of revenue, which normally would be considered reasonable. However, when the district's cost for the shared Food Service Director's salary is considered, the percentage increases to 62%, which is excessively high.

As a percentage of revenue, food costs and labor costs should ideally range between 40% and 45%. In districts that perform a considerable amount of scratch cooking, the labor ratio is higher, but the food cost ratio is lower. The reverse is true in districts like Vallecito Union that utilize previously prepared foods. For these districts, the labor ratio should be in the low 40% range.

A final factor affecting the 2006-07 deficit level is that expenses for office supplies, vehicles, utilities etc., were considerably higher than budgeted.

Free and Reduced Meal Eligibility and Average Daily Participation (ADP)

Vallecito Union participates in the National School Lunch, Breakfast, and Child and Adult Care (after school) Programs. Under these programs, students of families that apply and qualify for the meal programs are provided a free or reduced price meal. Qualification is based on household income and per household size. The number of students in a district qualifying for the program is referred to as the free and reduced price meal eligibility.

The average daily participation is the number of eligible students that actually take advantage of the program and eat the meals. The district receives a reimbursement per meal served, and a higher participation rate prompts a higher reimbursement. Therefore, capturing the total number of eligible students in the district is important for the financial viability of the food service program. Thirty-four percent of the district's student population is eligible to eat for free or at a reduced priced.

Data from October 2007 indicated that 75% of the students qualifying for the free lunch program participated in it, and 68% of those qualifying for the reduced-price program received meals. However, only 33% of those in the paid meal category were served meals. Student participation in the free and reduced meal price category was high, and the participation of students in the paid category was slightly low, but still acceptable. On average, schools with socioeconomic factors comparable to Vallecito Union have a similar paid participation rate. In districts where participants believe the meal program is a good value, this rate is higher.

Data from October 2007 also indicated that 41% of students qualifying for and participating in the free breakfast category received breakfast, and 29% of those in the reduced price category received breakfast. However, only 7% of the students in the paid meal category purchased a full-price breakfast. These averages are common in many schools that have similar service.

Districtwide Breakfast Program

Participation in the before school breakfast program served at all sites is low. Average daily breakfast counts are: Avery Middle School 43, Michelson Elementary 51 and Fischer Elementary 50. The low level of participation is not uncommon because of family and bus schedules. Some children are also not hungry early in the morning.

Some parents indicated that too many food choices were processed, but that they would encourage their children to eat school breakfasts if more scratch items were prepared. At present, this program is expensive because of the small numbers of students served compared to the number of full time equivalent (FTE) staff members required.

Eating breakfast is important to a child's mental and physical well-being. Good nutrition keeps students healthier, improves learning and raises test scores.

Many districts have addressed low levels of breakfast participation by serving breakfast during morning recess or nutrition breaks. Although the state suggests a two-hour gap between breakfast and lunch, this is not a mandate. A districtwide effort would be required to implement breakfast service later in the morning since this would necessitate revising classroom schedules.

Some districts that modified their breakfast programs have experienced significant increases in participation by serving breakfast at mid-morning breaks or recess, benefiting student health and academic efforts. This change can increase food services revenues by \$38,000 or more, which is important because of the impact of recent changes in a la carte options at the middle school level.

Since breakfast is the most important meal of the day, other districts serve this meal in the classroom right after morning attendance is taken. Although this is by far the best solution, it also can create scheduling problems and requires students to be trained so they can properly manage their desktops and keep the surrounding area clean.

The district's wellness policy should adopt the goal of providing all students with access to the School Breakfast Program. As much as possible, bus schedules should be arranged accordingly, and methods should be utilized to serve school breakfasts that encourage participation. Providing mid-morning breakfast would meet this goal.

Recommendations

The district should:

1. Conduct a bimonthly analysis of meal percentages and participation and establish targeted goals. New strategies should be developed if targets are not met.
2. Increase communication with parents and the staff on the value of eating breakfast.
3. Consider promoting hot items such as easy breakfast breads that could be made and fortified with commodity dried fruits and nuts.
4. Evaluate options to change the time breakfast is served to improve participation with minimal impact on current schedules and instructional minutes. Options include serving breakfast during morning recess or a nutrition break.

Districtwide Lunch Program

Participation in the National School Lunch Program is high, but could be increased in some areas, including among students who pay full price. The lunch program is well presented with a wide variety of foods. The theme bar at each school is student friendly, but underutilized. Most of the 30 students and staff members interviewed by the study team indicated they want the salad bars to offer a greater variety such as fresh fruit, canned fruit, and more salad greens and vegetables. If possible, fresh produce from school gardens or local farms could be considered as long as they meet local health requirements.

Meal pricing seems appropriate for the area. However, the school lunch is generally not perceived to be a good value even though an attractive and informative menu is sent home. The district should consider sending all families a letter that includes a cost/nutrition comparison of a sack lunch made at home and a lunch with the varieties of food available at school. This would also be an interesting topic for the school newspapers.

As an added incentive to the lunch program, the district could consider offering a bonus such as a free meal when parents purchase meals in advance in increments of five meals or more at a time. This type of bonus will increase paid lunch participation and decrease the amount of time students wait in line at the cashier. It takes time for employees to collect money for meals and deposit receipts every day.

The food service program could also prepare and offer additional bakery-type items. Those interviewed by the team indicated that they would participate in the program if more in-house items were produced. Students will also respond well to items such as cakes and brownies fortified with commodity fruits and nuts. Many recipes are nutritious and appealing to students.

Recommendations

The district should:

1. Work with local PTAs and teacher groups to build confidence in the program and collect ideas for expanded meal choices. At present, teachers perceive that they are not part of the process.
2. Offer a greater variety in the salad bar, including a protein item such as commodity diced turkey, ham or cheese.
3. Determine whether local farmers are interested in providing seasonal special items each month.
4. Develop and promote incentives for parents to purchase meals in advance.

Facilities

All school sites visited were in relatively good condition. The size of the facilities is adequate for the current production and should remain so for several years. The storage area at Avery Middle School should be increased since the kitchen stores some items in the women's locker room. The storage area should also be remodeled so that it better meets the requirements of a proper storeroom.

Most of the food production equipment in kitchens is more than 20 years old, and some do not function properly. The dishwashers at both elementary schools sometimes do not function correctly, causing the schools to be out of compliance with state health codes. The small heating cabinets are not in use, reportedly because they do not maintain correct food temperatures. The district should develop a plan for equipment replacement.

If funds are available for equipment replacement, priority should be given to purchasing dishwashers or removing the old machines and installing three compartment sinks in their place. The next items to be replaced should be the warming cabinets, and eventually all equipment should be updated.

Recommendations

The district should:

1. Increase the storage area for the food service program at Avery Middle School.
2. Replace the elementary site dishwashers with new machines or install three compartment sinks to comply with state health codes.
3. Consider replacing the warming cabinets if funds are available, and create an equipment replacement schedule for all equipment that has reached the end of its useful life or will soon do so.

Personnel

Labor

The food service program utilizes 31.05 labor hours per day to prepare meals, excluding the director. The staff includes six food service workers and a Driver. The time and cost of the Food Service Director is shared with Bret Harte Union High School District in Angels Camp. In many districts with the same number of schools, the labor hours would be justifiable. However, they are problematic at Vallecito Union because of steadily declining enrollment, the level of labor hours compared to meals served, and decreasing revenues. When compared to this year's budgeted income, labor cost will increase by 6%.

The following data analysis identifies sites where changes could be made in labor hours based on comparable industry standards. For the purpose of this analysis, the hours for the Food Service Director have not been included as these hours are not directly linked with production. In most districts of this size, the manager-level position participates significantly in daily production.

The information provided by the district shows that an average of 398 lunches and 144 breakfasts are served daily. This is an average of 17 meals per labor hour (without a la carte equivalents). The estimated breakdown per site is as follows:

Meal and Labor Analysis

School	Fisher	Avery M.S.	Michelson
Labor Hours*	8	12.25	9
Breakfast			
Avg. # / Day	50	43	51
Lunches			
Avg. # / Day	138	114	146
A la cart equivalents**	12.5	34	12.5
Total Meals	200.5	191	209.5
Meals per Labor Hour	25	16	23

Breakfast meals can be counted or weighted differently than lunch because the production requirements are less, but to keep the analysis simple, this option was not used.

** Labor hours do not include the hours of the Driver/Delivery Person.*

***A la carte equivalents noted are calculated by a la carte sales divided by the lunch price (\$2 for elementary and \$2.50 middle school). They are added to the reimbursable meals to more accurately show labor productivity.*

For optimum efficiency, the desired levels of meals per labor hour (MPLH) with current district cooking and production are 25-28. Low MPLH is an indication of overstaffing. Many districts can achieve an even higher ratio, especially when using the same amount of previously prepared entrees as at Vallecito Union. As the above analysis indicates, most sites are below those standards at between 16-25 MPLH. Meals and food sales are excessively low for the number of labor hours. The district has opportunities to increase meal participation and food sales to justify the labor patterns. If the MPLH is not monitored and adjusted, the district will continue to experience excessive labor costs.

The delivery truck travels to Angels Camp to pick up sliced meat every week. This trip takes a considerable amount of time and has become more expensive because of the high cost of fuel. One option is for the program to purchase a meat slicer and perform this work at one of the larger kitchens using existing labor. Another possibility would be for the Food Service Director to bring these items with her when she makes her daily trips to the district.

At one time, the district was part of the Calaveras Joint Powers Authority (JPA), which provided a Food Service Director position to serve several districts. The JPA was dissolved, and the two remaining districts, Bret Harte High School District and Vallecito Union School District, contracted for the services of the JPA Food Service Director from the JPA. At present, Vallecito Union's portion of the cost is \$55,271.99, which is 16.4% of the district's estimated actuals for food service. Most school food service departments expend 5-8% of the budget on administration. Districts the size of Vallecito Union will commonly assign the administrative functions of the Food Service Department to the Business Manager or Chief Business Official and create a Classified Manager position to coordinate day-to-day operations and maintain compliance.

It benefits the district to have the services of a Food Service Director, but it is also costly. With this position, the business manager is not required to keep up to date on the numerous state and federal regulations or become directly involved in yearly food service bids and the USDA Commodity Program.

With the district's continuing decrease in enrollment, it is doubtful that the food service program can increase participation sufficiently to offset the deficit. It will become more important each year to readjust staff schedules, and there are many different ways to make these adjustments. FCMAT believes the following changes would be the most effective.

To keep the line moving smoothly, it is important to have two staff members on duty while meals are served. FCMAT believes the work hours of the Cook Site Manager positions at Fisher and Michelson can be decreased by .5 hours each without affecting the lunch line. Michelson also prepares food for an after-school program, which is included in the MPLH calculation. Both reductions would help the schools increase efficiency in MPLH. Avery would require more reductions, but because of the greater variety of entrees it produces, it will be more difficult. The Cook Site Manager and helper at Avery could be reduced by one hour each per day.

Another option that would help increase MPLH and possibly negate the need to reduce hours would be changing the breakfast time to later in the morning. This change would increase the number of meals served and allow the staff to report to work at a later time, reducing hours.

The district should also look for additional ways to decrease driver travel time. The option of staffing a part-time food service director position should be reconsidered. Although considerable money could be saved by eliminating the full-time Food Services Director position, the district would need to restructure most of its staffing. In some cases, the hours of some of the positions may need to be increased.

Purchasing

The district uses an effective system of annual bidding on all products. A review of several invoices found that pricing appears consistent and current with the bid pricing of other districts. The cost of fresh produce appeared to be slightly high, but this could be because produce is not generally set up in annual bids since the constant price changes with each season. The district also utilizes all its commodity allocation from the state, which is an effective method of keeping costs down. The district should continue with current practices and participate in the State Commodity Food Show.

Training

Food service program employees are interested in improving meal choices, participation, and the fiscal concerns of food services. Certificates of employee completion of food safety training classes are posted in the kitchens. At two schools, employees lacked hair restraints and wore short pants and open-toed shoes, all of which do not comply with health and safety codes. For the most part, the kitchens were clean and organized.

The Michelson Elementary kitchen requires some additional deep cleaning. The corners of the floor had a heavy wax build up, and some parts of the walls need to be cleaned. Some areas are cluttered, and exposed insulation should be removed. Staff members at each kitchen know their jobs and keep busy. Some posters on the walls are out of date and include information that is incorrect for a commercial kitchen.

The site's parents and yard duty personnel indicated that food is often overcooked and left on the counters for 30 to 45 minutes before serving. A Hazard Analysis Critical Control Point (HACCP) Daily Temperature Log sheet is used correctly at one site, but the temperatures included on the document are excessively high. Items that are premanufactured and completely cooked in a USDA inspected commercial kitchen do not require the same cooking temperatures as those prepared in-house. For example, French

bread pizza is premanufactured and should be heated to an internal temperature of 135 degrees and held at that temperature until just before service. The log states that it should be cooked to an internal temperature of 165 degrees, which will cause the product to become tough, especially if it is left at that temperature for a long time.

The staff has received training, but need reinforcement about the importance of dealing with safety issues and adhering to the dress code. Training sessions could be conducted as monthly five-minute lessons. Senate Bill 198 states that it is imperative for districts to take the time to train employees. This training could center on food safety as well as items that are OSHA required, like training on material safety data sheets or safe apparel. With reinforcement, the staff should have no problem correcting the minor problems observed.

Recommendations

The district should:

1. Consider implementing breakfast options to increase participation levels that support the current staffing level. The district could also consider reducing hours or eliminating positions to bring total labor hours more in line with industry guidelines.
2. Purchase a slicer for one of the larger kitchens and eliminate the weekly trip to Angels Camp to pick up sliced meat.
3. Consider reducing the hours of the Cook Site Manager positions at each school site as noted.
4. Continue with current bidding practices and participate in the California School Nutrition Association (CSNA) Conference and Commodity Food Show and Expo held in January.
5. Conduct additional training for the staff on appropriate clothing and shoes that meet health and safety codes.
6. Request the Maintenance and Operations Department to remove the heavy wax buildup and clean the walls in the Michelson kitchen.
7. Replace posters in the kitchen areas with updated information on cooking temperatures in a commercial kitchen.
8. Update HACCP log sheets to reflect proper cooking temperatures for premanufactured food items.

Opportunities

One option that has resulted in additional income for many districts is beverage vending. When vending machines are placed in the proper location, they can be a source of income ranging from \$60 to \$200 per month, with a monthly utility cost of \$30 to \$40. Vending machines can offer students a range of drinks from water and sport drinks to juices. If schools are used for weekend activities or after school programs, the machines generate profits without requiring labor hours.

There are two ways to work with the beverage companies:

1. **Self-filling.** With this option, the beverage company loans the district the vending machines and sells the beverage at wholesale cost. The price should be significantly less than what the district currently pays. The district is responsible for stocking the machine and repairing minor problems like coin jams. The beverage company performs all major repairs.

A 20-ounce bottle of beverage costs approximately 75 cents, and the vended price is \$1.25, so Food Services would make 50 cents per bottle. An advantage of this option is that it pays for work hours so the food service staff can stock the machines, which helps when hours may otherwise be reduced.

2. **Full service.** With this option, the beverage company places and maintains the machines. The company ensures the machines stay stocked and performs all maintenance. The beverage company pays the Food Services Department a percentage of each machine's gross revenue. The commissions are a set amount that can range from 20 to 30%.

A review of the a la carte program found that sales have decreased since the district started complying with Senate Bill 12, which restricted a la carte food sales during the school day to those that meet specific nutritional requirements. The district staff indicated that the limited number of items offered do not appeal to students as much as the prior items. The selection is limited, but similar to what many other schools offer. However, snack manufacturers have introduced healthier items such as sunflower seeds and beef/turkey jerky.

Care must be taken to check the ingredient labels on all items sold in the a la carte program. The snacks sold must be healthy and follow the new state guidelines. Two items currently available for student purchases do not meet the guidelines. The prepackaged fruit snacks are too high in sugar, making up more than 35% of the product weight. The first ingredient on the label is high fructose corn syrup, the second is sugar and the third is fruit juice. One of the ice cream products is also too high in fat, which makes up more than 35% of the total calories. The Food Service Director can help the district evaluate new food items that meet nutritional guidelines and appeal to students.

Taste-testing sessions and student/parent surveys can be used to measure interest in expanding food choices and could become part of the overall plan to increase participation levels at all schools.

Deliveries are received at Bret Harte on Thursdays and Fridays. Changing the delivery location for district goods to Michelson Elementary on Wednesdays would reduce driving time. The Cook Site Manager at Michelson could check in the orders. Meat entrees are prepared at Bret Harte and transported and reheated prior to meal service at district sites. If the delivery schedule were changed to include Michelson Elementary, the cook site managers could prepare the meat entrees, preventing them from drying out during reheating and increasing the appeal of the meals to students.

Recommendations

The district should:

1. Evaluate the possibility of obtaining vending machines for the food service program and review the possible locations for these machines. The district should determine which service option would best meet its needs. By filling the machines itself, Vallecito Union may be able to reduce labor hours.
2. Check all foods that are served a la carte for compliance with SB 12 standards.
3. Schedule times to meet with student groups, teachers and parents to discuss the food items sold. The district should also conduct taste-testing sessions and student-parent surveys.
4. Assign the Food Services Director to evaluate new food items that meet nutritional guidelines and appeal to students.
5. Consider revising the delivery schedule for items used by the district from Bret Harte to Michelson Elementary. This will enable the cook site managers to prepare the meat entrees, increasing the appeal of lunch entrees to students and parents.

Appendix

A. Study Agreement



CSIS California School Information Services

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
May 2, 2008

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Vallecito Union 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 Vallecito Union 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.

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 District's Food Service program and provide recommendations that, if implemented, will assist the district in reducing the level of general fund contribution needed to support the program; and, increase the participation rate at the three school sites.

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and staff on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct on-site meetings at the District office to gather documentation and conduct interviews. The Team will

request assistance from the District in setting up interview schedules with staff.

- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site reviews to inform the District representatives 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 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 costs. 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, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- A. Rod Blackner, FCMAT Food Service 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.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A, the total cost of the study is estimated at \$3,500. 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.

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:

- 1) A copy of the MOU for the shared Food Service Director position.
- 2) A listing of the FTE, employees, and job classifications of the food service program, by site.
- 3) Copies of two separate invoices from each vendor that the food services program has purchased food, supplies, or services from this year.
- 4) Information on the number of Free and Reduced meals
- 5) Current District enrollment numbers, grade level by site
- 6) A map of the district with site locations identified
- 7) Copies of Federal and State reimbursement claims for Oct 2006, February 2007, October 2007, and February 2008.
- 8) The food service program unaudited actuals report for 2006-07, the program's 2007-08 budget, and the program's 2007-08 revenue and expenditure actuals through May 21, 2008.
- 9) The ala carte menu and reimbursable meal menus and prices
- 10) Job descriptions for each position in the food service program
- 11) Interview meetings set up with each of the following staff, individually:
 - Food Service Director (will need to be available for portions of both days of the Team visit)
 - Business Manager – 30 minutes
 - Each member of the food service staff – 20 minutes each
 - Principal of the district's largest school site – 20-30 minutes
- 12) Other items that may be requested during the on-site visit.

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 District 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:	May 22, 2008
Staff Interviews:	May 22-23, 2008
Exit Interviews:	May 23, 2008
Preliminary Report Submitted:	July 3, 2008
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Follow-Up Support:	If requested

7. CONTACT PERSON

Please print name of contact person: Gretchen McReynolds, Business
Manager

Telephone 209 795-8502 FAX _____

Internet Address gmcreeynolds@vsd.k12.ca.us

Glenn Sewell 5/5/08
Glenn Sewell, Superintendent Date
Vallecito Union School District

Barbara Dean May 2, 2008
Barbara Dean, Deputy Administrative Officer Date
Fiscal Crisis and Management Assistance Team

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.