



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

3E. Action Date: April 25, 2005

SUBJECT: APPROVAL OF CHARTWELLS FINANCIAL ADJUSTMENT

BOARD GOAL: Budget and Finance

FISCAL NOTE: Food Service Fund Balance

Background Information:

- Chartwells requested that the Board reconsider the original decision made at the October 25, 2004 meeting. (Attached is the original recommendation.)
- The Board President and Superintendent requested that the Budget and Finance Committee review Chartwells' request and make a recommendation to the Administration and the Board.
- On April 7, 2005, Chartwells presented their request for financial relief for the 2003-2004 school year to the Budget and Finance Committee.
- A recommendation on the subject was finalized by the committee on April 7, 2005.
- On April 11, 2005, the Budget and Finance Committee recommendation was presented to the Board.

Administrative Considerations:

- The conclusion of the Budget and Finance Committee was that on some of the items suggested by the Administration for financial adjustment there was merit to Chartwells request.
- The specific items agreed upon totaled \$93,892.94. The items include \$3,555 for the losses incurred due to the late opening of two campuses that were having kitchen renovations; \$1,440 for competitive pizza sales from Jim's Pizza; \$2,354.94 for losses incurred from a miscalculation of enrollment projection and \$86,543 for competitive chicken sandwich sales from Chick-Fil-A.
- The other recommended items from the administration totaling \$62,500 were rejected by the committee.

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The Administration recommends that the Board of Trustees approve the recommendation for financial adjustment and repayment to Chartwells for \$93,892.94 for the 2003-2004 school year operations

Respectfully submitted,

Kent V. Morrison, III
Assist. Supt. of Finance