



Shrewsbury Public Schools

Patrick C. Collins, Assistant Superintendent for Finance & Operations

11 May 2020

To: School Committee

Subj: PAY CONTINUITY FOR FOOD SERVICE WORKERS

Background

Since mandatory school closures began on March 17, 2020, the school cafeteria staff have continued to provide a "Meal Support Program" in direct support of our most needy student population. Breakfast and lunch meals are provided for distribution from Shrewsbury High School on a "drive-through" basis and we also deliver meals to individual homes for those families who do not have transportation to pick up meals from the high school.

On average, we have distributed meals to 25 cars on Mondays, Wednesdays, and Fridays and delivered to 15-18 homes twice per week. Meals are distributed for multiple days for each child in the family. We plan to continue this important program until the last week of school.

The guidance to school districts from the federal and state-level government has been to keep staff on payroll whenever possible.

The School Committee has already voted to provide pay continuity through Friday May 15th.

Fiscal Impact

Like other Massachusetts public school districts, we needed to make application for approval of a special USDA program in order to receive reimbursement for serving meals during school closure. Similar to the meal reimbursement for meals served during the school year, the special school closure reimbursement provides a cost subsidy but does not cover all of the program staff and food supply costs.

I have updated the projected year-end financial forecast using the latest data and it affirms earlier projections that Food Service Revolving Fund has adequate funding to pay all cafeteria workers through the end of the school year, if that is what the School Committee decides. As one can see, a \$305,000 annual net loss is projected which decreases the projected year-end fund balance to about 15% of annual operating revenues.

Updated 5.11.2020		
Begin Year Fund Balance	\$ 606,509	
FY20 Estimates: Assuming school closure 3/17 to end of school year		
Revenue	\$ 1,560,000	
Expenditures	\$ 1,865,000	Assumes pay continuity util end of school year
Net Loss	\$ (305,000)	
End of Year balance	\$ 301,509	
FY19 Annual Revenue	\$ 2,202,919	
FY20 Balance as Percent of Ann. Revenue	14%	

Reasons to Provide Pay Continuity

While the meal support program does not require all staff to work, it does require about 25-35% of them to work on a rotating basis. It keeps “at the ready” the remainder of the workforce to respond in the event other staff fall ill, thus maintaining assurance of meal support continuity for our students.

If some portion were to be furloughed, we would still want to recall them to employment on June 15, 2020 and pay them for June 15 and June 16, then provide the usual letter of reasonable assurance of re-employment for the fall 2020 so as to preclude eligibility for collecting unemployment over the summertime.

As noted earlier, the Food Service Revolving Fund fortunately has adequate funding to provide pay continuity to this group for the remainder of the school year, unlike the Extended School Care account which did not have sufficient funding to pay that group through the end of year. The payroll cost for all Food Service staff from May 18 through the end of the school year is approximately \$70,000.

Federal and state guidance has been to continue to provide pay continuity to K-12 educational personnel when possible in order to maintain stability of current and future staffing and operations.

Because the cafeteria workers belong to a union, furloughing a portion of these employees would require impact bargaining so as to determine which employees would remain employed and which would be furloughed. This is especially difficult in that the federal stimulus funds for those eligible for unemployment includes an additional “pandemic benefit” that would outweigh the normal wages one would receive by remaining fully employed. This dynamic would create additional complexities in the impact bargaining process and selection of staff to be furloughed and create an unintended morale problem amongst the group. Bifurcating this employee group and creating these unintended consequences is not a good idea.