



Shrewsbury Public Schools

September 21, 2023

To: School Committee

From: Chris Girardi, Assistant Superintendent for Finance & Operations
Beth Nichols, Director of Food Service

Subj: 2023-2024 Food Service Department Executive Summary

Overview

The Food Service Department's goal is to serve nutritional and appetizing meals to our customers. The Department is committed to interacting with courtesy and respect, supporting a positive learning environment and promoting the District's strategic priority of Health and Wellness.

Offerings

The Food Service Department offers:

- Breakfast and Lunch Program for grades K-12
- Breakfast and Lunch offered on ½ Days
- Preschool Snack Programs
- Catering and Vending Services.

Staff

The Department employs a Food Service Director, a 30 hour per week Administrative Assistant and 48 Employees, 39 of whom are full time staff (over 20 hours and benefit eligible) and 9 of whom are part time.

A collective bargaining agreement was negotiated in the Fall of 2022. This contract is in effect July 1, 2022 – June 30, 2025. Hourly rates were raised significantly to reflect minimum wage being raised to \$15.00 per hour, to increase staff retention and to enable us to better compete for staff.

All employees are required to participate in training throughout the school year to meet the USDA Professional Standards Requirement. The annual required training hours per school year are: twelve hours of Director training, ten hours of Manager training, six hours for Staff working

over twenty hours per week and four hours of training for Staff working less than twenty hours per week.

All employees are required to be Serve Safe certified and certified in Allergen Training. Additionally, half of the employees are Choke Save Trained each school year.

USDA /DESE Update

- Shrewsbury Food Service Department was awarded a funding opportunity, Northeast Food for Schools through DESE. These funds were awarded so that schools could procure local, high quality and minimally processed foods. Shrewsbury was awarded \$30,000 for the 2023-2024 School Year. The Department will be purchasing local foods through the Worcester Food Hub. The Hub has partnered with local farmers to promote the purchase of their products.
- The State of Massachusetts became the eighth state to make universal free meals permanent. This is a significant investment in student wellness. The continued funding will sustain the financial health of school nutrition programs, spur growth in the purchasing of local food, keep a high standard of nutritional quality for breakfast and lunch and allow for all students in the Commonwealth to be nourished and ready to learn.
- The Meal pattern has changed in the 23-24 SY to reflect a decrease of sodium limits by 10 percent for lunches; Grades K-5 1,110 mg, Grades 6-8 1,225 mg and grades 9-12 1,280 mg.

Lunch Pricing

The USDA requires that the weighted average paid lunch price be equal to the Federal Free Reimbursement Rate. The Federal Free Reimbursement Rate for FY 2024 is \$4.38. The current Shrewsbury lunch prices are; \$3.25 Elementary, \$3.50 Middle School and \$3.75 High School.

As school lunches are free this year for all students, these prices are charged only when a student purchases a second lunch or a non-reimbursable lunch. A student must take 3 out of the 5 required meal components and 1 component must be a fruit or vegetable for their meal to qualify as a reimbursable meal. If a student does not take the required components, they are charged for their meal.

To be in compliance with this regulation, I am proposing we increase the price of lunch for the 2023-2024 school year to \$4.50 at all grade levels.

Commodities

Shrewsbury Food Service was allotted \$354,577 in Entitlement Dollars for the 2023-2024 School Year. The maximum dollar amount of \$177,289 was committed to the Department of

Defense (DOD) fresh produce program. Schools can order produce weekly from an awarded produce vendor, until these funds are depleted. Funds totaling \$24,975 were used to purchase beef (4500 pounds) and chicken (9,000 pounds) which was diverted to 2 processors; JTM Provisions and Tyson Foods. Staff can order specified beef products (taco meat and spaghetti sauce) and chicken products (nuggets, grilled breasts, popcorn chicken etc.) from our Grocery Vendor and receive a credit on these products which reflects the pounds given to these processors to manufacture these products. The remaining Entitlement Dollars were used to purchase Brown Box Orders. Brown Box items purchased were cases of: canned and frozen fruits and vegetables, cheese products, deli meats etc.

Entitlement Dollars are meant to provide dollars for about 15% of food purchases.

Participation

Meal participation has increased significantly due to meals being free. Pre-covid District Breakfast Participation ranged between 1-1% of students and District Lunch Participation between 45-50%. This past school year Breakfast Participation averaged 15% of students and Lunch Participation averaged 70% of students. On very popular lunch days, Lunch Participation can be as high as 95% of students.

Debt

Our current District Meal Charge Policy allows students to charge a-la-carte items when they take a Reimbursable Meal. There is no cap on the amount that students can charge. Federal Regulations require that the Food Service Programs be reimbursed for student meal related debt. In School Year 2023, the School Department reimbursed the Food Service Department, \$26,639.00.

Financials

	<u>FY 23</u>
<u>Beginning Balance</u>	<u>\$1,209,861</u>
<u>Revenue</u>	<u>\$3,305,945</u>
<u>Labor</u>	<u>\$1,188,375</u>
<u>Food</u>	<u>\$1,378,638</u>
<u>Other</u>	<u>\$472,417</u>
<u>Total Expense</u>	<u>\$3,039,430</u>
<u>Profit/Loss</u>	<u>\$266,515</u>
<u>Ending Balance</u>	<u>\$1,476,376</u>

The School Food Service Department had a beginning revolving account balance of \$1,209,861 and a year-end profit of \$266,515 for FY 2023. The revolving account balance as of July 1, 2023

was \$1,476,376. The Revolving Account Balance can be not greater than an average of 3 months operating expenses. Based on FY 2023 operating expenses our Revolving Account FY 24 cannot exceed \$1,013,143. The additional funds must be spent this current school year.

Challenges

Staffing continues to be a challenge. We are finding it difficult to fill part time, full time and substitute positions.

Ordering continues to be a challenge for the School Cafeteria Managers. Products are often out of stock, shorted or substituted.

Goals

- Increase staffing levels to to respond to higher participation rates, provide more meal options, reduce time in line

- Hire a District Chef to enhance the quality and variety of meal offerings

- Develop a spending plan for surplus revolving account funds, including making capital investments in equipment replacement or maintenance