



CSIS California School Information Services

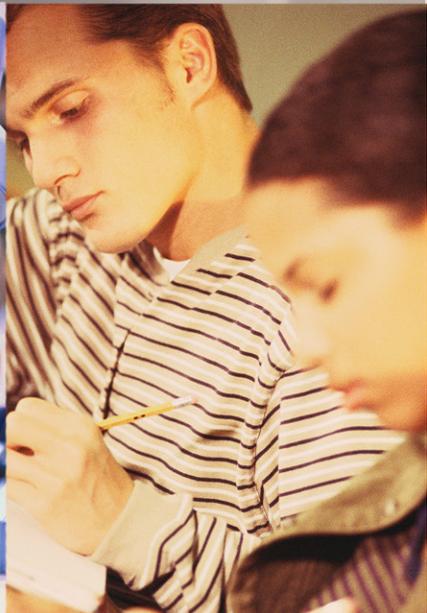
Castro Valley Unified School District

Food Service Review

May 26, 2015



Joel D. Montero
Chief Executive Officer







CSIS California School Information Services

May 26, 2015

Candi Clark, Assistant Superintendent of Business Services
Castro Valley Unified School District
4400 Alma Avenue
Castro Valley, CA 94546

Dear Ms. Clark:

In December 2014, the Castro Valley Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement to provide a review of the district's food service programs and services. Specifically, the agreement stated that FCMAT would perform the following:

1. Examine the food service department's procedures and practices for managing all operations with regard to efficiency. The department is responsible for establishing the framework for overall operations, allocating resources, providing functional guidance and assessing districtwide opportunities to provide improved service. Evaluate the departmental work flow and distribution of management and leadership functions, which shall include but not be limited to food preparation, ordering, inventory, cash and resource management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing and facilities, and make recommendations for improved efficiency, if any.
2. This component will include reviewing documentation, including board policies and administrative regulations, job descriptions, and gathering data regarding current practices and procedures. Additionally, the FCMAT team may interview other department or site staff to determine the efficiency and effectiveness of services delivered.
3. Review training and professional development programs for employees and managers and make recommendations.

FCMAT

Joel D. Montero, Chief Executive Officer

1300 17th Street - CITY CENTRE, Bakersfield, CA 93301-4533 • Telephone 661-636-4611 • Fax 661-636-4647
755 Baywood Drive, 2nd Floor, Petaluma, CA 94954 • Telephone: 707-775-2850 • Fax: 707-636-4647 • www.fcmat.org
Administrative Agent: Christine L. Frazier - Office of Kern County Superintendent of Schools

This final report contains the study team's findings and recommendations in the above areas of review. FCMAT appreciates the opportunity to serve the Castro Valley Unified School District, and extends thanks to all the staff for their assistance during fieldwork.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel D. Montero". The signature is fluid and cursive, with a prominent initial "J" and "M".

Joel D. Montero
Chief Executive Officer

Table of Contents

Foreword.....	iii
Introduction.....	1
Background.....	1
Study Guidelines	2
Study Team.....	2
Executive Summary.....	3
Findings and Recommendations.....	5
Staffing and Meals per Labor Hour	5
Staff Morale	7
Enrollment, Free and Reduced Eligibility and Participation	9
Menus and Meal Program.....	11
Competitive Food Sales	19
Wellness Policy.....	21
Budget	23
Food Safety Program.....	25
Facilities	27
Cash Handling.....	29
Food/Supplies Purchasing	31
Appendices.....	33

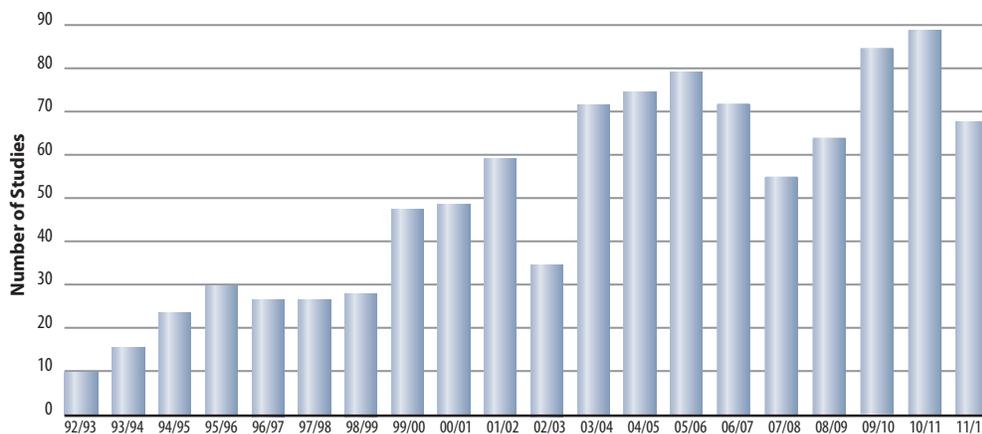
About FCMAT

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

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

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

Studies by Fiscal Year



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

AB 1200 is also a statewide plan for county offices 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 more than 1,000 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

Castro Valley Unified School District is located in an unincorporated area of Alameda County. According to the 2000 census it is the fifth largest unincorporated area in California and the 23rd most populated area in the United States.

Castro Valley is a K-12 district with nine elementary schools, two middle schools, a preschool, a high school and an alternative high school. According to October 2014 California Longitudinal Pupil Achievement Data System (CALPADS) reports the enrollment is 9,361. The enrollment has been quite steady in the past five years but is up 900 students from 10 years ago and 1,200 students from 20 years ago, according to the CDE's DataQuest records.

In December 2014, the Castro Valley Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement to provide a review of the district's food service programs and services. Specifically, the agreement states that FCMAT will perform the following:

1. Examine the food service department's procedures and practices for managing all operations with regard to efficiency. The department is responsible for establishing the framework for overall operations, allocating resources, providing functional guidance and assessing districtwide opportunities to provide improved service. Evaluate the departmental work flow and distribution of management and leadership functions, which shall include but not be limited to food preparation, ordering, inventory, cash and resource management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing and facilities, and make recommendations for improved efficiency, if any.
2. This component will include reviewing documentation, including board policies and administrative regulations, job descriptions, and gathering data regarding current practices and procedures. Additionally, the FCMAT team may interview other department or site staff to determine the efficiency and effectiveness of services delivered.
3. Review training and professional development programs for employees and managers and make recommendations.

Study Guidelines

FCMAT visited the district on March 1-3, 2015, to conduct interviews, collect data and review documents. This report is the result of those activities and is divided into the following sections:

- Executive Summary
- Staffing and Meals per Labor Hour
- Staff Morale
- Enrollment, Free and Reduced Eligibility and Participation
- Menus and Meal Program
- Competitive Food Sales
- Wellness Policy
- Budget
- Food Safety Program
- Facilities
- Cash Handling
- Food/Supplies Purchasing
- Appendices

In writing its reports, FCMAT uses the Associated Press Stylebook, a comprehensive guide to usage and accepted style that emphasizes conciseness and clarity. In addition, this guide emphasizes plan language, discourages the use of jargon and capitalizes relatively few terms.

Study Team

The study team was composed of the following members:

Eric D. Smith, MPA
FCMAT Fiscal Intervention Specialist
Templeton, CA

Judith Stephens
FCMAT Consultant
Nipomo, CA

Rod Blackner*
Director, Food Services
Paso Robles Jt. Unified School District
Paso Robles, CA

Laura Haywood
FCMAT Technical Writer
Bakersfield, CA

*As a member of this study team, this consultant was not representing his employer but was working solely as an independent contractor for FCMAT. Each team member reviewed the draft report to confirm accuracy and achieve consensus on the final recommendations.

Executive Summary

The district average for free and reduced student meals eligibility is 20%. Eligibility varies at individual schools, with the lowest eligibility at Jensen Ranch Elementary at just 4%. The schools with the highest free and reduced populations are Marshall and Castro Valley elementary schools at 37% and 35% respectively.

The district participates in the National School Lunch and Breakfast program, which is regulated by the US Department of Agriculture (USDA) and the California Department of Education. Regulations were updated in 2010 during the federal reauthorization of the program. These were the most comprehensive changes to the program in 15 years. Initial guidelines became effective in the 2012-13 school year, and have continued to become stricter. The new regulations seek to increase the availability of fruits, vegetables, whole grains, and fat-free and low-fat fluid milk on school menus; reduce the levels of sodium, saturated fat and trans fat in school meals; and meet the nutritional needs of schoolchildren within specified calorie requirements. The intent is to provide meals that are high in nutrients and low in calories, which better meets students' dietary needs and protects their health.

The Child Nutrition department has had some big challenges in the past several years, including many budget reductions and staff layoffs in the spring of 2009. The administration at that time decided to eliminate the food service director position and give the responsibility to the purchasing director, who subsequently retired. The two departments were combined, and the new purchasing director was in charge of both child nutrition and purchasing. The high school kitchen manager was promoted to a child nutrition coordinator who worked under the purchasing director. During this time, no part of the purchasing/child nutrition director's salary was charged to the Child Nutrition program.

The 2010 Child Nutrition Act made comprehensive changes to the National School Lunch Program with very complicated new menu regulations. According to current district administration the Child Nutrition department was not being monitored properly and regulations were not being followed. Likewise, the cafeteria fund was not being properly managed and many expenses were being charged to the general fund rather than the cafeteria fund. The decision was made to re-establish the food service director position, and the current director was hired in March 2014.

For the past year, the director has been attempting to bring the department back into compliance. This meant many changes occurred rapidly, and the department experienced some turnover. At the time of FCMAT's fieldwork, many staff had positive attitudes and seemed to understand the reasons for the changes. Ongoing and open communication, along with training, will further improve the situation. While the district is not yet in total compliance with the regulations, the process is under way. The department faces some budget challenges that will need to be addressed immediately.

Findings and Recommendations

Staffing and Meals per Labor Hour

Castro Valley Unified School District serves lunches at all of its schools and breakfast at the high schools, middle schools and four of the nine elementary schools. All but two schools, Redwood Alternative High School and Palomares Elementary, have on-site food preparation. Castro Valley High School prepares food for its students and for Redwood High School. Independent Elementary School prepares food for its students and for Palomares Elementary School.

Because labor costs are generally a large percentage of the budget, continual monitoring of the budget must be considered to operate an efficient and financially sound department. In both site observations and meal productivity studies done by FCMAT, the department appears overstaffed.

The industry standard for calculating and analyzing productivity is meals per labor hour (MPLH). There are several ways to determine MPLH. Breakfasts, lunches and a la carte sales must be included in the analysis. Breakfasts are sometimes counted as a fraction of a meal equivalent because they are simpler to prepare, but they were given equal weight in this analysis because the district provides some hot meals as well as cold ready to serve items. A la carte sales were only counted at the high schools and middle schools since the elementary schools sell very little outside the National School Lunch Program. A la carte dollars are converted to a meal equivalent by dividing the total by a factor of the average breakfast and lunch cost; in this case, \$2.25 at the middle schools and \$2.50 at the high school.

FCMAT conducted a meal study using meal claim data from October 2014. This month is used because October 1 is the cutoff date for processing free and reduced applications. A brief review was done on districtwide meal counts for November and December of 2014 and October 2013. Breakfast counts were the highest in October 2014. Lunch counts in October 2014 were about 100 higher than in November and December, but about 300 less than October 2013. These variables are not significant enough to suggest that the months used were atypical. The difference between the 2013 and 2014 counts may be partly due to the menu changes needed to bring the program into compliance.

The MPLH analysis reveals very low productivity. Best practice standards are about 30 MPLH. The district average for Castro Valley is 18 MPLH. There is some variability at individual schools. None of the district schools meet the desired standards. The highest MPLH was Stanton at 26 and the lowest was Jensen Ranch, at just 12. More than half of the district's schools were below 20. The others were between 20-23 MPLH. Appendix A to this report shows the details of this analysis.

The cafeteria fund has a projected deficit this year, and labor costs are approximately 52% of the projected revenue.

Student surveys should be conducted to understand reasons for low participation, including but not limited to menu offerings, long lines, etc. Speedier lines can often entice students to partake in the program.

Since meal counts are low and the district's schools are in fairly close proximity, more consolidation of production could be considered. Since a central kitchen facility is very costly, more schools should be used as production kitchens for other schools, as is done at Castro Valley High

School and Independent Elementary. Menus and products used in meal production could also be reviewed and simplified.

Recommendations

The district should:

1. Review staffing at all sites and reduce hours as much as possible.
2. Consider consolidating more sites and transporting food to smaller sites.
3. Review menus and production methods. Serve simpler menus and implement more efficient serving methods to reduce staff hours.
4. Have the director closely observe sites for ways to improve efficiency and attract more participation.

Staff Morale

During FCMAT's three days on site, the team visited with more than 30 staff members and several students at the school sites to get detailed information about the district and the department, and to elicit opinions regarding Child Nutrition department changes.

Interviewees consistently commented that the director of food service has a very large workload. There was an understanding that the department is making many needed changes. Most of those interviewed understood that some changes are to correct past procedures, and many also understood that the changes deal with new laws passed by the state and federal governments. Some felt the changes were overwhelming and made too rapidly. Most staff interviewed felt positive about the changes and about the director. They felt the current changes to bring operating procedures and organizational staffing up to state standards were warranted. Some commented that the director opened the door to new things and gave them the tools to get the job done.

Some felt that communication is lacking and needs to be further addressed by management. Some of the staff are unsure why some procedures are different now. They understand that the changes are mandated but they are not sure by whom. Some of the principals stated they need more information about the food service program and the department needs better lines of communication with parents.

While some staff, as stated above, felt that many changes were needed, like better sanitation practices, a few felt they were being pushed too hard. They also stated that labor has been cut and they have to fill in for others while trying to complete their own jobs. Some understand that changes need to be made for the new regulations but do not understand how to put them in place or fully implement them. For example, at two sites, staff understood they were operating an offer vs. serve program that would give students the opportunity to choose the items they would like and refuse items they didn't want. Staff failed to understand that students may also take all the components offered, such as an entrée, milk and both a fruit and a juice. Students were told they could only take a fruit or juice but not both.

Some of the principals believe that food service rules are not equally understood. In some schools principals think students should use scan cards at the meal point of service to input student information for obtaining a meal. Others believe that everyone is to use a PIN number to access meal eligibility. The principals need the opportunity/forum to discuss with the director of food service the best way to set up their schools.

At some sites, principals believe parents are notified with a phone call weekly when students have a negative balance in their meal money account. Others believe the auto-calling system is used. Others understand that information is sent home and parents are supplied small, nondescript envelopes to put money in. The principals see a need for consistent and better distribution of information for all school principals and for parents/guardians.

Recommendations

The district should:

1. Continue training staff to better understand the new programs and systems implemented by the food service director.

2. Include staff in the budgeting process and current financial status of the department to help them better understand the decisions being made and help institute improvements.
3. Have the food service director attend the K-12 principals meeting quarterly or twice yearly to give updates on programs and to achieve consistency throughout all schools.
4. Print information on the meal money envelopes such as the daily and weekly cost of meals to help parents determine the amount to deposit.
5. Utilize the existing auto calling system to notify families of negative and low meal account balances. Link the point of sale system to the calling system.

Enrollment, Free and Reduced Eligibility and Participation

Current district enrollment is 9,361 according to October CALPADS reports. The CDE's records show that enrollment has increased by more than 2,000 students in the past two decades.

The current free and reduced eligibility districtwide is just 20%. Eligibility is based on family size and income, with guidelines updated annually.

DataQuest information shows that district eligibility has been fairly similar, within 2-3 percentage points, for the past five years. It has increased in the past decade, with 2004-05 eligibility just 13.2%.

Eligibility varies among individual schools. Marshall and Castro Valley elementary schools have the highest eligibility at 37% and 35% respectively. Jensen Ranch Elementary has the lowest free and reduced eligibility at just 4%.

This low district eligibility is a big challenge to the program. The eligible population is the most likely to participate in the meal program because they receive meals either for free or for \$.40/meal for reduced eligible students.

According to October 2014 meal claim reports, the district's free and reduced lunch participation is 61%, which is fairly good. Paid lunch participation is 19%, which is low. At breakfast the free and reduced breakfast participation is just 20% districtwide and paid participation is only 3%. If breakfast participation cannot be significantly improved, the district may want to consider eliminating it or serving it only as a second chance breakfast (mid-morning) instead of before school. This can help increase participation and allows for some reduction in staff hours.

The director should track participation at all meals and all sites and address problem areas. Many factors can affect participation: free and reduced eligibility, menus, time of day, line flow. Demographics may prevent increasing eligibility; however, other issues should be identified and changes considered.

Recommendations

The district should:

1. Have the director regularly track participation at all sites and try to identify trends.
2. Consider modifying breakfast and lunch menus, improving line flow, and changing breakfast times to only midmornings to increase participation.
3. Consider eliminating the program if breakfast participation continues to be low.

Menus and Meal Program

District staff told the study team that prior to the food service director's hiring in spring 2014, the Child Nutrition department did not follow any of the new menu plan regulations. The main priority assigned to the director was to get the department in compliance with federal and state regulations. The following section reviews the new regulations and the district's progress in achieving compliance.

Meal Pattern Requirements

The district participates in the National School Lunch and Breakfast program, which is regulated by the US Department of Agriculture (USDA) and the California Department of Education. Regulations were updated in 2010 during the federal reauthorization of the program. These were the most comprehensive changes to the program in 15 years. Initial guidelines became effective in the 2012-13 school year, and have continued to become stricter.

Section 9(a)(4) of the Richard B. Russell National School Lunch Act (NSLA) requires that school meals reflect the latest Dietary Guidelines for Americans (Title 42 United States Code Section 1758(a)(4)). In addition, Section 201 of the Healthy, Hunger-Free Kids Act of 2010 amended Section 4(b) of the NSLA to require the USDA to issue regulations to update the meal patterns and nutrition standards for school lunches and breakfasts based on the recommendations issued by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences (Title 42 United States Code Section 1753(b)). The following websites contain additional information regarding these issues:

<http://www.fns.usda.gov/sites/default/files/NSLA.pdf> <http://www.fns.usda.gov/sites/default/files/HealthyHungerFreeKidsActof2010.pdf>

The new regulations seek to increase the availability of fruits, vegetables, whole grains, and fat-free and low-fat fluid milk on school menus; reduce the levels of sodium, saturated fat and trans fat in school meals; and meet the nutritional needs of schoolchildren within specified calorie requirements. The intent is to provide meals that are high in nutrients and low in calories, which better meets students' dietary needs and protects their health.

In addition to higher fruit and vegetable requirements, districts must offer a wider variety of vegetables, including specified weekly amounts of vegetable subgroups. These subgroups include dark green, red/orange, starchy, and legumes. While this is good nutritionally, it has complicated menu planning and to some extent, student acceptance. All K-8 students must be offered a full cup of fruit at breakfast and ½ cup of fruit at lunch. Three-quarters cup of vegetables must be offered to K-8 students at lunch. One cup each of fruit and vegetables must be offered to grades 9-12 students at lunch. Students of all grade levels must take at least ½ cup of fruit or vegetable with both breakfast and lunch whether they want it or not. Districts have seen an increase in waste due to this requirement.

Detailed information on menu requirements can be found in the charts included in this report and from the following website: <http://www.cde.ca.gov/ls/nu/he/smi.asp>

The offer vs. serve menu plan option means that students must be offered a certain number of items and must take (be "served") a certain minimum number. The regulations dictate that five items are offered at lunch and four at breakfast, but students are only required to take three at each meal. They may choose to take all the items. Other than the requirement that one of the three items must be a fruit or vegetable, students may choose or refuse whatever they want. The

purpose of offer vs. serve is to provide students with choices and an option to refuse items they do not intend to consume. It is also meant to prevent waste (and extra expense) of items students don't want.

Castro Valley practices offer vs. serve at all schools and is in compliance with this requirement. However, alternative methods of instituting it may result in lower costs and better student satisfaction. This will be discussed further in the menu variety section.

The menu plan requires a specific amount and variety of fruits and vegetables as noted above. Likewise, students must take at least ½ cup of a fruit or vegetable with each meal. Because of the complexity of providing the wide range of vegetable subgroups throughout the week, Castro Valley and many other districts have addressed this by offering salad bars at all sites. This way all the vegetable subgroups can be offered daily, covering the requirements of the quantity and variety of vegetables and fruits.

Castro Valley has opted to have its salad bars located after the point of sale computers at most of the schools. Because staff must verify that students take the required produce portion, one or two fruits and vegetables are also offered in the entrée line or at the cashier's stand. The students must take at least one of these items before they leave the line. While this covers the requirement, the students may not like the particular choices offered and may not eat them, resulting in waste.

The salad bars offer a great variety of fruits and vegetables, and meet program requirements. To market the program and entice students to eat more fruits and vegetables, the director decided to allow all Castro Valley students to help themselves to the salad bars, whether they get a school lunch or not. While this is a great idea for nutrition promotion and is very popular with students and site staff, it is also very costly.

The new menu changes have been extremely challenging for school districts across the United States to implement. In 2012 districts had to submit detailed worksheets and nutritional analysis to the state proving that their menus met guidelines to qualify for an additional \$.06 reimbursement for lunches. Most feel this has not been enough to cover the higher food costs associated with the new requirements.

The Castro Valley menus appear to follow the new regulations. The director hired a registered dietitian as a consultant to help with menu planning and nutritional analysis.

The menus appear to include the appropriate components and variety of fruits and vegetables.

The consultant is using the Nutri-Kids analysis program, which is state approved and very comprehensive. While the basic information has been entered into the program, the district has not completed the requirements. Everything offered on the menus is being counted with equal weight – as if each student took everything offered, including multiple entrées and all sides and all varieties of milk. So the calorie and nutrient totals are completely inaccurate. Thus it is not possible to tell whether or not the district menus meet the calorie and nutrient guidelines.

The director is aware that the menu analysis is not finished. The correct way to enter this data is to use weighted averages from the menu production sheets – listing the actual amounts of all the foods served to students. The weighted nutritional analysis will determine if the menus are meeting requirements. If they are not, the director will have to adjust the menu offerings, portions and or combinations of foods until they meet requirements.

Recommendations

The district should:

1. Discontinue allowing all students access to the salad bar.
2. Complete the nutritional analysis of the menus using weighted averages as required. Make any menu adjustments needed to meet the guidelines for calories, sodium and saturated fat.

Menu Variety

The director has spent a great deal of time revising menus at all sites to comply with regulations and try to increase student participation. As noted in the previous section, overall menus appear to be in compliance with program requirements except for the incomplete nutritional analysis.

The menu choices at the high school are numerous. Five different themed stations have been created to try to attract students. Offerings include a sandwich/salad station, burger station, Asian station, Mexican station and pizza station. Each station has multiple entrées – as many as eight items. The sandwich and burger choices include three different burgers, a spicy chicken sandwich, a barbecue meat or meatball sandwich plus two or three cold sandwiches. The Mexican line has three different burritos, two burrito bowls and sometimes tacos. The Asian station has two types of rice bowls, chow mein and hot wings. The pizza station is very popular, offering just cheese pizza and pepperoni pizza.

Some of the food items are repeated on the daily and monthly cycles. The Asian, burger and pizza stations are exactly the same daily for the whole month, except that the daily entrée special is different each day but repeats every week on the same day.

The Mexican and sandwich stations have a couple of items offered every day for the month, like a turkey and cheese hoagie, chicken Caesar salad and bean and cheese burrito. These are probably favorites and appropriate choices. However, many items are repeated daily for a week, like Philly cheesesteak sandwich, egg salad sandwich, and Asian chicken salad. Then the subsequent week has other choices offered for the whole week, like shredded pork sandwiches or meatball sandwiches. The Mexican bar only has the bean burrito daily then follows a similar pattern as above. This is both confusing and boring. If a student doesn't like the particular choices for the week, they may not eat. It would be better to have a weekly cycle with the same choices but varied on a daily basis as is done with the daily entrée specials.

While a wide variety sounds good, it can be overwhelming to students and slow lines down. It is very expensive in terms of food and labor. It also increases waste, especially since the district does not utilize leftovers. The most popular items should be determined and the menus trimmed. More variety could be achieved with just the most popular items daily and specials cycled in.

Because of the low participation at the high school, the district may want to consider selling some of the daily items a la carte rather than with a meal. Many students do not want a meal but may buy a slice of pizza, a sub sandwich or a burger by itself. Even with the very strict regulations for a la carte sales, these items would probably fit the fat and calorie requirements. They could be sold on mobile carts containing other snack items. These may bring in some extra revenue.

The regulations for selling a la carte entrées have become more complicated, but if an entrée is sold on the meal program, the only criteria for selling it a la carte is that it is on the menu the

same day or the day after and that it not exceed 400 calories, and less than 4 grams of fat per 100 calories, and 0.5 grams trans fat per serving. Many of the district's entrées likely meet those standards. For more details on a la carte foods see the competitive foods section of this report and Appendix B.

Middle schools have far less variety – basically three entrée choices plus sides, vegetables and a salad bar. Staff stated the menus used to offer a much wider variety. The director stated menus have been limited to get the requirements in place and staff used to the new system. It may be necessary to offer more choices to increase participation.

The most common complaint among staff and students was that they want more pizza and want to see sliced pizza back on the menu. From the February and March menus it appears that French bread pizza is offered three to four times monthly. These sites used to get sliced pizza as the high school still does. The director states that they previously used whole ready to bake pizzas that were sliced into portions. She feels the sites don't have enough oven space or time for that. She also is hesitant to serve more pizza because of parental complaints. With the new requirements, the pizza is healthier – whole grain, low fat and reduced sodium. This should be marketed to students and families. Pizza is just as nutritious as many of the other items and may increase participation if offered more often. If sites don't have capability to bake and slice whole pizzas, many products on the market are already sliced and more closely resemble what students prefer.

It could help revenue to offer some entrées as a la carte items as discussed above with regard to high schools. This may attract some students who aren't buying meals and also offer something more substantial than chips, cookies and beverages to those buying a la carte items.

Certain entrées are grouped with sides, and each entrée is paired with a particular side. For example, on one day of site observation a burrito and a hot dog were on the menu. Two sides were offered – baked French fries and corn. The students taking the hot dog were only given the fries and the corn only went with the burrito. While the menus can be grouped that way, the students should have the option of taking either or both sides if they wish. Because fries are so popular with students, all should get the option when they are on the menu. Instead of pairing breadsticks only with one entrée, they could be offered to all students (even those not choosing an entrée) as their grain choice.

The elementary menus are simpler yet. Some days there are two entrée choices and some days only one. There is a "breakfast for lunch" menu offering a cheese omelet and coffee cake, but students are forced to take both even if they just want one or the other. One day there are two Mexican items with no alternative; another only has a bean burrito. Hamburger day offers three burger choices – plain, cheese and veggie. It may be better to have an alternate item in case students don't like a burger or Mexican item.

Other than a fruit or vegetable, regulations do not dictate what students must take as long as they have three items. By combining a side with an entrée or having only one entrée, students are essentially being forced to take foods they may not want. This can lead to student dissatisfaction and waste, with the unwanted items going in the trash.

Another common theme heard at sites and from staff interviews was the method of serving ranch dressing and ketchup in portion packs, rather than bulk. Students are limited to one ketchup and one salad dressing packet. This is due to concerns about calories if students take too much and also that bulk containers are difficult to clean. These are not necessarily big concerns. If the analysis of calories were correctly done, the total amount of ketchup and dressing consumed in a

meal by all students would be averaged and likely would be fine. Ranch dressing can be made low fat. Cleaning the containers is a matter of training and monitoring.

The salad bars at all sites offer a wide variety of fruits and vegetables and contain the needed variety of vegetable subgroups. Some sites have much more appealing presentations than other sites of basically the same items. Since presentation is essential in attracting customers, the district's goal should be to identify the locations with appealing presentations and decide on a standard for all sites.

With the required vegetable subgroups it can be difficult to find kid-friendly choices, especially the dark green vegetables such as romaine lettuce, broccoli, spinach and kale. The district is trying to promote kale, which is an acquired taste and often more of an adult preference. The kale on many of the salad bars was in a bowl of mixed greens but was mostly very large pieces of kale, which is hard to eat. Some of the staff said the kids would eat it when offered mixed with dried cranberries and served with a raspberry dressing, but that was taken off the menu. Perhaps serving the kale the way the kids prefer would be a better choice. Chopping the kale into very small pieces and mixing it with other types of lettuce (such as romaine) also may get the students to try it. The same is true of spinach.

It is obvious that a great deal of work has gone into menu planning and trying to meet regulations. Overall (except for the analysis), this has been accomplished. The next step should be to determine the most popular combinations and create cycle menus based on this. Methods of deciding this can be student surveys, discussions with staff and meal observations to see what kids are taking and eating vs. throwing away.

In discussions about student preferences such as more sliced pizza, the director gave more weight to parental opinions about pizza than student opinions. Students are the main customers and need to be provided food they want within regulations. All the common favorites of students can be made healthier by selecting whole grain, low fat and reduced sodium options.

Recommendations

The district should:

1. Review high school menus and determine the top sellers. Reduce menu choices considerably.
2. Consider revising the way cycle menus are done at the high school with a weekly cycle (repeated throughout the month).
3. Consider selling some of the daily entrées a la carte to attract students and increase revenue.
4. Review middle school choices and consider increasing menu offerings.
5. Consider offering sliced pizza at middle schools and serving it more than once a week. Look into precut heat and serve varieties if the whole pizzas are impractical at middle schools.
6. Discontinue grouping sides with entrées. Give students more choices and do not force them to take combinations they don't want.

7. Offer two different types of entrée selections daily at elementary schools to please all tastes.
8. Review and consider changing some of the elementary menu combinations.
9. Conduct student surveys, observe meal lines, review production records and take input from site staff to determine student preferences. Where possible within the regulations, adjust menus to please students.
10. Set a food presentation standard so that all schools' offerings are equally appealing.
11. Consider serving ketchup and salad dressing in bulk pump containers or squirt bottles rather than individual packets.

Organization of Meal Lines

A well-organized and smooth flowing meal line is essential to a food service operation. Students should be able to easily access their meals and get through the point of sale efficiently. The physical layout of the facility often dictates ease of service, and some kitchens are better designed than others.

Most of the schools visited had reasonably smooth and efficient lines and were utilizing their spaces as best as possible. Using two pin pads on all point of sale computers could move students through lines more efficiently. Some schools already do this, but it should be instituted at all sites.

Lines also would be more efficient if all students were required to learn their PIN numbers. Some of the elementary schools use visual identification or lunch cards. Visual identification is not allowed, and cards are much slower than PIN numbers. With the help of administrators, teachers and parents, even kindergarten students can learn their numbers.

The middle schools are doing a good job getting students through lines quickly. Creekside is using mobile food carts set up in the cafeteria while the kitchen is being remodeled, but the lines moved smoothly.

Canyon Middle School has a cafeteria line that directs students into three windows serving the same entrées and sides. Staff members at each line dish individual plates of food. Milk coolers and salad bars are in the cafeteria, as are three point of sale computers. The students get through the lines quickly, but it is highly labor intensive with six employees needed. Portable self-serve speed lines are available and could sit just outside the kitchen where the point-of-sale computers are now. Two double-sided speed lines and two point of sale computers with double pin pads would allow efficient service with less staff. It's possible that these could be moved back into the kitchen after serving times if needed. This would be far less expensive than a kitchen remodel.

The high school serving lines are the most in need of reconfiguring. The school has 3,000 students and serves about 700 lunches a day. The main kitchen area has a long serving line behind a wall with three doors leading into the cafeteria. These doors serve as the entrance to three themed serving stations along the serving line. The student lines are jumbled and crowded. As described in the menu section, numerous items are served at each station but it's difficult to figure out what is available at each station. There is a sophisticated electronic menu board above

the entrance to the doors in the cafeteria but no clear menu signage at the stations, and because the food is wrapped and behind a counter, it's not obvious what is on the menu.

After the students get their food they go back out the doors they came in and circulate to one of three point of sale computers. Two computers take money on account or cash and one is a no cash point of sale. The idea of this is to reward students that put money on an account, but it just adds to the chaos by causing a crossing over of students between lines rather than a smooth flow. Placing two pin pads on each computer could increase the speed of the point of sale and may allow one less point of sale station.

High school meals are served in two other areas. One is in the student union, which is within the cafeteria space and is a lounge and game room, with electronic games, computers and pingpong tables. Pizza is the only meal served there from a mobile cart.

There is also a separate snack bar sized room just outside the cafeteria that serves pizza meals and Asian meals.

Improving the flow of the cafeteria lines at the high school should be a top priority. Easy to read menus need to be posted at the serving stations and all points of sale should take cash as well as pre-paid accounts. As noted in the menu section, the number of menu items needs to be reduced.

Another possibility as an alternate to the stations in the kitchen serving line would be to purchase mobile carts for each of the different menu themes and serve in the same manner the pizza is served in the student union or to have double-sided self-serve speed lines.

The director plans to add some mobile carts to serve meals in separate parts of campus outside as soon as she can get wireless point of sale machines.

Staff at the middle and high schools must enter the type of food each student takes at the point of sale, both in meal lines and snack lines. Some districts do this to track the types of foods students choose (burgers, pizza, etc.). This can be determined from the meal production records. In the snack lines, instead of ringing up the type of food with each sale, beginning and ending inventory can be counted. The point of sale should be set to an express mode that allows the whole meal to be automatically counted when student enters the PIN. Lines would move more quickly.

Recommendations

The district should:

1. Coordinate the efforts of the director, food service staff and site administration to help all students learn and use their PIN numbers in meal lines.
2. Begin using double PIN pads at all point of sale stations.
3. Consider self-serve speed lines at the middle schools.
4. Reconfigure the high school serving lines either to more efficient stations at the current locations or purchase some mobile carts or speed lines for the cafeteria.

5. Post simple menus by each serving station listing the foods offered at that station.
6. Allow cash at all point of sale stations at the high school.
7. Consider not entering the type of food students choose into the point of sale computer.
8. Follow through with plans to use outdoor mobile food carts.

Competitive Food Sales

The Healthy, Hunger-Free Kids Act of 2010 specifies that nutrition standards apply to all foods sold outside the school meal programs on the school campus, at any time during the school day. These changes are intended to improve the health and well-being of the nation's children, increase consumption of healthful foods during the school day, and create an environment that reinforces the development of healthy eating habits. The standards for food and beverages are minimum standards that local educational agencies, school food authorities and schools are required to meet.

Competitive foods and beverages are those sold at school sites outside of and in competition with the federally reimbursable meal programs. Examples of competitive foods and beverages include those sold during the school day in vending machines (not including reimbursable meals) and in student stores, á la carte items sold by the food service department, and items sold at fund-raisers. More detailed information can be found in Appendix C and at: <http://www.cde.ca.gov/ls/nu/he/compfoods.asp>

The snacks sold by food services appear to follow nutritional requirements. However, both the food service director and middle school principals indicated that school groups do not always abide by these regulations and are very unhappy with the restrictions. While these regulations are new by federal guidelines, most have been in effect in California for nearly a decade. These regulations may not have been enforced before the current administration and director joined the district.

Because abiding by these competitive sales laws is a requirement and part of the school wellness policy, it is vital for the district to re-educate staff, students and parents about the regulations. A district liaison should approve all competitive food sales at sites.

Recommendations

The district should:

1. Assign a liaison, such as the wellness committee, to educate the district (staff, students, clubs, and parents) regarding regulations for competitive food sales. Monitor the progress in this area.
2. Assign site administrators to ensure their schools are in compliance.

Wellness Policy

Wellness policies have been required for school districts participating in the National School Lunch Program since 2006. This regulation was part of the Child Nutrition Reauthorization Act of 2004. Castro Valley's policy covers the basic requirements set forth in that legislation, including goals for nutrition education, physical activity, and nutrition guidelines for all foods available on campus. The assistant superintendent of business services chairs the wellness policy committee. The food service director has added sections to the policy that will assist in her child nutrition review. FCMAT interviewed two consultants who stated they have assisted the food service director to include both nutrition and educational components in the policy. The revisions appear to be appropriate.

The Hunger-Free Kids Act of 2010 specified new requirements for wellness policies, including:

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

More information about requirements of a district wellness policy and suggestions for implementing one are available on the CDE website: <http://www.cde.ca.gov/ls/nu/he/wellness.asp>

The district does not have an active wellness committee and has not followed through with promotion or implementation of the policy. It is in the process of implementing these requirements.

Recommendations

The district should:

1. Ensure that all wellness regulations are being met, including the appropriate membership as well as monitoring and reporting on implementation of the policy.

Budget

Actual revenues and expenditures over the last four years show that the department is deficit spending. During the first two school years (2010-11 and 2011-12) the department had an excess of \$224,421 in revenues to expenditures. However, the food service director salary and other expenses were not accounted for in the total for this time period. During the second two school years (2012-13 and 2013-14) the reports indicate expenditures exceeded revenue by \$308,845. The director's salary was not included in 2012-13; that change occurred in 2014. The net effect is that the department has excess expenditures of \$84,424 over the last four years. The percent of the budget used for labor over the past four years has varied from 50% to 57% of revenue. This figure should be under 50% in most cases. Food and supplies have fluctuated between 36% and 42% of revenue. This is an appropriate amount of expenditure for food and supplies and is in line with many school food service departments in California that offer similar types of programs. For a school food service operation to maintain solvency, food/supplies and labor cannot exceed 85% of revenue. This will leave 15% for other costs like capital purchases, indirect support costs and additional supplies.

As of 2/25/15, the Financial Summary Report indicated that this year's budget was built with a 3.5% increase to revenue. This is in line with the increases in the state and federal reimbursement rates for the school meal programs. Labor costs were budgeted at 52% of revenue while food/supplies were budgeted at 36%. The report also indicated a budgeted year-end deficit of \$10,650.

Comparing year-to-date activity of the 2/25/15 Financial Summary Report to the adjusted budget revealed several discrepancies. The school year is more than 50% complete. The current revenue appears to be \$308,507 behind the year-end budgeted amount. If the January payroll is accurately calculated into the year-to-date figures on this report, then the labor costs for that period seem to be on track with the budget. However, the expenses for food/supplies are significantly more than budgeted. This year's food/supplies were budgeted at \$131,856 less than what was actually spent last year. Last year's year-end totals indicated that 42% of the income was spent on this category while again this year the budget was calculated at 36%. This year is also budgeted to spend \$31,845 less than what was spent two years ago, but food prices have increased over the past few years.

The expenditures for food so far this year are \$614,730. With the year a little over 50% complete, the district has spent over 77% of this budget. At this rate of expenditure, the department will overspend its budget by more than \$300,000 by year's end.

The increase in office staff does not seem to be addressed in the current year's budget, which accounts for only one office staff member. During FCMAT's visit two staff members were working in the office, and both started midyear. If both are not budgeted, this will cause another shortfall in the year-end figures.

The department could run a deficit of \$600,000 by year's end.

Recommendations

The district should:

1. Review revenue to ascertain if reimbursements are missing or are miscalculated.

2. Review all expenses in the budget, especially food cost, to ascertain the reason for the large variations over prior years.
3. Review current invoices to ascertain if purveyors have made large midyear price increases over this year's original bid pricing. If pricing is too high, seek alternative, less expensive items.
4. Verify the large possible encroachment and look for ways to cut expenses.

Food Safety Program

The Child Nutrition and WIC Reauthorization Act of 2004 required school food authorities to implement a food safety program based on hazard analysis and critical control points (HACCP) principles at each preparation and service facility in the district participating in the National School Lunch or School Breakfast Program. HACCP is a systematic approach to construct a food safety program and reduce the risk of food-borne hazards. It accomplishes this by focusing on each step of the food preparation process from receiving to service. The overall program must include a written plan for each individual school and be based on HACCP principles.

To comply with the Child Nutrition Act of 2004 the district contracted with a chef consultant in May 2014 to help the district develop a better understanding of food safety and introduce staff to the HACCP system. For several weeks he worked with staff at each site.

The department is moving into a complete HACCP system. Staff are monitoring times and temperatures. The director has given each site a booklet on HACCP and has received standard operating procedures (SOP). The SOPs are good but are a boilerplate copy from the HACCP manual. They should ideally be more individualized for each site. For example, the boilerplate version refers to “Eggs cooked to order and placed on a plate,” but the site does not cook eggs to order. The SOPs should describe methods of service that take place at each site.

The staff seems to have a better understanding of basic principles due to the chef’s training and the director’s follow-up trainings, but further training is necessary. For example, at some of the sites staff still had long, polished fingernails, and did not wear gloves in the active production areas. This is in violation of California Health and Safety Code Sections 113969 and 113973. At another site a hot pan of coffee cake was pulled out of the oven and placed uncovered on a cooling rack directly under thawing meat. This violation is referenced in several sections of the code but mainly in 113980 and 113986. At another site it was observed that cut up lettuce was offered in a self-serve manner, but the lettuce was not wrapped or under a sneeze guard. This violation is covered in Section 114060.

Another area of concern is footwear. The Occupational Safety and Health Administration (OSHA) strongly recommends that food service staff wear shoes that are closed-toe, low-heeled and slip-resistant. To follow this OSHA recommendation the district has written a section in its employee manual that addresses this need. However, at one of the sites FCMAT visited, some staff were wearing an elevated heel sandal type of shoe. This goes against the OSHA recommendation and district footwear policy.

All of the recent food inspection reports from the County Environmental Health Services were good, showing only minor areas needing improvement. This indicates that staff procedures are improving.

Recommendations

The district should:

1. Continue training staff in all areas of food safety.
2. Rewrite SOPs so they are more applicable to each site.

Facilities

The maintenance and working condition of kitchens is important in an HACCP system and for staff safety. For example, uneven floors or leaking pipes can create tripping and slipping hazards. The proper wall coverings can help reduce both physical and biological contamination to food being prepared. Having the proper equipment can speed up production. There are several types of new combination or infrared ovens that can decrease cooking time and speed up production. Some of these new technologies can be more expensive but should be considered as replacement ovens when older ones become irreparable.

FCMAT reviewed the needs of eight of the school kitchens. All were found to be in adequate condition. Cleanliness was also as should be expected. The staff seemed to have pride in their kitchens and were interested in keeping them operating correctly. While some of the equipment was in disrepair, most was working adequately. The chef has reviewed all the equipment at all sites and noted items that needed repair or replacement.

Three of the sites visited were undergoing some remodeling. The walls were covered in plastic sheeting called FRP (fiber reinforced plastic). This product is easily cleaned, durable and very low maintenance. It can be sprayed with a high-pressure hose or simply wiped with a washrag. It will not chip or flake off like a painted surface. At several other sites, the walls that lacked the upgraded FRP were older, painted walls that were chipping and needed to be repainted.

At Marshall Elementary the drinking faucet was not working. SB 1413 and the Healthy, Hunger-Free Act of 2010 require state schools to supply free drinking water in the eating area. The school complied by offering a bottled water station for those students wanting it. Other sites had a bottled water station that was offered even when the drinking fountain was working correctly. A working drinking fountain is all that is required by the law. Offering these water stations when not required is an added unnecessary expense that increases paper cup trash and using landfill space.

Recommendations

The district should:

1. Review equipment notes from the chef and make repairs or replacements where needed.
2. Review all sites as soon as possible and schedule time to repaint areas where paint has chipped off.
3. Repair the drinking fountain at Marshall Elementary and remove cups and bottled water dispenser. Remove all bottled water from cafeterias that have correctly functioning drinking fountains.

Cash Handling

It is essential for school districts to properly handle cash and payments. The food service department has cash registers at each site that produce a register receipt for reconciliation. During the review the department was collecting a secure moneybag from each site that contained the cash and checks for the full day's revenue. All register receipts and money for all registers at the site were totaled together and placed into the same bag. The moneybags were then placed into a secure safe ready for counting. Until recently, the counting and reconciliation of these bags was completed twice a week. A courier then picked up the money (also twice a week), and the money was counted again at the bank and deposits made.

Staff reported that deposits were completed twice a week because there was not enough staff coverage in the office to allow more frequent deposits. Now the district has hired an additional office employee, and the staff perform reconciliations and deposits three times per week.

California Education Code Section 41001 states, "The governing board of every school district shall pay all moneys received or collected by it from any source and all moneys apportioned to it from taxes levied and collected under the authority of city councils for school purposes, into the county treasury to be placed to the credit of the proper fund of its district. All deposits and payments required by this section **shall be made daily** (emphasis added), unless the county superintendent of schools authorizes them to be made weekly or otherwise, but in no event less frequently than monthly."

The schools with multiple registers combine all moneys received for the day and place them in the same secure moneybag. The site supervisor counts all the money before it is placed into the bag but, again, all sales are commingled. There are two problems with this practice. One is that by combining all of the registers into the same deposit, if there is a mistake, the office will not know which register had the error. The second is that each register needs to be tracked separately to see if sales are dropping off. If there are sudden decreases, then the manager can more easily pinpoint the problem and take steps to improve sales. The sooner a deposit of cash or check is made, the less exposure there is to theft or loss of funds. It makes sense to also capture the revenue from the interest earned. However, the team did not make a complete analysis of cash transactions. Although sales will vary during the week, a noticeable pattern will appear that can be tracked.

Recommendations

The district should:

1. Schedule time daily to reconcile and deposit income from the sites.
2. Separate revenue from each point of service and track it on a spreadsheet.

Food/Supplies Purchasing

Ordering and purchasing are among the top priorities for food services. Districts that fail to closely monitor this area may experience deficit spending. When schools cook using scratch methods their food expenses can be low and labor is generally high. Those that purchase pre-prepared items will generally experience higher food costs but can have lower labor costs.

When purveyors receive a yearlong commitment from a district through an annual bid system, they will generally offer better pricing. Even better savings can be realized when a district joins with other districts to form a buying cooperative. This way small- and medium-sized districts enjoy the value offered from quantity purchasing. When a purveyor is offered a year's commitment and a large volume of purchases, it can in turn offer very competitive prices. Another option open to food service departments is to "piggyback" (join midyear) on another district's existing bid. This can be accomplished by receiving permission from a district or co-op to be added to their current bid. After receiving permission, the district needs to confirm with the purveyor(s) that it is now part of the bid. A good inventory system can help to avoid over-ordering and food waste.

The district is streamlining its purchasing. The food service department has taken over most of its own purchasing, which previously was largely accomplished through the district Purchasing Department. The district has joined one of the largest purchasing co-ops in California for commodity purchasing only. This will help greatly with the purchasing of commodities but will not help with general food purchasing. To help with general food purchases, the district recently joined with other districts in the Alameda County Purchasing Co-op. If the correct items are purchased from this co-op bid, it should help bring the district's food costs in line.

A comparison of the district's current food services invoices was made to invoices of other districts of like size. The other districts have gone out to bid with several other purveyors. The district receives a very competitive price on fluid milk from Crystal Creamery. However, invoices from other purveyors indicate that the district does not receive the best possible price for goods. The district purchased red grapes for \$55.38 per case while during the same period other schools paid \$29.95. For garbanzo beans, the district paid \$32.06 and the same purveyor gave other districts a price of \$20.63. The district paid \$48.72 for fruit cocktail, and the same purveyor gave other districts the price of \$37.39. For zesty orange sauce the district paid \$49.41; others paid \$39. The district appears to pay anywhere from \$2 to \$17 more per case than many other districts for the same products. When these amounts are multiplied by the quantity of cases purchased each year, the difference is quite large.

With the above discrepancies in prices, the district may be ordering similar items that are not on the bid. If the exact items stated on the bid are not ordered, then the purveyors can place any price they want on the items. Department staff have stated there is now an employee in charge of ordering only what is on the bid at the correct price. It is also possible that the co-op is not obtaining the best price. It may be helpful to check with other co-ops to see if they are getting the same or better pricing. Also, the Alameda bid may not include the items that the district is currently purchasing. FCMAT did not receive a copy of the bid.

Recommendations

The district should:

1. Continue and expand the new bidding procedures and align its food purchasing to include only the items on the bid.
2. Check the current prices with other districts' co-ops to ensure the Alameda County Purchasing Co-op's prices are competitive. If the prices are not competitive, consider joining other co-ops.
3. Check pricing to ensure that current purveyors are charging the correct price.

Appendices

Appendix A – Meals per Labor Hour Analysis

Appendix B – Menu Planning for Breakfast and Lunch

Appendix C – Competitive Foods Regulations

Appendix D - Study Agreement

Appendix A

CASTRO VALLEY UNIFIED SCHOOL DISTRICT																
MEAL AND LABOR COMPARISONS																
October 2014																
22 days																
SCHOOLS	CVHS	RW HS	CVHS/RHS	CnymMS	CSMS	Indepen	Palom	Indepp/Pal	CVE	Chabot	Marshall	Proctor	Stanton	Vannoy	J.R.	District Totals
Breakfasts/Month	4366	257	4623	2796	1957				881		977		1758	230		13222
Bkft/Day	198	12	210	127	89	0	0	0	40	0	44	0	80	10	0	601
Lunches/Month	15016	1070	16086	10314	4903	3839	816	4655	4069	2824	3620	2606	3600	2680	1972	57329
Lunches/Day	683	49	731	469	223	175	37	212	185	128	165	118	164	122	90	2606
Total Bkft & Lunch/Day	881	60	941	596	312	175	37	212	225	128	209	118	244	132	90	3207
A la Carte \$	12174	574	12748	9300	6141											
A la Carte \$/Day	553	26	579	423	279											
A la Carte Equivalents	221	10	232	188	124											544
Total Meal Equivalents	1102	71	1173	784	436	175	37	212	225	128	209	118	244	132	90	3751
LABOR HOURS	59.5	6	65.5	40	26.25			11.25	10	7.75	10	7.75	9.5	9.5	7.75	205.25
Meals per Labor (MPLH)			18	20	17			19	23	17	21	15	26	14	12	18
Enrollment*	2984	164		1402	790	622	142		488	453	486	529	466	415	451	9392
# Free/Red students*	560	50		359	133	70	14		179	76	168	76	136	53	16	
% F/R students	19%	30%		26%	17%	11%	10%		37%	17%	35%	14%	29%	13%	4%	
* Numbers based on Oct '14																
Reimb.Claim reports																
Note:																
The total enrollment on this report does not include the 42 students at Alma pre-sch. who do not receive meals.																

Appendix B

Menu Planning for Breakfast

Amount of Food Per Week (Minimum Per Day)

Meal Pattern	Grades K-12	Grades K-5	Grades K-8	Grades 6-8	Grades 6-12	Grades 9-12
Fruits (cups) ^{b, 2013-14}	2 1/2 (1/2)	2 1/2 (1/2)	2 1/2 (1/2)	2 1/2 (1/2)	2 1/2 (1/2)	2 1/2 (1/2)
Fruits (cups) ^{b,c 2014-15}	5 (1)	5 (1)	5 (1)	5 (1)	5 (1)	5 (1)
Vegetables (cups) ^{b,c}	0	0	0	0	0	0
Grain Minimums (oz eq) ^d	9-10 (1)*	7-10 (1)*	8-10 (1)*	8-10 (1)*	9-10 (1)*	9-10 (1)*
Meat/Meat Alternate Minimums (oz eq) ^e	0	0	0	0	0	0
Fluid Milk (Cups) ^f	5 (1)	5 (1)	5 (1)	5 (1)	5 (1)	5 (1)

Other Specifications: Daily Amount Based on the Average for a 5-Day Week

Meal Pattern	Grades K-12	Grades K-5	Grades K-8	Grades 6-8	Grades 6-12	Grades 9-12
Min-max calories (kcal) ^{g,h}	450–500	350–500	400–500	400–550	450–550	450–600
Saturated fat (% of calories) ^h	<10% of calories					
Sodium Target 1 (mg) ^{h,i 2014-15 SY}	≤ 540 mg	≤ 540 mg	≤ 540 mg	≤ 600 mg	≤ 600 mg	≤ 640 mg
Reference Only Sodium Target 2 (mg) ^{h,i 2017-18 SY}	≤ 485 mg	≤ 485 mg	≤ 485 mg	≤ 535 mg	≤ 535 mg	≤ 570 mg

Trans fat^h-Nutrition label or manufacturer specifications must indicate zero grams of trans fat (< 0.5 grams) per serving

*U.S. Department of Agriculture has lifted the **weekly maximums** for grains. The **daily and weekly minimums** for grains and the **weekly calorie ranges** still apply. The maximums are used as a guide for menu planning purposes only.

^a Food items included in each group and subgroup and amount equivalents. Minimum creditable serving is 1/8 cup.

^b One quarter-cup of dried fruit counts as 1/2 cup of fruit; 1 cup of leafy greens counts as 1/2 cup of vegetables. All juice must be 100% full-strength. Frozen 100% juice without added sugar can be used.

^c Vegetables may be substituted for fruits, but the first two cups per week of any such substitution must be from the dark green, red/orange, beans and peas (legumes) or "Other vegetables" subgroups, as defined in 210.10(c)(2)(iii).

^d All grains must be whole grain-rich. Schools may substitute 1 oz. eq. of meat/meat alternate for 1 oz. eq. of grains after the minimum daily grains requirement is met. Meat/meat alternates may be offered as extra food items that do not count toward the grain component or as food items for OVS. These extra food items need to be included in the weekly calories, sodium, and saturated fat.

^e There is no meat/meat alternate requirement.

^f All fluid milk must be low-fat (1 percent milk fat or less, unflavored) or fat-free (unflavored or flavored).

^g The average daily calories for a 5-day school week must be within the range (at least the minimum and no more than the maximum values).

^h Discretionary sources of calories (solid fats and added sugars) may be added to the meal pattern if within the specifications for calories, saturated fat, trans fat, and sodium. Foods of minimal nutritional value and fluid milk with fat content greater than 1 percent milk fat are not allowed.

ⁱ Final sodium targets must be met no later than July 1, 2022 (SY 2022–23). The first intermediate target must be met no later than SY 2014–2015 and the second intermediate target must be met no later than SY 2017–18. See required intermediate specifications in § 220.8(f)(3).

Note: For offer versus serve, every student must take either 1/2 cup fruit (or substituted vegetable) or a combination of both to count as a reimbursable meal

Menu Planning for Lunch

Amount of Food per Week (Minimum per Day)

Meal Pattern	Grades K–5	Grades K–8	Grades 6–8	Grades 9–12
Fruits (cups) ^b	2½ (½)	2½ (½)	2½ (½)	5 (1)
Vegetables (cups) ^b	3¾ (¾)	3¾ (¾)	3¾ (¾)	5 (1)
Dark Green ^c	½	½	½	½
Red/Orange ^c	¾	¾	¾	1¼
Beans and Peas (legumes) ^c	½	½	½	½
Starchy ^c	½	½	½	½
Other ^{c,d}	½	½	½	¾
Additional Veg to Reach Total ^e	1 ^e	1 ^e	1 ^e	1½ ^e
Grain Minimums (oz eq) ^f	8-9 (1)*	8-9 (1)*	8-10 (1)*	10-12 (2)*
Meats/Meat Alternate Minimums (oz eq)	8-10 (1)*	9-10 (1)*	9-10 (1)*	10-12 (2)*
Fluid Milk (Cups) ^g	5 (1)	5 (1)	5 (1)	5 (1)

Other Specifications: Daily Amount Based on the Average for a 5-Day Week

Meal Pattern	Grades K–5	Grades K–8	Grades 6–8	Grades 9–12
Min-max calories (kcal) ^h	550–650	600–650	600–700	750–850
Saturated fat (% of calories) ^h	< 10	< 10	< 10	< 10
Sodium Target 1 (mg) ^{h,i 2014-15 SY}	≤ 1,230	≤ 1,230	≤ 1,360	≤ 1,420
Reference Only Sodium Target 2 (mg) ^{h,i 2017-18 SY}	≤ 935	≤ 935	≤ 1,035	≤ 1,080

Trans Fat^h: Nutrition label or manufacturer specifications must indicate zero grams of trans fat per serving.

*U.S. Department of Agriculture has lifted the **weekly maximums** for grain and meat/meat alternates. The **daily and weekly minimums** for grains and meat/meat alternates still apply. The maximum are used as a guide for menu planning purposes only.

- Food items included in each group and subgroup and amount equivalents. Minimum creditable serving is ½ cup.
- One quarter-cup of dried fruit counts as ½ cup of fruit; 1 cup of leafy greens counts as ½ cup of vegetables. No more than half of the fruit or vegetable offerings may be in the form of juice. All juice must be 100% full-strength.
- Larger amounts of these vegetables may be served.
- This category consists of “Other vegetables” as defined in §210.10(c)(2)(iii)(E). For the purposes of the National School Lunch Program, the “Other vegetables” requirement may be met with any additional amounts from the dark green, red/orange, and beans/peas (legumes) vegetable subgroups as defined in §210.10(c)(2)(iii).
- Any vegetable subgroup may be offered to meet the total weekly vegetable requirement.
- All grains must be whole grain-rich.
- All fluid milk must be low-fat (1 percent or less, unflavored) or fat-free (unflavored or flavored).
- Discretionary sources of calories (solid fats and added sugars) may be added to the meal pattern if within the specifications for calories, saturated fat, trans fat, and sodium. Foods of minimal nutritional value and fluid milk with fat content greater than 1 percent are not allowed.
- Final sodium targets must be met no later than July 1, 2022 (2022–23 SY). The first intermediate target must be met no later than SY 2014–15 and the second intermediate target must be met no later than 2017–18 SY. See required intermediate specifications in § 210.10(f)(3).

Note: For offer versus serve, every student must take 1/2 cup fruit and/or vegetable or combination of both to count as a reimbursable meal.

Appendix C

QUICK REFERENCE CARDS – ELEMENTARY SCHOOLS

EFFECTIVE 7/1/2014

ELEMENTARY SCHOOL – FOOD RESTRICTIONS

References: *Education Code* sections 49430, 49431, 49431.7; *California Code of Regulations* sections 15575, 15577, 15578; *Code of Federal Regulations* sections 210.11, 220.12

An **elementary school** contains no grade higher than grade 6.

Effective from midnight to one-half hour after school.

Applies to ALL foods sold to students by any entity.

Sold means the exchange of food for money, coupons, vouchers, or order forms, when **any part** of the exchange occurs on a school campus.

Compliant foods:

1. MUST meet the following:
 - a. ≤ 35% calories from fat (except nuts, nut butters, seeds, reduced-fat cheese, dried fruit+nut/seed combo with no added fat/sugar, fruit, non-fried veggies), **and**
 - b. < 10% calories from saturated fat (except reduced-fat cheese, dried fruit+nut/seed combo with no added fat/sugar), **and**
 - c. ≤ 35% sugar by weight (except fruit*, non-fried veggies, dried fruit+nut/seed combo with no added fat/sugar), **and**
 - d. < 0.5 grams trans fat per serving (no exceptions), **and**
 - e. ≤ 230 milligrams sodium (no exceptions), **and**
 - f. ≤ 175 calories per item/container (no exceptions)

AND

2. MUST meet **ONE** of the following:
 - a. Fruit
 - b. Non-fried vegetable
 - c. Dairy food
 - d. Nuts, Seeds, Legumes, Eggs, Cheese (allowable protein foods)
 - e. Whole grain item**

If exempt food(s) combine with nonexempt food(s) or added fat/sugar they must meet ALL nutrient standards above.

* Dried blueberries cranberries, cherries, tropical fruit, chopped dates or figs that contain added sugar are exempt from fat and sugar standards. Canned fruit in 100% juice only.

** A whole grain item contains:

- a. The statement “Diets rich in whole grain foods... and low in total fat... may help reduce the risk of heart disease...,” **or**
- b. A whole grain as the first ingredient, **or**
- c. A combination of whole grain ingredients comprising at least 51% of the total grain weight (manufacturer must verify), **or**
- d. At least 51% whole grain by weight.

Non-compliant foods may be sold from one-half hour after school through midnight.

CHECK YOUR DISTRICT’S WELLNESS POLICY FOR STRICTER RULES.

Groups or individuals selling foods/beverages to students must keep their own records as proof of compliance.

ELEMENTARY SCHOOL – BEVERAGE RESTRICTIONS

References: *Education Code* Section 49431.5, *California Code of Regulations* Section 15576, *Code of Federal Regulations* sections 210.10, 210.11, 220.8, 220.12

An **elementary school** contains no grade higher than grade 6.

Effective from midnight to one-half hour after school.

Applies to ALL beverages sold to students by any entity.

Sold means the exchange of beverages for money, coupons, vouchers, or order forms, when **any part** of the exchange occurs on a school campus.

A compliant beverage must be marketed or labeled as a fruit and/or vegetable juice, milk, non-dairy milk, or water AND meet all criteria under that specific category.

Compliant beverages:

1. Fruit or Vegetable juice:
 - a. ≥ 50% juice **and**
 - b. No added sweeteners
 - c. ≤ 8 fl. oz. serving size
2. Milk:
 - a. Cow’s or goat’s milk, **and**
 - b. 1% (unflavored), nonfat (flavored, unflavored), **and**
 - c. Contains Vitamins A & D, **and**
 - d. ≥ 25% of the calcium Daily Value per 8 fl. oz, **and**
 - e. ≤ 28 grams of total sugar per 8 fl. oz.
 - f. ≤ 8 fl. oz. serving size
3. Non-dairy milk:
 - a. Nutritionally equivalent to milk (see 7 *CFR* 210.10(d)(3), 220.8(i)(3) must contain per 8 fl. oz.:
 - ≥ 276 mg calcium
 - ≥ 8 g protein
 - ≥ 500 IU Vit A
 - ≥ 100 IU Vit D
 - ≥ 24 mg magnesium
 - ≥ 222 mg phosphorus
 - ≥ 349 mg potassium
 - ≥ 0.44 mg riboflavin
 - ≥ 1.1 mcg Vit B12, **and**
 - b. ≤ 28 grams of total sugar per 8 fl. oz, **and**
 - c. ≤ 5 grams fat per 8 fl. oz.
 - d. ≤ 8 fl. oz. serving size
4. Water:
 - a. No added sweeteners
 - b. No serving size

Non-compliant beverages may be sold from one-half hour after school through midnight.

ELEMENTARY SCHOOL – STUDENT ORGANIZATIONS

Reference: *California Code of Regulations* Section 15500

Effective from midnight to one-half hour after school.

Applies to food and beverage sales by student organizations.

Student organization sales must meet **all** of the following:

1. Only **one food or beverage item** per sale.
2. The food or beverage item must be **pre-approved** by the **governing board** of the school district.
3. The sale must occur **after the lunch period** has ended.
4. The food or beverage item **cannot be prepared on campus**.
5. Each school is allowed **four sales** per year.
6. The food or beverage item cannot be the same item **sold in the food service program** at that school during the same school day.

QUICK REFERENCE CARDS – MIDDLE/HIGH SCHOOLS

EFFECTIVE 7/1/2014

MIDDLE/HIGH SCHOOL – FOOD RESTRICTIONS

References: *Education Code* sections 49430, 49431.2, 49431.7, *California Code of Regulations* sections 15575, 15577, 15578, *Code of Federal Regulations* sections 210.11, 220.12

A **middle/junior high** contains grades 7 or 8, 7 to 9, 7 to 10.

A **high school** contains any of grades 10 to 12.

Effective from midnight to one-half hour after school.

Applies to ALL foods sold to students by any entity.

Sold means the exchange of food for money, coupons, vouchers, or order forms, when **any part** of the exchange occurs on a school campus.

Compliant foods:

1. "Snack" food items must be:
 - a. ≤ 35% calories from fat (except nuts, nut butters, seeds, reduced-fat cheese, dried fruit+nut/seed combo), **and**
 - b. < 10% calories from saturated fat (except reduced-fat cheese, dried fruit+nut/seed combo), **and**
 - c. ≤ 35% sugar by weight (except fruit*, non-fried veggies, dried fruit+nut/seed combo), **and**
 - d. < 0.5 grams trans fat per serving (no exceptions), **and**
 - e. ≤ 230 milligrams sodium (no exceptions), **and**
 - f. ≤ 200 calories per item/container (no exceptions)

AND must meet one of the following

 - g. Be a fruit, vegetable, dairy, protein, or whole grain item** (or have one of these as the first ingredient), **or**
 - h. Contain ≥ 10% DV for calcium or potassium or Vitamin D or dietary fiber (criteria applicable through 6/30/16), **or**
 - i. Be a combination food containing at least ¼ cup fruit or vegetable.
2. "Entrée" food items must be:
 - a. Meat/meat alternate and whole grain rich food; **or**
 - b. Meat/meat alternate and fruit or non-fried vegetable; **or**
 - c. Meat/meat alternate alone (cannot be yogurt, cheese, nuts, seeds, or meat snacks = these are considered a "snack"),

AND

An individual entrée sold by District/School Food Service the day of or the day after it appears on the reimbursable meal program menu must be:

- a. ≤ 400 calories, **and**
- b. ≤ 4 grams of fat per 100 calories
- c. < 0.5 grams trans fat per serving

An entrée sold by Food Service if not on the menu the day of or day after or any other entity (PTA, student organization, etc.) must be:

- a. ≤ 35% calories from fat, **and**
- b. < 10% calories from saturated fat, **and**
- c. ≤ 35% sugar by weight, **and**
- d. < 0.5 grams trans fat per serving, **and**
- e. ≤ 480 milligrams sodium, **and**
- f. ≤ 350 calories

AND must meet one of the following

- g. A fruit, vegetable, dairy, protein, or whole grain item (or have one of these as the first ingredient), **or**
- h. Contain ≥ 10% DV for calcium or potassium or Vitamin D or dietary fiber (criteria applicable through 6/30/16), **or**
- i. Be a combination food containing at least ¼ cup fruit or vegetable

If exempt food(s) combine with nonexempt food(s) or added fat/sugar they must meet ALL nutrient standards above.

* Dried blueberries cranberries, cherries, tropical fruit, chopped dates or figs that contain added sugar are exempt from fat and sugar standards. Canned fruit in 100% juice only.

** A whole grain item contains:

- a. The statement "Diets rich in whole grain foods... and low in total fat... may help reduce the risk of heart disease..." or
- b. A whole grain as the first ingredient, or
- c. A combination of whole grain ingredients comprising at least 51% of the total grain weight (manufacturer must verify), or
- d. At least 51% whole grain by weight.

Non-compliant foods may be sold from one-half hour after school through midnight.

CHECK YOUR DISTRICT'S WELLNESS POLICY FOR STRICTER RULES.

Groups or individuals selling foods/beverages to students must keep their own records as proof of compliance.

MIDDLE/HIGH SCHOOL – BEVERAGE RESTRICTIONS

References: *Education Code* Section 49431.5, *California Code of Regulations* Section 15576, *Code of Federal Regulations* sections 210.10, 210.11, 220.8, 220.12

A **middle/junior high** contains grades 7 or 8, 7 to 9, 7 to 10.

A **high school** contains any of grades 10 to 12.

Effective from midnight to one-half hour after school.

Applies to ALL beverages sold to students by any entity.

Sold means the exchange of food for money, coupons, vouchers, or order forms, when **any part** of the exchange occurs on a school campus.

A compliant beverage must be marketed or labeled as a fruit and/or vegetable juice, milk, non-dairy milk, water, or electrolyte replacement beverage/sports drink AND meet all criteria under that specific category.

Compliant beverages:

1. Fruit or Vegetable juice:
 - a. ≥ 50% juice **and**
 - b. No added sweeteners
 - c. ≤ 12 fl. oz. serving size
2. Milk:
 - a. Cow's or goat's milk, **and**
 - b. 1% (unflavored), nonfat (flavored, unflavored), **and**
 - c. Contains Vitamins A & D, **and**
 - d. ≥ 25% of the calcium Daily Value per 8 fl. oz., **and**
 - e. ≤ 28 grams of total sugar per 8 fl. oz.
 - f. ≤ 12 fl. oz. serving size
3. Non-dairy milk:
 - a. Nutritionally equivalent to milk (see 7 *CFR* 210.10(d)(3), 220.8(i)(3)), **and**
 - b. ≤ 28 grams of total sugar per 8 fl. oz., **and**
 - c. ≤ 5 grams fat per 8 fl. oz.
 - d. ≤ 12 fl. oz. serving size
4. Water:
 - a. No added sweeteners
 - b. No serving size limit
5. No-calorie Electrolyte Replacement Beverages (NOT ALLOWED IN MIDDLE SCHOOLS)
 - a. Water as first ingredient
 - b. ≤ 16.8 grams added sweetener/8 fl. oz.
 - c. ≤ 5 calories/8 fl. oz. (or ≤ 10 cal/20 fl. oz.)
 - d. 10-150 mg Na+/8 fl. oz.
 - e. 10-90 mg K+/8 fl. oz.
 - f. No added caffeine
 - g. ≤ 20 fl. oz. serving size
6. Low-calorie Electrolyte Replacement Beverages (NOT ALLOWED IN MIDDLE SCHOOLS)
 - a. Water as first ingredient
 - b. ≤ 16.8 grams added sweetener/8 fl. oz.
 - c. ≤ 40 calories/8 fl. oz.
 - d. 10-150 mg Na+/8 fl. oz.
 - e. 10-90 mg K+/8 fl. oz.
 - f. No added caffeine
 - g. ≤ 12 fl. oz. serving size

Non-compliant beverages may be sold from one-half hour after school through midnight.

MIDDLE/HIGH SCHOOLS – STUDENT ORGANIZATIONS

Reference: *California Code of Regulations* Section 15501

Effective from midnight to one-half hour after school.

Applies ONLY to food and beverage sales by student organizations.

1. Up to **three categories** of foods or beverages may be sold each day (e.g., chips, sandwiches, juices, etc.).
2. Food or beverage item(s) must be **pre-approved** by governing board of school district.
3. Only **one student organization** is allowed to sell each day.
4. Food(s) or beverage(s) **cannot** be **prepared on the campus**.
5. The food or beverage categories sold **cannot** be the same as the categories **sold in the food service program** at that school during the same school day.
6. In addition to one student organization sale each day, any and **all student organizations** may sell on the **same four designated days** per year. School administration may set these dates.

Appendix D



**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
December 3, 2014**

The Fiscal Crisis and Management Assistance Team (FCMAT), hereinafter referred to as the team, and the Castro Valley 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 assign professionals to study specific aspects of the district's 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 Assembly Bill 1200, 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 also 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:

The Castro Valley Unified School District is requesting FCMAT to conduct an efficiency review of the district's food service department that will consist of the following:

1. Examine the food service department's procedures and practices for managing all operations with regard to efficiency. The department is responsible for establishing the framework for overall operations, allocating resources, providing functional guidance and assessing district-wide opportunities to provide improved service. Evaluate the departmental work flow and distribution of management and leadership functions, which shall include but not be limited to food preparation, ordering,

inventory, cash and resource management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing and facilities, and make recommendations for improved efficiency, if any.

This component will include reviewing documentation, including board policies and administrative regulations, job descriptions, and gathering data regarding current practices and procedures. Additionally, the FCMAT team may interview other department or site staff to determine the efficiency and effectiveness of services delivered.

2. Review training and professional development programs for employees and managers and make recommendations.

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 supervisory personnel on the team's procedures and 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 – Approximately 10 days after the exit meeting, the team will issue an exit letter briefly summarizing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
5. Draft Reports - Electronic copies of a preliminary draft report will be delivered to the district's administration for review and comment.
6. Final Report - Electronic copies of the final report will be delivered to the district's administration and to the county superintendent following completion of the review. Printed copies are available from FCMAT upon request.
7. Follow-Up Support – If requested, FCMAT will return to the district at no cost six months after completion of the study to assess the district's progress in implementing the recommendations included in the report. Progress in implementing 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, CICA, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- | | |
|------------------------------|---|
| <i>A. Eric D. Smith</i> | <i>FCMAT Fiscal Intervention Specialist</i> |
| <i>B. Rodney S. Blackner</i> | <i>FCMAT Consultant</i> |
| <i>C. Judith E. Stephens</i> | <i>FCMAT Consultant</i> |

Other equally qualified staff or consultants will be substituted in the event one of the above 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 as follows:

- A. \$500 per day for each staff member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings. The cost of independent FCMAT consultants will be billed at their actual daily rate.
- B. All out-of-pocket expenses, including travel, meals and lodging.
- C. 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 the district's acceptance of the final report.

Based on the elements noted in section 2 A, the total estimated cost of the study will be \$15,000.

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

Payments for FCMAT's 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 during on-site reviews.
- B. The district will provide the following if requested:
 - 1. Policies, regulations and prior reports that address the study scope.
 - 2. Current or proposed organizational charts.
 - 3. Current and two prior years' audit reports.

4. Any documents requested on a supplemental list. Documents requested on the supplemental list should be provided to FCMAT only in electronic format; if only hard copies are available, they should be scanned by the district and sent to FCMAT in electronic format.
 5. Documents should be provided in advance of field work; any delay in the receipt of the requested documents may affect the start date of the project. Upon approval of the signed study agreement, access will be provided to FCMAT's online SharePoint document repository, where the district will upload all requested documents.
- C. The district's administration will review a preliminary draft copy of the report resulting from 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 different phases of the study:

Orientation:	January 2015
Staff Interviews:	to be determined
Exit Meeting:	to be determined
Preliminary Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined, if requested
Follow-Up Support:	if requested

7. **COMMENCEMENT, TERMINATION AND COMPLETION OF WORK:**

FCMAT will begin work as soon as it has assembled an available and appropriate study team consisting of FCMAT staff and independent consultants, taking into consideration other jobs FCMAT has previously undertaken and assignments from the state. The team will work expeditiously to complete its work and deliver its report, subject to the cooperation of the district and any other parties from whom, in the team's judgment, it must obtain information. Once the team has completed its field work, it will proceed to prepare a preliminary draft report and a final report. Prior to completion of field work, the district may terminate its request for service and will be responsible for all costs incurred by FCMAT to the date of termination under Section 4 (Project Costs). If the district does not provide written notice of termination prior to completion of field work, the team will complete its work and deliver its report and the district will be responsible for the full

costs. The district understands and agrees that FCMAT is a state agency and all FCMAT reports are published on the FCMAT website and made available to interested parties in state government. In the absence of extraordinary circumstances, FCMAT will not withhold preparation, publication and distribution of a report once field work has been completed, and the district shall not request that it do so.

8. INDEPENDENT CONTRACTOR:

FCMAT is an independent contractor and is not an employee or engaged in any manner with the district. The manner in which FCMAT's services are rendered shall be within its sole control and discretion. FCMAT representatives are not authorized to speak for, represent, or obligate the district in any manner without prior express written authorization from an officer of the district.

9. INSURANCE:

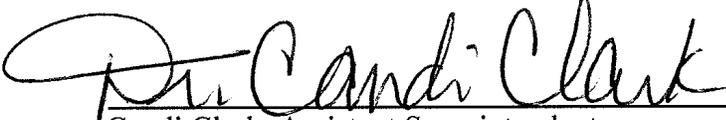
During the term of this agreement, FCMAT shall maintain liability insurance in an amount not less than \$1 million unless otherwise agreed upon in writing by the district, automobile liability insurance in the amount required under California state law, and workers compensation as required under California state law. FCMAT shall provide certificates of insurance, with additional insured endorsements, indicating applicable insurance coverages prior to the commencement of work.

10. HOLD HARMLESS:

FCMAT shall hold the district, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement. Conversely, the district shall hold FCMAT, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement.

11. CONTACT PERSON

Name: Candi Clark, Assistant Superintendent
Telephone: (510) 537-3335 x1212
E-mail: cclark@cv.k12.ca.us

 12/15/14

Candi Clark, Assistant Superintendent Date
Castro Valley Unified School District

 December 3, 2014

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