


INDEPENDENT SCHOOL DISTRICT 271  
Bloomington, MN

**REQUEST FOR SCHOOL BOARD ACTION**

DATE OF BOARD MEETING: August 12, 2019

SUBJECT: Food Service Partnership Agreement with Minneapolis School District

ORIGINATING DEPARTMENT: Business Office


APPROVAL OF ADMINISTRATIVE CABINET MEMBER: Rod Zivkovich, Executive Director of Finance and Support Services 

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**RESOLUTION FOR BOARD TO ADOPT:**

RESOLVED, that the School Board of Independent School District 271 approves Food Service partnership agreement with Minneapolis School District for the period of September 1, 2019 through August 31, 2020 in the amount of \$13,000 per month. Agreement also has the option to enter into three additional one-year contracts.

**RECOMMENDATION OF SUPERINTENDENT:**

Approve: 

**DETAILED BACKGROUND:**

Since the passage of the Health Hunger-Free Kids Act in 2012, District Administration has been analyzing the Food Service options. The goal was to improve the quality and choice of meals served to our students (less processed options). Significant menu changes were implemented since the law passage, but we continue to look for other cost affective alternatives to meet our goal. We have met with consultants, third party vendors and other school districts over the last five years to discuss both current operations and how to meet our overall goal. Even though the feedback is that our current operation is doing a good job, we believe we need administrative expertise (menu items, food prep, marketing, and additional revenue streams) to take us to the next level. This is why we are recommending this pilot project. This will include Indian Mounds Elementary, Valley View Middle School and Kennedy High School. We believe that with limited risk, we can improve our offerings and overall operations.

The contract was reviewed by our district attorney and insurance agent.

**School Nutrition Programs**  
**Agreement for SFA Partnership:**  
**Bloomington ISD #271 and Minneapolis Special District #1**

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This agreement is entered into between **Bloomington ISD #271**, CliCs ID 1000003879 (herein after referred to as #271) and **Minneapolis Special District #1: Culinary and Wellness Services**, CliCs ID 1000003298 (herein after referred to as MPS CWS).

The effective date of this agreement is **September 1, 2019**.

This agreement sets forth the terms and conditions upon which #271 will contract with MPS CWS for the following three pilot schools for the 2019-2020 School Year:

- Indian Mounds Elementary, 9801 11th Ave S, Bloomington, MN 55420, CliCs ID 1000001617
- Valley View Middle, 8900 Portland Ave, Bloomington, MN 55420, CliCs ID 1000001613
- Kennedy High School, 9701 Nicollet Ave, Bloomington, MN 55420, CliCs ID 1000001610

MPS CWS will operate the school food service as a benefit to #271's students, faculty and staff, in conformance with #271's agreement with MDE. MPS CWS and #271 will manage the school food service to promote maximum participation in the programs listed below in compliance with the program requirements of the U.S. Department of Agriculture (USDA) and MDE. MPS CWS shall provide its services in accordance with generally accepted standards of care and best practices in the industry.

- School Breakfast (7 CFR 220)
- School Lunch (7 CFR 210)
- After-School Snack (7 CFR 210)
- At-Risk Child and Adult Care Food Program (7 CFR 226)
- Summer Food Service Program (7 CFR 225)

#271 and MPS CWS agree to abide by all rules and regulations governing the School Nutrition Programs, in accordance with federal regulations issued by the United States Department of Agriculture (USDA) and state regulations issued by the Minnesota Department of Education (MDE).

The initial agreement period shall be **September 1, 2019 – August 31, 2020**. Both parties agree to enter this agreement for a one-year period with the option to renew the agreement up to three (3) one-year periods by mutual agreement of the #271 and MPS CWS.

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#271 will maintain overall responsibility for administration of the food service program, in accordance with regulations and policies. #271 agrees to:

- Ensure that the food service operation conforms to the SFA's agreement with MDE for child nutrition programs.
- Support the execution of and maintain the quality standards of the *True Food* program.
- Control and maintain the school food service account and overall financial responsibility for SNP.

- Sign and submit forms to MDE including the permanent agreement/policy statement, the annual application, monthly claims for reimbursement, reports, and all correspondence to MDE relating to the food service.
- Distribute, approve or deny, and verify applications for meal benefits, conduct administrative hearings for denied meal benefits, use direct certification data, and maintain the free and reduced price meals eligibility roster
- Establish internal controls that ensure the accuracy of meal counts prior to the submission of each monthly claim, including reviews of meal count data by site, and edit checks of meal counts data compared to attendance.
- Submit accurate meal claims in ClICs on a monthly basis.
- Monitor the food service. If SFA has more than one site, perform a documented on-site review of the lunch counting and claiming system at each site prior to February 1 of each year. Nothing in this paragraph relieves Vendor of its independent supervisory and monitoring responsibilities.
- Establish the selling prices for reimbursable and non-reimbursable meals and milk.
- Resolve program review and audit findings.

#271 and MPS CWS are jointly responsible to protect the privacy and anonymity of students qualified for free or reduced-price meals, provided that nothing in this paragraph relieves #271 of its independent obligation to protect the privacy and anonymity of students qualified for meal benefits.

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## **PHASE I: True Food Evaluation and Recommendation**

**September 1, 2019 – December 31, 2019**

MPS CWS will substantially complete the following by November 1, 2019:

- Provide further evaluation and recommendation of current meal service practice
- Provide current facility and equipment evaluation and purchase recommendations
  - To include cooking equipment, coolers/freezers, serving lines, salad bar(s), smallwares, etc.
- Establish staffing level(s) for the January – June 2020 school year
- Provide training and staff development in regards to *True Food* Core Values
- Provide training regarding online ordering system for food components to prepare reimbursable meals
- Provide training for *True Food* salad bar
- Offer culinary training and development
- Develop timeline and action plan for *True Food* roll-out for between January 6 and March 2 of the 2020 school year

#271 will:

- Review and assess MPS CWS findings and recommendations
- Provide MPS with decision to implement pilot for rest of 2020 school year by December 1, 2019
- Purchase required facility and equipment as needed to carry out *True Food* menu for 2020 school year (if applicable)

- Either party may opt out of Phase II of contract with 60-day notice or if this Agreement is determined to create an unfair labor practice or violates the terms of the District's Food Service Unit collective bargaining agreement, #271 may terminate.
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## **PHASE II: True Food Implementation**

**January 1, 2020 – August 31, 2020**

### **I. Food Purchase Requirements**

#271 agrees to purchase food and supplies for meal preparation from MPS CWS vendors. MPS CWS will pay all initial invoices for said vendors. MPS CWS will provide #271 with total invoice charges for the month no later than the than the **5th** of the following month. #271 will provide reimbursement of invoices no later than the **5th** of the next month.

MPS CWS will meet applicable federal and state requirements when purchasing food and supplies for meals provided under this contract.

Buy American Requirement: MPS CWS will purchase domestic agricultural commodities and products for use in the NSLP and SBP as provided in 7 CFR 210.21(d). A domestic agricultural commodity is one that is produced in the U.S. A domestic agricultural product is processed in the U.S. with agricultural commodities substantially produced in the U.S. that is with at least 51 percent of the agricultural commodities produced in the U.S.

#271 will retain all commodity revenues for meals served to #271 during the pilot period.

#271 agrees to abide by all vendor contract language; including but not limited to ordering timelines, delivery times, storage requirements, etc. #271 is reasonable to ensure the quality of the food from the vendor. MPS will provide #271 with vendor contracts and ordering timelines prior to pilot start for review.

Food and supplies ordered by #271 will be delivered directly to the #271 pilot schools at their respective addresses during timeframes agreed upon between MPS CWS vendors and #271.

Food and supplies will be stored the #271 pilot schools safely and securely until time of preparation. MPS CWS is not responsible for lost or damaged food or supplies.

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### **II. Meal Preparation and Service**

MPS CWS agrees to provide the monthly menu for the operation, at least **10 business days** prior to beginning of the period to which the menu applies. Menu changes must be documented on the menu records.

MPS CWS will also provide the following for the pilot schools; meeting the USDA meal pattern requirements and nutritional standards as outlines in 7 CFR Parts 220, 210, 226, and/or 225:

- **Standardized recipes for breakfast and lunch**
  - Standardized recipes for *True Food* menu provided for the full menu cycle(s)
  - Includes cooking, holding and serving processes where applicable
- **Standardized production records**
  - Standardized production records for *True Food* menu provided for the full menu cycle(s)

- Includes age-appropriate serving sizes for reimbursable meals where applicable
- **Nutritional analyses/Dietitian oversight**
  - Nutritional analyses of *True Food* menu to ensure USDA compliance provided by MPS CWS dietitian
  - Nutritional information, including major allergen alerts, to be available within the electronic system for pilot schools
- **Salad bar layout**
  - *True Food* salad bar layout provided, to include all salad bar components and serving sizes
- **Culinary training and development**
  - *True Food* recipe preparation and review (for food quality)
  - Knife skills training
  - Additional trainings as required to execute *True Food* philosophy
- ***True Food* promotional materials**
  - Including *True Food* menus, MN Thursday and Farm to School promotional materials, OVS signage
- **General supervision of operation**
  - MPS CWS staff time provided, to include supervision and oversight of *True Food* philosophy (*full details provided under section III*)
- **Recommendation for extended meal options**
  - Review of current after-school and summer food program offerings
  - Discussion/exploration of expansion offerings, including at-risk CACFP to increase food access and #271 department revenue
  - Discussion/exploration of expansion offerings to community locations (non-#271 school sites), to increase food access and #271 department revenue
  - Discussion/exploration of alternate breakfast models
  - Assistance in execution of expansion and/or alternate model programs where applicable

#271 agrees to maintain full and accurate records that document:

- A. Menus were provided during the term of this Agreement
- B. A listing of components of each meal; **for weekly compliance of USDA meal pattern requirements**
- C. Supporting documentation may include yield factors via the USDA Food Buying Guide or child nutrition labels or manufacturer's product information statements when calculating and recording the quantity of food prepared for each meal.
  1. Standardized recipes and production will be available via electronic system for #271 access
  2. Ingredient labels/supporting documentation will be uploaded into electronic system for #271 access (when applicable)
  3. Additional information as required will be stored at MPS CWS Center and will be shared with #271 as required

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### III. Employees

Current #271 employees, including area and site managers, will be retained by #271.

MPS CWS will provide a 1.0 FTE to deliver the following services at pilot school locations (*please note these services may be provided by multiple MPS CWS staff members, each trained in their own area of expertise, to equal the equivalent of one full-time staff personnel*):

- Training, development, execution, and supervision of MPS CWS *True Food* Philosophy, to include ordering process, recipe execution and quality, cafeteria and service layout, etc.
- Salad Bar, to include salad bar ordering, set-up, layout, etc.
- Culinary Development Training where appropriate, to include knife skills, additional cooking skills, etc.
- *True Food* marketing and outreach
- General program expansion assistance, to include additional after-school food and summer options, alternate breakfast models, etc.

#271 staff will retain responsibility for all employee and labor relations, employee disciplinary actions, and general personnel development. #271 will continue to conduct periodic training on food service topics for all food service employees, including required annual civil rights training, to meet the USDA training guidelines.

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#### **IV. USDA Foods**

#271 agrees that any USDA foods selected for 19-20SY that do not fit MPS CWS *True Food* standard will not be utilized at three pilot schools during Phase II of the contract to ensure food quality and consistency.

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#### **V. Recordkeeping and Availability of Records**

MPS CWS and #271 agree to maintain full and accurate records, which are required for #271 to claim reimbursements through School Nutrition Programs.

MPS CWS and #271 agree that books and records pertaining to MPS CWS and #271's food service fund will be made available to parties upon request. Both parties also agree to retain all records for inspection and audit by representatives of SFA, MDE, USDA and/or U.S. General Accounting Office, at any reasonable time and place for a period of three (3) years after the final payment of the contract (except in cases where audit findings have not been resolved, the records must be retained beyond the three year period until resolution of the audit).

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#### **VI. Health and Sanitation**

All food will be properly stored, prepared, packaged, and transported free of contamination at appropriate temperatures.

#271 will obtain and maintain required licenses or permits; including kitchen licensing and required annual health department kitchen inspections, #271 employee food safety training, and certified food manager certificates. #271 retains responsibility for kitchen and cafeteria equipment repairs and upkeep.

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#### **VII. Emergency Closings**

- a. #271 will notify MPS CWS of any interruption in utility service of which it has knowledge.
- b. #271 will notify MPS CWS of any delay in the beginning of the school day or the closing of school(s) due to snow or other emergency situations.

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## VIII. Compensation/Financials

For services rendered, MPS CWS shall be compensated by #271 at the rate of **\$13,000/month**. Payment shall be issued by the **5th** of the next month.

A one-time fee of **\$1500 per school** will be assessed for software licenses in Phase II of the contract. Payment shall be issued on the **5th** of the next month.

Vendor will bill SFA as described: Electronic bill sent monthly by the 5<sup>th</sup> of the next month.

All income accruing as a result of payments by children and adults, federal and state reimbursements, and all other income from sources such as donations, special functions, grants, loans, will be deposited daily in the #271's food service account. Income in excess of expenses will remain in the SFA food service account.

Please note: Neither MDE nor the USDA assumes liability for any meal payments.

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## IX. Insurance/Indemnification

Each party hereby agrees to indemnify, defend and hold the other Party, its Affiliates, its licensees, its licensors, and its and their officers, directors, employees, consultants, contractors, sublicensees and agents (and, in case of such licensors, their trustees, faculty, medical and professional staff and students) (collectively, "Representatives") harmless from and against any and all damages or other amounts payable to a Third Party claimant, as well as any reasonable attorneys' fees and costs of litigation (collectively, "Damages") arising out of or resulting from any claim, suit, proceeding or cause of action (each, a "Claim") brought by a Third Party against a Party or its Representatives based on: (a) breach of any representation or warranty by the Indemnifying Party contained in this Agreement, (b) breach of any applicable Law by such Indemnifying Party, or (c) gross negligence or willful misconduct by such Indemnifying Party, its Affiliates, or their respective employees, contractors or agents.

Each party will provide proof of insurance including: General Liability, Business Auto, Workers Compensation and Umbrella including Additional Insured status provided to the other party, including primary and non-contributory coverage.

Each party agrees and acknowledges that Minnesota law limits the liability of the parties in certain circumstances and that its liability shall be governed by the provisions of the Municipal Tort Liability Act, Minnesota Statute Section 3.376 and other applicable laws. Each party will be responsible for its own acts and omissions.

## X. Termination/Non-Performance

Either party may terminate this contract for cause by notice in writing as described:

**60-day notice in writing; including reason for cause**

If this Agreement is determined to create an unfair labor practice or violates the terms of the District's Food Service Unit collective bargaining agreement, #271 may terminate.

**Signatures:**

**#271**

**MPS CWS**

Authorized Representative (Printed Name):	Authorized Representative (Printed Name):
Title:	Title:
Authorized Representative (Signature):	Authorized Representative (Signature):
Date:	Date: