



# Brownsville Independent School District

Agenda Category: General Function Board of Education Meeting: 09/02/2025

Item Title: BISD FNS Warehouse Efficiency Study X Action  
Information  
Discussion

## **BACKGROUND:**

The BISD FNS Department is requesting approval to engage a professional consultant to conduct a comprehensive warehouse efficiency study. Our central warehouse supports fifty (50) campuses and handles significant volumes of frozen, refrigerated, dry, and fresh goods. This study will evaluate current operations, identify inefficiencies, and recommend process improvements to reduce operating costs by up to 10% while increasing delivery accuracy and speed. Recommendations may include optimized warehouse layout, staffing adjustments, route efficiencies, and new technologies to enhance productivity. Per the Texas Department of Agriculture (TDA) guidance and the Administrative Reference Manual (ARM) decision-making process, this service is not considered a duplicative cost. It cannot be performed in-house due to the technical scope of the project and the lack of specialized experience within FNS administrative staff to conduct such an analysis. FNS recommends awarding this work to School Food Systems Solutions c/o Dora Rivas, whose qualifications are detailed in her Curriculum Vitae. The project will be completed within twelve (12) weeks of purchase order issuance, pending Board approval.

## **FISCAL IMPLICATIONS:**

Fund 101—Food and Nutrition Services not to exceed \$37,000.

## **RECOMMENDATION:**

Recommend approval to authorize FNS to engage a qualified subject matter expert consultant to conduct a warehouse efficiency study that will streamline operations, reduce costs, and improve service, in accordance with TDA non-duplicative cost guidelines in the amount not to exceed \$37,000.00.

Jackie Cruz  
Submitted by: FNS Director

Jackie Cruz  
Recommended by: FNS Director

Mary D. Garza  
Approved by: Interim Chief Financial Officer

Approved for Submission to Board of Education:

Dr. Jesus H. Chavez  
Dr. Jesus H. Chavez, Superintendent



Dr. Jesus Chavez  
Superintendent of Schools

## Brownsville Independent School District Food & Nutrition Services

1888 E. Price Road • Brownsville, TX 78521  
Office (956) 548-8450



Jackie Cruz MS, RDN  
Director of Food & Nutrition

**TO:** Ms. Mary Garza  
Interim Chief Financial Officer

**FROM:** Jackie Cruz, MS, RDN  
FNS Director

**SUBJECT:** Justification for Warehouse Efficiency Study

### **Purpose**

The purpose of this memorandum is to provide a rationale for the proposed Warehouse Efficiency Study for the BISD Food & Nutrition Services (FNS) Department and to outline the anticipated long-term benefits to the district.

### **Background**

The BISD FNS Warehouse plays a critical role in ensuring the timely and efficient distribution of food and supplies to all campuses. Over time, operational demands, inventory requirements, and logistical challenges have evolved. In addition, potential **school closures** in future years may reduce the number of delivery sites, requiring adjustments to delivery routes, labor allocations, and warehouse operations.

To ensure continued efficiency, cost-effectiveness, and readiness for these potential changes, it is essential to conduct a comprehensive assessment of current warehouse operations.

### **Scope of Work**

As described in the project's scope of work, the Warehouse Efficiency Study will:

- Evaluate current workflows, storage utilization, and inventory management systems.
- Analyze delivery routes and labor requirements in anticipation of potential school closures or changes to service sites.
- Identify opportunities for process improvements and cost savings.
- Recommend technology, layout, and procedural changes to improve efficiency, accuracy, and service delivery.
- Provide a detailed action plan for implementation.

### **Vendor Selection Process**

In accordance with BISD procurement procedures, School Food Systems Solutions has been selected as the vendor because they meet all district requirements and possess the specialized background in school nutrition necessary to conduct a comprehensive warehouse efficiency study. The consultant's expertise provides compliance with federal, state, and district guidelines while providing practical, school-focused recommendations that support the operational and nutritional goals of the Food and Nutrition Services Department.





*Dr. Jesus Chavez*  
*Superintendent of Schools*

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*Jackie Cruz MS, RDN*  
*Director of Food & Nutrition*

### **Fiscal Impact**

The proposed cost of the study is **\$37,000**. While this figure may initially seem significant, it is important to note:

- This is a **one-time expenditure**.
- Outcomes from the study are projected to be sustainable for a **minimum of 10 years**.
- The anticipated **initial return on investment (ROI) is approximately \$100,642** through improved labor efficiency, optimized delivery routes, and streamlined inventory management.

### **Conclusion**

The Warehouse Efficiency Study is a strategic investment in BISD FNS operations. By ensuring our warehouse is operating at optimal efficiency and is adaptable to future changes in district configuration, we safeguard district resources, improve service to our campuses, and position the department for long-term operational success.

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# **EXHIBIT 1**

Memorandum justifying the selection of School Food Systems Solutions for the FNS Warehouse Efficiency study based on district compliance and expertise in school nutrition.

# **EXHIBIT 2**

Scope of Work for FNS Warehouse Efficiency Study.

Subject: Warehouse Efficiency Study

Date: July 28, 2025

## **1. Introduction & Overview**

The BISD FNS Department is seeking a professional consultant to conduct a comprehensive study of our warehouse operations to identify areas for improvement enhance overall efficiency. Our warehouse is a large distribution center for fifty (50) sites and handles frozen, refrigerated, and dry goods and fresh produce.

## **2. Scope of Work**

The study includes the following activities:

- **Preliminary Operations Review**
  - Consultant must complete a facility walk-through, observe one full day of warehouse operations, and participate in a focused interview with the Director and Warehouse Supervisor to ensure the proposal aligns with the defined scope and timeline.
- **Data Collection:**
  - Gathering relevant data on warehouse layout, inbound/outbound volumes, labor costs, space utilization, equipment performance, delivery time tracking, and route optimization.
- **Process Analysis:**
  - Examining current warehouse processes, including receiving, storage, picking, packing, and shipping.
- **Performance Measurement:**
  - Measuring current performance for warehouse layout, inbound/outbound volumes, labor costs, space utilization, equipment performance, delivery time tracking and route optimization analysis.
- **Recommendation Generation:**
  - Developing specific recommendations for improvements, on optimizing layout, implementation new technologies, streamlining processes, and improving training.
- **Implementation Support:**
  - Assist in the implementation of the recommended changes, approved and authorized by Food & Nutrition Services Director.

## **3. Specific Objectives**

The following objectives shall be achieved through this study:

- Reduce operating costs by up to 10% by optimizing storage space utilization through a redesigned inventory layout that prioritizes high-velocity food and nonfood items based on usage frequency and turnover rate.



- Increase order fulfillment accuracy by 7% and improve delivery speed by 6%.
- Reduce FNS warehouse staffing from 4 to 3 full-time equivalents (FTEs) and truck drivers from 7 to 5 FTEs to reduce labor costs and improve operational efficiency.
- Identify opportunities for technology implementation to enhance warehouse operations.

#### **4. Project Timeline**

Project timeline not to exceed twelve (12) weeks and the timeline is contingent upon the following:

- School Board approval at a scheduled Board Meeting (*August 2025 or September 2025*)
- Approval of a Purchase Order Requisition

*NOTE: Project timeline of twelve (12) weeks will be from the first business day after the Purchase Order is issued.*

#### **5. Projected Costs**

Please provide a detailed breakdown of:

- Fees and costs referencing BISD RFP 25-029 (i.e., hourly, half day or full day).
- Proposed methodology for conducting the study.

#### **6. Submission Instructions**

- Please submit the requested information by August 1, 2025, 3:00 p.m. central time to [jcruz2@bisd.us](mailto:jcruz2@bisd.us).

#### **7. Contact Information:**

If you have any questions, please contact us at [jcruz2@bisd.us](mailto:jcruz2@bisd.us).

- 8.** This service cannot be performed in-house, satisfying the TDA criteria requiring consulting services to be non-duplicative in nature.



# **EXHIBIT 3**

Projected Costs submitted by School Food Systems Solution based on BISD Consultant/Contractor Services District-Wide 25-029 with Curriculum Vitae for Consultant.

# BROWNSVILLE FOOD AND NUTRITION SERVICES (BISD)



## **#1 EXECUTIVE SUMMARY**

### **CONTRACTOR SERVICES:**

Proven success in School Food Service for the past 40+ years has given me the opportunity to provide guidance and training in a variety of school foodservice areas (Administration, Operations, Nutrition/Nutrition Education, and Marketing and Communications). It is my goal to provide training, mentoring, coaching, and encouragement to achieve excellence in serving school children quality meals in a cost-effective and efficient manner.

### **PURSUIT OF EXCELLENCE:**

School food service directors often have the skills to manage successful programs. As a School Nutrition Specialist with proven success in the industry, I offer fresh perspectives and strategies to enhance their operations. This proposal aims to improve efficiency and achieve excellence in all areas of school nutrition.

School Food Systems Solutions  
Dora Rivas, MS,RDN,SNS  
1207 Middlebrook Place  
Dallas, TX 75208

Submitted by Dora Rivas, MS,RDN,SNS  
July 30, 2025

## # 2 CONTRACTOR CREDENTIALS & EXPERIENCE

### CONTRACTOR EXPERIENCE:

Dora Rivas, M.S., R.D.N, S.N.S.

Registered Dietitian Nutritionist

### BACKGROUND & EXPERIENCE:

Dora Rivas, M.S., R.D., S.N.S. has an extensive career in school foodservice. Current employment with the School Nutrition Specialist for the Army Air Force Exchange (Department of Defense) and past Executive Director for the Dallas Independent School District. Dora is recognized as a leader in the school food service industry and has served as Texas State President for the Association for School Nutrition and President of the national School Nutrition Association. She has received numerous awards for success in organizational management including the prestigious Operator of the Year- Silver Plate Award from the International Foodservice Manufacturers Association and the Gold Star FAME (Foodservice Achievement in Management Excellence) from the School Nutrition Association. She recently was awarded the prestigious Gertrude Applebaum Lifetime Achievement Award from the School Nutrition Association.

She has received Best Practice Awards from USDA for menu planning, innovative practices, expanding breakfast programs. She was recognized by the First Lady Michelle Obama for success in achieving USDA Healthier US School Challenge (HUSC) awards in Dallas. She has been a speaker at numerous state and national association conferences. She has served on peer review teams for the Council of Great City Schools and Texas Association for School Food Service Presenter/Consultant/Advisor and collaborated with teams to conduct strategic planning to meet department improvement plans.

### Education

M.S. Institutional Management, Kansas State University, Manhattan, KS in 1980

B.S. Foods & Nutrition, Texas A & M, Kingsville, TX 1972

### Additional Education/ Certifications

School Nutrition Specialist, School Nutrition Association  
(Credentialed since 2000)

Dietetic Work Experience Program, Valley Baptist Medical Center Harlingen, TX  
(completed requirements as Registered Dietitian in 1974 through Commission of  
Dietetic Registration)

### Professional and Business History

**School Food Service Specialist**

School Food Systems Solutions, Consultant/Contractor

August 2019- present

**Army Air Force Exchange Service, Department of Defense. Dallas, TX 75236.  
September 2015-2019 (AAFES)**

**School Nutrition Specialist, AAFES School Meal Program**

Directs nutrition services for SMP overseas (EUROPE/ASIA)

- Directs menu planning & nutrition services



- Provides technical assistance on SMP compliance
- Provides technical assistance on NSLP guidelines and participates in on-site administrative reviews on overseas programs
- Develops training program and provides onsite training in Europe and Pacific

**Dallas Independent School District, Food and Child Nutrition Services, Dallas, TX  
75215. 2005-2015**

***Executive Director. (Retired 2015)***

Directed the school foodservice operation for all the food and child nutrition programs

- Directed the operation of meal services to 220+ cafeteria sites serving over 92,000 breakfasts and 130,000 lunches daily. Current program has achieved the School Nutrition Association Standards of Excellence. Program includes initiatives to increase participation via various promotions, and initiatives. i.e. Breakfast In the Classroom (BIC)
- Managed a staff of over 1600+ food service employees. Has designed and implemented a comprehensive staff development program for all staff and a manager training program for supervisory staff. Additional training has including a culinary arts component for kitchen staff. Staff are recognized for their performance through a regular monitoring system (5 Star Quality Assurance Program)
- Managed a budget of \$100+ million. Maintained a positive fund balance and utilized funds to improve cafeteria operations and programs including updating of cafeteria graphics furniture and decor
- Maintained an equipment maintenance program and implemented an equipment replacement plan with departmental staff internally; works with district bond program to assure continued kitchen assessments and improvements of facilities
- Collaborated with district coordinated school health program leadership team to implement the district wellness policy and other district health initiatives to reduce childhood obesity
- Collaborated with North Texas Food Bank to provide children with access to food through weekend Backpack programs, afterschool meals, expand Breakfast in the Classroom programs
- Implemented Breakfast in the Classroom (BIC) in all Elementary schools in 2013-14 school year and Middle Schools in 2014-15 school year as part of Dallas ISD mandated BIC Board Policy as part of district-wide initiative
- Implemented Provision 2 (Meals at No Charge) district-wide October 2013-2014 and transitioned to Community Eligibility Provision in 2014-2015 school year.

**Brownsville independent School District, Food and Child Nutrition Services  
Department, Brownsville, TX 78520 October 1977-2004**



**Department Administrator**

Director for the Food and Child Nutrition Services. October 1980-2004; Assistant Director- 1979-1980; Dietitian for District- October 1977-1979

**Accomplishments:**

- Maintained a positive fund balance and utilized excessive fund balance for kitchen renovations and upgrades
- USDA Best Practice Awards for Breakfast in the Classroom, Innovative Practices- Strategic Planning, and Menu Planning
- Implemented the Special Assistance Provision II program in 1994 district-wide (one of the first large districts in the country at the time)
- Achieved District of Excellence from the Texas School Food Service Association

**Presentations,  
Papers, and  
Publications**

**Publications**

- School Nutrition Journal, School Nutrition Association
- TASN News, Texas Association for School Nutrition
- School Business Affairs Journal

**National Workgroups/Task Forces**

Served on National Nutrition Standards Taskforce, School Nutrition Association

Served on Strategic Planning Committee, Academy for Nutrition and Dietetics

**Invited Presenter at the following conferences**

American Dietetic Association

National Association of School Business Officials

Texas Action for Healthy Kids

Texas Hunger Initiative Events, School of Social Work. Baylor University, Waco, TX

Numerous State and National Conferences on various topics and issues in school foodservice

**Honors &  
Recognitions**

**State and National Leadership Positions**

State President 1995-1996, Texas Association for School Nutrition

National President 2009-2010, School Nutrition Association

Gold Star Foodservice Achievement in Management Excellence (FAME) Award, 2000; School Nutrition Association, Seattle, WA

Foodservice Operator of the Year-Silver Plate Award, 2005; International Foodservice Manufacturers Association (IFMA), Chicago, Ill

Texas Director of the Year Award and Southwest Region Director of the Year Award in 2005, School Nutrition Association, Baltimore, Maryland.

Honorary Doctorate of Foodservice, 2011; The North American Association of Food Equipment Manufacturers (NAFEM), Orlando, Florida.

Lifetime Achievement Award, 2012; Dallas Academy of Nutrition and Dietetics, Dallas, TX.

Lifetime Achievement in School Management Excellence Award 2020; School Foodservice Practice Group, Academy of Nutrition and Dietetic Association. Philadelphia, Pennsylvania.

Gertrude Applebaum Lifetime Achievement FAME Award 2025: School Nutrition Association, Phoenix, Arizona.

### **Committees**

Served on Governor appointed, Texas School Health Advisory Council. Term ending in 2015

Served on Governor appointed, Texas Diabetes Council. Term ending in 2015

Served on behalf of Superintendent of Schools for Dallas ISD as a member of the United Way Charting the Course Steering Committee, presently

Hunger Center Advisory Council, North Texas Food Bank Hunger Center, Research and Grants Division. Term ended.

Review Panel. Guide for school nutrition (SN) directors to administer the middle/junior high student surveys. The National Food Service Management Institute, Applied Research Division (NFSMI, ARD) 2012

Texas Association for School Nutrition Past President Advisory Board. 2015-2016.

School Nutrition Association. Past President Advisory Council Chair. 2015-2017.

## **#3. Scope of Work- Services Offered and Approach/Methodology**

The study includes the following activities:

### **Preliminary Operations Review**

#### **Consultant will complete:**

##### **1. Conduct facility walk-through:**

Observe one full day of warehouse operations and participate in a focused interview with the Director and Warehouse Supervisor to ensure the proposal aligns with the defined scope and timeline.

##### **2. Gather Data:**

July 30, 2025

Consultant will gather relevant data on warehouse layout, inbound/outbound volumes, labor costs, space utilization equipment performance, delivery time tracking, and route optimization.

**3. Process Analysis:**

Consultant will examine current warehouse processes, including receiving, storage, picking, packing, and shipping.

**4. Performance Measurement:**

Consultant will discuss and identify key performance measures with Director and Warehouse Supervisor that need priority assessment. Based on data available, consultant will evaluate current performance and make recommendations for improvement of warehouse layout, inbound/outbound volumes, labor costs, space utilization, equipment performance, delivery time tracking and route optimization analysis.

**5. Recommendation Generation:**

Consultant will develop specific recommendations for improvements, on optimizing layout, implementation new technologies, streamlining processes, and improving training.

**6. Implementation Support:**

Assist in the implementation of the recommended changes, approved and authorized by Food & Nutrition Service Director.

**7. Specific Objectives**

*The following objectives shall be achieved through this study:*

- ✓ Reduce operating costs by up to 10% by optimizing storage space utilization through a redesigned inventory layout that prioritizes high-velocity food and nonfood items based on usage frequency and turnover rate.
- ✓ Increase order fulfillment accuracy by 7% and improve delivery speed by 6%.
- ✓ Reduce FNS warehouse staffing from 4 to 3 full-time equivalents (FTEs) and truck drivers from 7 to 5 FTEs to reduce labor costs and improve operational efficiency.
- ✓ Identify opportunities for technology implementation to enhance warehouse operations

**SERVICES OFFERED AND AVAILABILITY:**

Consultant will provide services as described within the Scope of Work as described in solicitation. The study will include on-site observation, review and analyze data, improve warehouse layout of inbound/outbound volumes, labor costs, space utilization, equipment performance, delivery time tracking and route optimization.

**Projected Costs**

Detailed breakdown of:

- Fees and costs referencing BISD RFP 25-029 (i.e., hourly, half day or full day).
- Proposed methodology for conducting the study.

WEEK	TASK	HOURS	QUOTE
<b><u>Week 1:</u></b>	<p>The consultant requests that FNS Director provide the following needed information to begin study:</p> <ul style="list-style-type: none"> <li>• Organizational chart</li> <li>• Staffing list &amp; salary for labor costs</li> <li>• Warehouse assessment checklists</li> <li>• Menu cycle for 2025-2026 &amp; Aug-Sept menu</li> </ul>	4 days	\$6000.00



	<ul style="list-style-type: none"> <li>Warehouse inventory (Food (dry &amp; frozen), non-food dry goods)</li> <li>Other items to be provided as needed</li> </ul> <p>The consultant will conduct an interview with the Director and Warehouse Supervisor to discuss the scope of work for the Efficiency Study. They will also review the process for information gathering, including the evaluation of the service survey.</p> <ul style="list-style-type: none"> <li>The consultant surveys cafeteria managers to assess delivery satisfaction.</li> <li>The consultant performs walk-through of warehouse organization to include observation and review of procedures for receiving and shipping, accountability, inventory control, handling of damaged product, cleanliness, safety, etc.</li> <li>The consultant will accompany a driver to observe delivery process of routes, safety checks, food &amp; supply handling, and delivery procedures. <i>(identify feasibility of improving efficiency to increase order fulfillment accuracy by 7% and improve delivery speed by 6%)</i></li> <li>The consultant will gather and review data from the Warehouse Supervisor.</li> </ul>		
	<ul style="list-style-type: none"> <li>The consultant will analyze and review the results of the satisfaction survey &amp; develop recommendations.</li> </ul>	1 day	\$1,500.00
<b>SUBTOTAL</b>		5 days	\$7,500.00
<b><u>Week 2:</u></b>	<ul style="list-style-type: none"> <li>The consultant will chart menu items against inventory and identify any items in storage but not on menu. Make recommendations to adjust the menu to utilize product &amp; avoid products becoming expired and wasted.</li> <li>The consultant will evaluate process for maintaining par-levels.</li> <li>The consultant will review existing technology and its efficiency and determine if a change in technology would benefit the effectiveness of inventory control, scheduling and routing.</li> </ul>	2 days	\$3,000.00
		3 days	\$4,500.00
<b>SUBTOTAL</b>		5 days	\$7,500.00
<b>Week 3:</b>	<ul style="list-style-type: none"> <li>The consultant will review the warehouse layout of warehouse and of inbound/outbound volumes. <i>(Redesign inventory layout that prioritizes high-velocity food and nonfood items based on usage frequency and turnover rate to achieve reduction of operating costs by up to 10% by optimizing storage space utilization)</i></li> <li>The consultant will recommend changes as needed for optimized space utilization, equipment performance, delivery time tracking and route</li> </ul>	5 days	\$7,500.00



	<p>optimization analysis. Recommend a redesigned inventory layout that prioritizes high-velocity food and nonfood items based on usage frequency and turnover rate.</p> <ul style="list-style-type: none"> <li>• Consultant will make recommendations to reduce labor costs (<i>consider objective to reduce FNS warehouse staffing from 4 to 3 full-time equivalents (FTEs) and truck drivers from 7 to 5 FTEs to reduce labor costs and improve operational efficiency</i>)</li> </ul>		
<b>SUBTOTAL</b>			<b>\$7,500.00</b>
<b>Week 4:</b>	<ul style="list-style-type: none"> <li>• The consultant arranges for visit to Dallas ISD Warehouse to observe warehouse inventory processes and technology.</li> <li>• The consultant will arrange for staff to explain processes that make a more efficient and updated technology for their inventory system.</li> <li>• The consultant and FNS Director collaborate on developing a plan to identify opportunities for technology implementation to enhance warehouse operations</li> </ul>	5 days	Consider travel to a district with efficient technology in place (Dallas ISD)
<b>SUBTOTAL</b>			<b>\$7,500.00</b>
<b>Week 5:</b>	The consultant will assist in the implementation of the recommended changes, approved and authorized by the Food & Nutrition Service Director. *	5 days (contingent on need)	
<b>SUBTOTAL</b>			<b>\$7,500.00</b>
<b>TOTAL</b>			<b>\$37,000.00</b>

**Projected timeline: August 11, 2025- September 26, 2025 contingent on interview with Director and determined scope of work.**

# **EXHIBIT 4**

Line Item with the corresponding daily rate as specified in Consultant/Contractor Services District-Wide 25-029 with Daily Rate.



AN EARLY COLLEGE DISTRICT  
**BROWNSVILLE**  
 INDEPENDENT SCHOOL DISTRICT

Board Meeting May 20, 2025

**RFP#25-029 Consultant/Contractor Services District-Wide**

3 Full day rate per service/training. If you are to be paid PER DAY, please enter the DAILY RATE. If not paid per full day, please check NO BID for this line item. This would be the maximum rate that will be paid for services rendered. Quotes may be requested at time services are required. Describe the service(s) that apply to the daily rate in the Comment section. A day would be defined as 8 hours, so if the daily rate is less hours, indicate the number of hours that would be billed as a day.

Supplier	QTY	UOM	Price	Recommendation
Admore Behavioral Therapy	1	EA	\$80.00	Recommended
Powerling, Inc.	1	EA	\$480.00	Recommended
FERNANDO CORNEJO	1	EA	\$800.00	Recommended
JMG Educational Services (Janice Metsker-Galarza)	1	EA	\$800.00	Recommended
ADAMS CONSULTING TOWER LLC	1	EA	\$1,200.00	Recommended
Tosh McGaughy LLC ( <a href="https://sites.google.com/view/toshshares/home">https://sites.google.com/view/toshshares/home</a> )	1	EA	\$1,400.00	Recommended
SaNDAl Global (Safety Net Data Advisors, Incorporated)	1	EA	\$1,500.00	Recommended
Studies Weekly, Inc.	1	EA	\$1,500.00	Recommended
School Food Systems Solutions	1	EA	\$1,500.00	Recommended
K-12 Leadership Diagnostics, LLC	1	EA	\$1,600.00	Recommended
Rivera Educational Consulting (Rivera Educational Consulting LLC)	1	EA	\$1,900.00	Recommended
Gallegos Education Consulting Services	1	EA	\$2,000.00	Recommended
CARE, LLC (Collaborative Autism Resources & Education (CARE, LLC))	1	EA	\$2,000.00	Recommended
Graciela Guzman	1	EA	\$2,000.00	Recommended
Elliott Quezada	1	EA	\$2,000.00	Recommended
KAMICO Instructional Media, Inc.	1	EA	\$2,000.00	Recommended
Early Childhood Writing Consultants, LLC	1	EA	\$2,160.00	Recommended
Curriculum Associates, LLC	1	EA	\$2,300.00	Recommended
Sharon Wells Mathematics (Sharon Wells Mathematics Curriculum Inc.)	1	EA	\$2,500.00	Recommended
Liberty Source	1	EA	\$2,500.00	Recommended

# **EXHIBIT 5**

Guidance from the Texas Department of Agriculture Food and Nutrition Administrator's Reference Manual about Unallowable vs. Allowable Duplicative Services.



## General Expenditures—Allowable and Unallowable Costs

All expenditures must be reasonable, allowable, and allocable. The following examples describe common allowable and unallowable uses of SNP funds.<sup>22</sup>

### Advertising, Disposal of Surplus Materials

Allowable:

- Materials and expenses to obtain services to properly dispose of surplus materials

### Advertising, Outreach

Allowable:

- Materials and expenses for communication with parents and the community about program activities and services

Unallowable:

- Materials and expenses for public relations materials or activities designed solely to promote CE and not promote the school nutrition program(s) the CE operates

### Advertising, Procurement

Allowable:

- Materials and expenses to publicize procurement solicitations

### Advertising, Recruitment

Allowable

- Materials and expenses to recruit personnel

Unallowable

- Stipends, incentive awards, or other payments to SNP staff who recruit employees<sup>23</sup>

### Contributions

Unallowable

- Contributions of cash, property, and services by the CE to another entity

### Duplicative Services

Unallowable

- Cost for a product and/or service that is included as a product and/or service cost in another contract or procurement agreement.
- Hiring consultants and/or representatives to provide operational services and support which are currently supported/sponsored by TDA and TDA partners.

A duplicative cost results from a Contracting Entity (CE) paying for the same service under multiple contracts using federal funding. Duplicate costs occur when a CE enters a contract for a service currently provided by TDA or partners of TDA, including Education Service Centers (ESCs) and the Institute of Child Nutrition (ICN).

CEs should evaluate their need and assess whether the service desired falls into those provided by TDA or its partners. CEs may not hire

<sup>22</sup> This list is not exhaustive. *Information Box 1, Guidance on Program Accounting and Financial Systems* provides a list of resources that provides additional examples of allowable and unallowable costs items.

<sup>23</sup> See *Administrator's Reference Manual (ARM), Section 15, Program Integrity* for additional information on conflicts of interest.

consultants for compliance training or technical assistance, as this is the responsibility of TDA and ESCs. However, items such as recipe development and/or marketing or promotions to support quality meals are appropriate consultant uses. The CE should review the current training and services available from TDA, ICN, the ESC, or another contracted vendor before hiring consultants or staff for activities that are potentially duplicative.

#### **Emergency, Loss of Food Inventory, Supplies, or Equipment**

Allowable

- Cost of replacing food inventory, supplies, or equipment lost due to a natural emergency or emergency evacuation of the school property

#### **Equipment, Disposal of Equipment**

Allowable

- Costs associated with the disposal or transfer of equipment if the CE is instructed by TDA to dispose of the equipment<sup>24</sup>

#### **Equipment and Supplies, Expendable Items and Other Items**

Allowable

- Materials or supplies used specifically in the SNP operation, including items that must be replaced from time to time: pots and pans, serving trays, dishes, glassware, silverware, linen, mops, brooms, and cleaning supplies

If the CE purchases items as part of central contract, supplies must be charged to the program at net cost.

- Uniforms or shoes purchased specifically for SNP staff which staff are required to wear as part of regular program operation

If the CE purchases uniforms or shoes, the CE must establish a standard that use is limited to tasks related to program operation and must ensure that the cost is reasonable and necessary for the staff member's assigned tasks.

For Example: A staff member who works in the kitchen or in transporting food to another campus may need to have steel-toed shoes to prevent foot injury. A staff member located in the central office would not be assigned tasks that warrant the purchase of steel-toed shoes.

OR

The CE may require all staff who enter food preparation or food service areas wear a specific type of hair covering. Since this is a health and safety issue, the CE may provide hair coverings to staff for this purpose.

#### **Equipment, Nonexpendable Items**

Allowable

- Items or equipment used directly in preparing, storing, or serving meals, including items such as ranges, refrigerators, freezers, steam tables, mixers, storage cabinets, garbage containers, tables, chairs, hot water heaters, and portable fans

This category may include charges for installing equipment and connecting to utilities in the building in which the SNP operates as well as maintenance service, upkeep, and repair of equipment.

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<sup>24</sup> CEs may trade in old equipment as part of the cost for new equipment.