



May 29, 2013

To: Debbie Breckner
Director of Human Resources
Three Rivers School District

From: John Stone
District Manager
Sodexo School Services

Subject: 2013-14 Renewal Agreement

Debbie,

We look forward to continuing our partnership with the Three Rivers School District. Attached is our 2013-14 contract renewal agreement. As required by USDA and ODE regulations pertaining to Public School Child Nutrition Programs our agreement with your district must be renewed on an annual basis in accordance of section 1.3 of our Contract.

The only sections that were updated from the previous year are:

6.1, Fixed Price per meal. Each year, according to our contract terms outlined in section 6.5 the fixed price is adjusted annually based on an annual escalator provision, made at the time of contract renewal, ODE updated this section during the last contract year to use the CPI for Food Away from Home as the escalator provision. In accordance with section 6.5, and ODE guidance, Sodexo has increased our fixed price per meal by 2.3% for the 2013-14 contract year which is reflected in our renewal agreement.

6.5 Inflation Adjustments. The Fixed Price (Section 6.1), including any incentive Fixed Price, if any, shall be adjusted annually by a percentage equal to the Consumer Price Index (CPI) Food Away From Home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor. Use Table 1 Consumer Price Index for All Urban Consumers (CPI-U): U.S City average, by expenditure category a commodity service group Food Away From Home. The CPI is for the 12 month period from March of previous year to March of current year.

*This section was changed by ODE from using May to May as the time period as that would not have allowed enough time to update the annual renewal prior to the June 30th expiration date.

All other sections remain in accordance with our original contract terms and conditions.

If you should have any questions regarding these changes, please do not hesitate to contact me.

Sincerely,

John Stone
Oregon District Manager
Sodexo School Nutrition

AMENDMENT

THREE RIVERS SCHOOL DISTRICT

AND

SODEXO AMERICA, LLC

THIS AMENDMENT, dated May 20, 2013, is between THREE RIVERS SCHOOL DISTRICT ("LEA") and SODEXO AMERICA, LLC ("FSMC").

W I T N E S S E T H:

WHEREAS, LEA and FSMC entered into a certain LEA – FSMC Contract dated June 21, 2012 ("Agreement"), whereby FSMC manages and operates LEA's food service operation located in Murphy, Oregon;

WHEREAS, the parties now desire to amend the aforesaid Agreement;

NOW, THEREFORE, in consideration of the promises herein contained and for other good and valuable consideration, the parties hereto agree as follows:

1. Any and all references to the "2012-2013" school year shall be changed to "2013-2014" school year.

2. Section 1.3 is deleted in its entirety and the following substituted therefor:

"1.3 Term of the Agreement. The term of this Agreement commences on July 1, 2013 and continues until June 30, 2014. The Agreement is subject to three (3) additional one (1) year renewals upon the consent of both parties, unless terminated earlier as provided in Article VII, General Terms and Conditions. Extensions or renewals are contingent upon the fulfillment of all Agreement provisions related to donated foods."

3. Section 6.1 is deleted in its entirety and the following substituted therefor:

"6.1 Billing for Fixed Price Per Meal. The LEA and the FSMC have mutually agreed upon the Fixed Price per meal as follows:

SBP

-Breakfast	\$1.663 per meal (3 breakfasts = 1 meal)
-Meal Equivalents	\$1.663 per meal based on \$3.00 rate

NSLP

-Lunch	\$1.663 per meal (1 lunch = 1 meal)
-Snack	\$1.663 per snack (4 snacks = 1 meal)
-Meal Equivalents	\$1.663 per meal based on \$3.00 rate

SFSP

-Breakfast	\$1.663 per meal (3 breakfast = 1 meal)
-Lunch	\$1.663 per meal (1 lunch = 1 meal)
-Snack	\$1.663 per snack (4 snacks = 1 meal)
-Meal Equivalents	\$1.663 per meal based on \$3.00 rate

Vended Meal Programs and all other Meal and Meal Equivalents

-Breakfast	\$1.663 per meal (3 breakfast = 1 meal)
-Lunch	\$1.663 per meal (1 lunch = 1 meal)
-Snack	\$1.663 per snack (4 snacks = 1 meal)
-Meal Equivalents	\$1.663 per meal based on \$3.00 rate

A. Meal Equivalent Defined:

1. For fixed price per meal purposes, each reimbursable lunch shall be considered one (1) meal/meal equivalent, each supper meal shall be considered one (1) meal/meal equivalent, each reimbursable breakfast shall be considered one-third (1/3) of a meal/meal equivalent, and one reimbursable snack shall be considered one-fourth (1/4) of a meal/meal equivalent.

2. For cash meal sale other than reimbursable meals, the number of meal equivalents shall be determined by dividing the total of all food sales except reimbursable meal and snack sales (including sales of adult meals, a la carte meals, snack bar, catering, conference, and any other function sales) by the sum of the current school year free meal reimbursement rate and the commodity value. (Example: The meal equivalency rate = \$2.7975 plus \$0.2025 equals \$3.00 and Lunch Equivalents = total Ala Carte dollars divided by \$3.00).

B. The FSMC shall submit the following supporting documents to the LEA monthly:

- Daily meal counts by benefit category by school for each program
- Daily menu production records by program
- Monthly summary of Value of Commodities used
- Monthly summary of Revenues from other sales

C. Expenses paid by the FSMC and not charged to the LEA or the food service operations include, but are not limited to:

- Reports filed to the State
- Corporate income tax

D. Crediting Value of Commodities Received by the LEA – The FSMC must credit the LEA for the value of all donated food received, entitlement and bonus, for use in the LEA's meal service during the school year. This includes the value of donated food contained in processed end products. The FSMC shall list on the invoice the value of commodities received, for the period and deduct the amount of value from the total owed by LEA for the NSLP meals served. The value of commodities for entitlement and bonus is the average USDA purchase price as listed by ODE. For processed commodities it is the processing agreement value."

4. Section 6.5 is deleted in its entirety and the following substituted therefor:

"6.5 Inflation Adjustments. The Fixed Price (Section 6.1), including any incentive Fixed Price, if any, shall be adjusted annually by a percentage equal to the Consumer Price Index (CPI) Food Away From Home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor. Use Table 1 Consumer Price Index for All Urban Consumers (CPI-U): U.S. City average, by expenditure category a commodity service group Food Away From Home. . The CPI is for the 12 month period from March of previous year to March of current year."

5. This Amendment is effective July 1, 2013 and thereafter, unless amended. All other terms and conditions contained in the Agreement shall remain unchanged and in full force and effect, except by necessary implication.

IN WITNESS WHEREOF, the duly authorized officers of the parties have executed this Amendment, as of the date indicated in the first paragraph of this Amendment.

THREE RIVERS SCHOOL DISTRICT

By: _____
Name (printed): _____
Title: _____

SODEXO AMERICA, LLC

By: _____
Ted J. Monk
Senior Vice President, School Services