Administrative Office • 7450 S. Wolf Road • Burr Ridge, IL 60527 (708) 784-2172 • Fax: (708) 246-0161 • www.d107.org

Dr. Catherine Chang, Business Manager • cchang@d107.org

DATE:

June 12, 2015

TO:

**Board of Education** 

FROM:

Catherine Chang

RE:

**Food Services** 

Food Service Professionals (FSP) has provided a hot lunch program to Pleasantdale School District since 1996. The historical cost per meal the board has paid to FSP is as follows:

Meal Type	7/1/09	7/1/10	7/1/11	7/1/12	7/1/13	7/1/14
Regular	\$2.64	\$2.69	\$2.7249	\$2.9249	\$2.9249	\$2.9863
	(4.8%)	(1.9%)	(1.3%)	(7.3%)	(0%)	(2.1%)
Fresh	\$3.14	\$3.19	\$3.2249	\$3.4249	\$3.4249	\$3.4249
Expectations	(4.0%)	(1.6%)	(1.1%)	(6.2%)	(0%)	(0%)

I recommend extending FSP's contract for school year 2015/16 with a 6% (\$0.18) increase for regular A/B meal. The Fresh Expectations meal was discontinued in January 2015.

Meal Type	7/1/2015
Regular A/B menu	3.1663

Attachment: FSP's Proposal for 2015/16

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**Board of Education** 

FROM:

Catherine Chang

RE:

Milk 2015/16

The recommendation is to purchase milk from FSP for 2015/16 at \$0.30 per carton. The table below shows the history of milk prices for the past 10 years.

**History of Milk Prices** 

Year	White Milk (1%)	Fat-free Chocolate Milk
2014/15	\$ .2900	\$ .2900
2013/14	\$ .2600	\$ .2600
2012/13	\$ .2600	\$ .2600
-	White Milk (2%)	Chocolate Milk (1%)
2011/12	\$ .2650	\$ .2650
2010/11	\$ .2400	\$ .2400
2009/10	\$ .2260	\$ .2300
2008/09	\$ .2520	\$ .2530
2007/08	\$ .1880	\$ .1880
2006/07	\$ .1490	\$ .1480
2005/06	\$ .1560	\$ .1540

Attachment: FSP's Proposal for 2015/16

#### AGREEMENT

AGREEMENT made and entered into as of the 1st day of July 2015, by and between Pleasantdale School District 107, Burr Ridge, Illinois, (hereinafter referred to as "the School District"), and Food Service Professionals (hereinafter referred to as "FSP").

In consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

#### 1. SALES OF LUNCHES

FSP shall sell and deliver to the School District, an agreed upon minimum quantity of meals at a price set forth in Appendix A. FSP shall be responsible for menu composition and shall use its best efforts to provide a variety of lunch entrees and shall provide quality meals in accordance with the regulations of the United States Department of Agriculture and the State of Illinois Office of Education, Food and Nutrition Division.

#### 2. **DELIVERY**

FSP shall deliver individually prepackaged meals in a refrigerated state to the School District. Damaged or unacceptable meals shall be replaced by FSP at no cost to the School District, provided that the School District gives FSP detailed information as to the reason for, and degree of, the unacceptability and the number of meals to be replaced, and further provided that FSP agrees that the meals were damaged or unacceptable when delivered.

#### 3. PURCHASE PRICE

For each meal purchased and delivered, the School District shall pay to FSP a price as set forth in Appendix A.

### 4. INVOICE

The School District shall be invoiced within thirty (30) days following the close of each month for the number of meals delivered in such month. The School District shall pay to FSP the invoiced amount within thirty (30) days of the invoice date. In the event that FSP does not receive payment within sixty (60) days from the School District for meals provided, FSP can suspend further meal distribution to the School District until the outstanding balance is brought up to date.

## 5. GOVERNMENT DONATED FOODS /COMMODITIES

The School District must have a current approved commodity agreement with the State of Illinois stating that all federally donated commodities shall be delivered to FSP. FSP will, at its discretion, determine which commodities are appropriate for use in the preparation of meals. FSP will

credit to the School District an amount equal to the commodity value established by the United States Department of Agriculture.

## 6. FOODSERVICE PERSONNEL

FSP agrees to provide trained personnel to operate the lunch program at District Schools. FSP will manage payroll service for foodservice personnel. The School District agrees to allow FSP to conduct foodservice personnel interviewing, hiring and training procedures at the school(s).

FSP will make every effort to provide backup replacement personnel. The School District agrees to provide an emergency backup replacement to serve meals in the event that FSP replacement personnel are not available up to a maximum of two (2) consecutive school days per occurrence. FSP will reimburse the School District at FSP's current hourly rate for replacement personnel.

## 7. LAWS AND REGULATIONS

The School District shall comply with all Federal, State and local laws and regulations pertaining to the operation of the National School District Lunch Program. The School District agrees to indemnify and hold harmless FSP from and against loss, damage, liability, obligation, expense, judgment or cost (including reasonable attorney's fees) incurred by reason of the School District's failure to fully satisfy its obligations in the preceding sentence.

In performing its obligations under the Agreement, FSP shall comply with all applicable laws, rules and ordinances including, but not limited to: local, state and federal tax laws; state and federal non-discrimination laws applicable to employees, participants, invitees and licensees; workers' compensation laws; state and federal wage and hour laws, including but not limited to the Illinois Prevailing Wage Act, 820 ILCS 130/1 et seq., and any license requirements. FSP specifically agrees to fully comply with the requirements of the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq., including, but not limited to, the provision of sexual harassment policies and procedures pursuant to Section 2-105 of the Act. FSP further agrees to comply with all federal Equal Employment Opportunity Laws, including, but not limited to, the Americans With Disabilities Act, 42 U.S.C. Section 12101 et seq., and rules and regulations promulgated there under to the extent applicable. FSP acknowledges that, under Illinois law, the presence of sex offenders on District property is prohibited except in limited circumstances with notice to and approval of the District. All persons employed by or on behalf of FSP that perform any work under this Agreement and who may have direct, daily contact with pupils of any school in the District must submit to a criminal background investigation in accordance with the Illinois School Code, 105 ILCS 5/10-21.9. The results of the criminal background checks shall be provided to the Superintendent of the District for his/her review. If upon review of any criminal background check, it is determined that the individual is prohibited from being on District property, FSP shall immediately cause said individual to be removed.

#### 8. <u>CERTIFICATIONS</u>

As required by the *Criminal Code*, 720 ILCS 5/33E-11, by executing this Agreement, FSP certifies that it is not barred from contracting with any unit of State or local government as a result of a violation of any criminal statute including, but not limited to, the bid rigging (Section 33E-3) or bid rotating (Section 33E-4) provisions of the *Criminal Code*. FSP agrees that if this certification is false, the District may declare the Agreement void. FSP further certifies that it will provide a drug free workplace as required by the Illinois *Drug Free Workplace Act*, 30 ILCS 580/1 et seq.

#### 9. INSURANCE

FSP agrees to provide and maintain worker's compensation insurance and general liability insurance, with worker's compensation insurance at statutory requirements, and general liability insurance on an occurrence basis, with an aggregate and per occurrence limit in an amount and with a carrier agreeable to the Board. The insurance shall add the District, its individual board members, employees and agents as additional insured's. FSP, upon the execution of this Agreement, shall provide the Board with a certificate of insurance evidencing the insurance requirements. The certificates of insurance shall provide the Board with at least thirty (30) days prior written notice of any termination or expiration of insurance.

# 10. DISTRICT OWNED FOOD SERVICE EQUIPMENT

The School District will make available to FSP all District-owned equipment that is necessary to operate an effective food service. FSP will return such equipment to the school in the same condition as when originally made available to FSP, reasonable wear and tear, loss or damage due to vandalism, theft by persons other than FSP's employees, fire, flood, riot, civil disturbance, or other unavoidable occurrence alone expected. Any School District equipment or property damage by FSP employees shall be repaired or replaced by FSP at its sole expense. Maintenance of District-owned food service equipment is the School District's responsibility. The School District can contract with FSP for food service equipment maintenance by separate agreement.

#### 11. INDEMNIFICATION

FSP shall indemnify, hold harmless and defend the District, its individual board members, employees, and agents (collectively, "Indemnitees"), from and against all claims for death or injury to persons or damage or loss to property, and for any other claims, losses or damages, including claims of the District, or third parties for any damages, losses, and expenses whatsoever, including reasonable attorneys' fees, arising out of or related to this Agreement, the performance of the services contemplated hereunder, any act or omission of FSP, or any breach of this Agreement. This provision shall survive the expiration or termination of this Agreement

#### 12. REMEDIES

It is mutually agreed that neither party shall be held responsible for any losses resulting from the non-fulfillment of any terms or provisions of this Agreement, if the party whose performance is interfered with shall be delayed or prevented because of war, revolution, riot or other disorder, strike, fire, flood, Act of God.

#### 13. ACCESS AND RECORDS

All records of FSP pertaining to sale of meals to the School District shall be maintained for three years and made available to the School District, appropriate State representatives, and/or the United Sates Department of Agriculture upon request. Authorized representatives of the School District, the State and the United States Department of Agriculture shall have the right to conduct on-site administrative reviews of the food service operations of FSP.

## 14. TERM AND CONDITION

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This Agreement shall be in force commencing on the date and year first written above and ending on June 30, 2016. Either party may, after the first sixty (60) days of the term, terminate this Agreement (except for Paragraph 7 thereof) by giving thirty (30) days notice in writing to the other party of its intention to do so.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized officers the date and year first above written.

SCHOOL DISTRICT 107	FOOD SERVICE PROFESSIONALS
Ву	Ву
Title	Title Director
Date	Date

# APPENDIX A

Price per Meal

FSP shall deliver to Pleasantdale School District 107, a minimum of thirty (30) meals per day, per school.

FSP shall charge, and the School District shall remit:

- \$3.1663 per reimbursable hot lunch and reimbursable salad lunch, excluding milk; (minus credit for USDA commodities allocated as designated in Paragraph 5)
- \$0.30 per carton of milk delivered

FOOD SERVICE HISTORICAL DATA-6/30/08 through 6/30/14 & Budget 14/15

	80/08/9	60/06/9	6/30/10	6/30/11	6/30/12	6/30/13	6/30/14	As of 5/31/15
REVENUE								
Hot Lunch from Students	\$95,606	\$102,184	\$110,927	\$112,939	\$106,483	\$86,524	\$82,626	\$61,320.60
Milk from Students	\$15,653	\$15,023	\$15,290	\$18,857	\$8,821	\$19,235	\$14,438	\$16,651.00
State Lunch Reimbursement	\$271	\$397	\$631	\$573	\$756	\$531	\$302	\$265.39
Fed Nat Lunch Reimbursement	\$21,469	\$23,611	\$29,598	\$30,128	\$35,067	\$28,734	\$28,717	\$33,045.64
Total Revenue	\$132,997	\$141,215	\$156,446	\$162,496	\$151,127	\$135,024	\$126,083	\$111,282.63
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EXPENSES								
Hot Lunches	\$125,497	\$125,497 \$128,243	\$138,060	\$134,990	\$134,303	\$114,623	\$108,844	\$89,117.67
Milk	\$20,575	\$23,729	\$22,866	\$24,021	\$23,039	\$20,183	\$19,332	\$16,284.46
Total Expenses	\$146,072	\$151,972	\$160,926	\$159,011	\$157,342	\$134,806	\$128,176	\$105,402.13
Difference between Revenues								
and Expenses for Both								
Milk and Hot Lunch	-\$13,075	-\$10,757	-\$4,480	\$3,485	-\$6,214	\$218	-\$2,093	* 05.880.50

\* Revenues and expenditures are on cash basis accounting. 2014/15 figures will change at the end of the school year.