Committee Chair Tom Croteau called the meeting to order at 5:40 p.m. and introduced the Finance Committee members, including himself, Kass Ardinger, Rusty Cofrin and Patrick Taylor. Mr. Croteau explained that the purpose of the meeting was to review the Food Service budget and district adjustable rates and fees. He introduced Director of Food Services John Lash and turned the meeting over to Business Administrator Jack Dunn and Mr. Lash.

Mr. Lash explained the Concord School District program participation in federal programs. The National School Lunch Program (NSLP), which is in every public school, provides nutritional and administrative guidelines for the breakfast and lunch program. Federal reimbursements are based on adhering to these guidelines. These reimbursements, along with paid meals and á la carte sales, provide the funding for the Concord School District lunch program. Another federal program is the After School Snack Program that provides healthy, nutritious and federally reimbursable snacks available to students in all Extended Day programs, which includes every elementary school in the district. Concord School District qualifies for over $85,000 in federal surplus commodity foods under the USDA Commodity federal program, including whole grain pastas, turkey, ham, cheese, and canned fruits and vegetables. Lastly, the Six Cent Certification provides performance-based reimbursement for School Food Authorities (SFA) that demonstrate compliance with updated meal patterns, including both lunch and breakfast.

Concord School District also participates in the NH Department of Education Breakfast Program, which provides $.03 for each qualified reimbursable breakfast meal served.

Mr. Lash displayed the NSLP Nutritional Guidelines and briefly explained the various lunch meal patterns for Grades K-5, Grades 6-8, and Grades 9-12, including the required weekly servings for fruits, vegetables, grains, meats and milk, as well as other specifications including calories, saturated fat, sodium and trans fat amounts. He added that a recent decision within these guidelines allows for no maximum amount of grains to be served. He also displayed the NSLP vegetable subgroups showing
guidelines for serving dark green and red or orange vegetables, beans and peas (legumes), starchy vegetables and all others in the “other vegetable” category.

An overview of the Concord Breakfast and Lunch Program shows that within the total population of 4,639 students, 600 breakfasts and 2,000 lunches are served per day, served by 27 cooks in the 8 district-managed kitchens.

Mr. Lash proposed meal prices for FY15 breakfast and lunch to include free, reduced and paid meals for all levels, including adult meals. He stated that meal prices were increased by $.25 in FY14 and noted that prices may have to be raised $.10 in FY15 per the Paid Lunch Equity Tool; however, the middle and high school prices may be high enough to offset the need to increase lunch prices at the elementary schools.

He described the Paid Lunch Equity (PLE) Tool, which explains that the “Tool” was created to help School Food Authorities calculate their paid lunch price increase requirement and non-federal source contributions to meet the requirements in Section 205 of the Healthy, Hunger-Free Kids Act of 2010. If the pricing requirements calculated by the Tool are not met or are exceeded, the Tool will also calculate any amounts carried over into the next year. Note that the weighted average prices calculated in the Tool are the weighted average of all paid lunch prices charged in the SFA.

A table displaying total lunch revenue by meal type (Free, Reduced and Paid) shows the amount paid by the student and the amount paid by NSLP for each meal by school level (elementary, middle and high school, including the high school deli). All students, regardless of lunch benefit qualifications, pay the same for á la carte items.

Mr. Lash provided the committee two examples of Tray Costs, showing the cost of each item for a tray with mostly commodity items totaling $.80 and the most expensive Bag-O-Taco tray that includes fresh, local food items totaling $2.91. He explained that this was the maximum cost for each of the meals without labor costs, and that not all items on the tray are taken by students; therefore the cost could be lower. In addition, this year Food Services has discontinued the use of flavored milk because of the high sugar content.

Mr. Lash also explained that this year the district has received higher quantities of USDA surplus than normal because of the changes in staffing within the USDA program. This has caused mix-ups with the deliveries of commodity items. Due to this fluctuating inventory, he has been able to swap commodities items with other districts.

Concluding his presentation, Mr. Lash provided an Eligible Lunches and Participation Analysis by meal type and by school, comparing eligible lunches (how many lunches would be served if served to every student every day) to actual lunches sold and the percentage of participation. This analysis, which reflects the first 145 days of both the FY13 and FY14 school year, showed no change in free lunches, but a 3% decline in both reduced and paid lunches.

Rusty Cofrin questioned whether declining enrollment had anything to do with lunch participation going down in the actual lunches sold, to which Mr. Dunn replied that the biggest drivers are the declining enrollment numbers and the shift from paid lunch
to free and reduced lunch. Superintendent Rath added that declining enrollments would be the indicator for the declining lunch participation based on the eligible lunches only. Mr. Lash also noted that when lunch prices increase, the district experiences a decline in participation. He also noted that the 9th graders may feel intimidated in the high school cafeteria and suggested that to increase participation with these students, to-go bags be created so these students could eat in another designated food area.

Kass Ardinger asked if there is an ongoing push for students to sign up for free and reduced meals, as there is at the beginning of the year. Mr. Lash responded by stating that the push is at the beginning of the year; however, if a student is deemed ineligible at that time, the family can re-apply at any time. Mr. Dunn added that the cutoff for free and reduced enrollments to count toward state adequacy is November 1.

Mr. Dunn displayed the FY14 projected budget showing expenses of $1,714,671.39 and revenue of $(1,610,561.06) for a difference of $104,110.33. Assuming the district waives the Indirect Fee of $45,480, the projected loss to the food service department could be $58,630.33.

In the next slide, Mr. Dunn compared the FY14 and FY15 budget, which showed the Food Service Department budget rising by 3.03%.

Following the presentation, committee members discussed integrating food service into the classroom, using student ambassadors at lunches and making a connection to food service through cooking classes to increase participation. Also discussed were payment methods. High school students would like to use their debit cards to pay for lunch rather than have to pay cash day by day.

Mr. Dunn noted that the administration is working to use the AlertNow system to notify parents when their balance falls below $15. Currently, this process is done by sending a notice home with children in their backpacks. In addition, if a parent has signed up to use the online lunch payment system and has paid the one-time $10 fee, this system will notify parents when their balance is low. This one-time fee is good for all siblings that attend any district school.

Superintendent Rath asked how Concord School District compares to other districts in participation. Mr. Lash noted that the participation is low, partly due to the open campus at the high school, which many districts do not have.

Some ideas for increasing participation include setting up accounts for staff; getting the message out to the elementary schools that the Food Service program is a good program by teaching farm-to-school in the classroom; and surveying high school students to find out what percentage are purchasing meals, bringing their own or going off campus.

With regard to outsourcing, of the 95 SAUs listed, 31 have some type of management service. Management companies include Abbey Group, Café Services, Chartwells, Sage Dining Services, Sodexho and Whitson. Considerations for outsourcing include site
visits, district responsibility, financial review, reference calls, and CBA notification (January 2015).

Proposed changes and financial opportunities include a meal system and district finance software integration; low balance notifications; expanding farm-to-school knowledge through the health curriculum; cooking more foods from scratch; expanding partnerships with local farmers and local businesses; streamlining checkout; greater outreach and marketing; lower tray costs; applications for equipment and farm-to-school grants; USDA loans to the Food Service program; expanding the breakfast program; and streamlining payment receipts. Mr. Lash is also looking into Summer Feeding programs.

Several plans to market the program include Twitter @ ConcordNHLunch for the menu, Concord Monitor articles, Concord Insider articles, WKXL 1450 AM, school open houses, Concord Community TV program “What’s for Lunch” and Mr. Lash speaking at national and regional conferences.

Upcoming events include a NH DOE Child Nutrition Services audit, an additional Administrative Review (AAR) audit, a voluntary employee meeting on Tuesday, April 29 at 2 p.m., and a vending machine bid.

It was decided to not take action on increasing meal prices until the administration works with the NH Department of Nutrition to determine if there is absolutely a need to raise prices at the elementary schools.

Mr. Croteau thanked Mr. Lash for the informative presentation.

Mr. Dunn displayed the District Adjustable Rates & Fees, explaining the increase in Pre-K tuition by 5%, which is already in the approved budget, as well as increasing the Transportation Charter to $3.84 per mile, a $.14 increase, also in the approved budget.

On the subject of whether to leave gate receipts suspended or reinstate them, Jennifer Patterson requested a breakdown from Athletic Director Steve Mello of the decrease in revenue, and whether more students attended games as a result of the board dropping the admission fees. She asked if he could also provide an explanation of participation to determine if assistance in tuition is needed.

Superintendent Rath explained that an overview of Building Rental Fees will be provided at the May 12 Joint Finance/Capital Facilities Committee meeting.

The Committee voted 4-0 (motioned by Kass Ardinger, seconded by Rusty Cofrin) to adjourn.

The meeting adjourned at 6:59 p.m.

Respectfully submitted,

Tom Croteau, Chair
Jack Dunn, Recorder