

**GLENBROOK HIGH SCHOOLS
Regular Board Meeting Monday August 11, 2014**

TO: Dr. Mike Riggle
FROM: Kimberly L. Ptak
DATE: AUGUST 11, 2014
RE: FOOD SERVICES RECAP

The district has a rent-based agreement with Quest Food Services (Quest) through June 30, 2016 with an option to renew for an additional five years. Under the rent-based agreement, Quest collects all revenue, pays all expenses and pays the district “rent” in the amount of 10% of sales. The district is responsible for the purchase of smallwares and equipment maintenance. Quest also absorbs all credit card fees (estimated at \$38,000/year) and absorbs the cost of breakfast and lunch for low income students (\$160,000 lunch and \$12,000 breakfast). Below is a financial history of food services.

<u>In-house (through 1992)</u>	<u>Sodexo 1992 – 2006</u>	<u>Quest 2007 – traditional</u>	<u>Quest 2008 – rent-based</u>	<u>Quest 2009 – rent-based</u>	<u>Quest 2010 – rent-based</u>	<u>Quest 2011 rent-based</u>	<u>Quest 2012 rent-based</u>	<u>Quest 2013 rent-based</u>	<u>Quest 2014 rent-based</u>
		Rent:	\$193,000	\$252,000	\$255,000	\$237,000	\$251,934	\$299,000	\$293,000
		Expense:	(\$50,000)	(\$50,000)	(\$60,000)	(\$25,000)	(\$28,000)	(\$28,000)	(\$34,000)
Average Annual Loss (\$75K)	Average Annual Profit \$35K	Profit \$85K	Net Rent: \$143,000	Net Rent: \$202,000	Net Rent: \$195,000	Net Rent: \$212,000	Net Rent: \$223,934	Net Rent: \$271,000 (1)	Net Rent: \$259,000

(1) – net rent is significantly higher due to agreement with Lincolnshire. See details under new initiatives.

Prior to 1992, the food services program was managed in house. When Sodexo took over the program in 1992 we were running at a deficit fund balance in Fund 19 of approximately \$1.2M. Over the years we have gradually been reducing this deficit and will enter FY 2015 with a positive fund balance of \$855,470. The positive fund balance will eventually be used to replace the cafeteria equipment. The original equipment investment of \$2M was made in 2007 and 2008 when the food courts were built. Equipment is expected to last 20+ years.

NEW INITIATIVES

- Quest has an agreement with Lincolnshire District 103 (K-8), where lunches for district 103 are prepared in the Glenbrook cafeterias. The food is then transported to Lincolnshire. The district received 10% of these sales which equated to approximately \$50,000 for FY 13/14.
- Beginning with the FY 14/15 school year, Quest has modified its beverage selection to offer and promote healthier options. The price for bottled water will be reduced from \$1.50 - \$1.75 to \$1.00. Soda pop and full sugar juices will only be available in 12 ounce sizes.
- During the FY 14/15 school year, Quest will update cafeteria signage to better promote healthy lunch options.
- Quest opened a “Quest for Life” station at Glenbrook North and Glenbrook South. All food prepared and sold at this station is fresh, not frozen and made from scratch with locally and regionally grown products. No chemicals or preservatives are used.
- Quest uses an environmentally friendly paper/packaging product made by Earth Choice. The packaging is made by Pactiv which replaced all of the Styrofoam products in the cafeterias. Pactiv is a fiber product that is fully compostable.
- Quest continues to offer various display cooking stations which have been very popular. These stations include made-to-order pasta, stir-fry, omelets and pizzas.
- Quest introduced a new line which will include hot sub sandwiches, panini’s and chopped salads.
- At GBN, Quest started “Spartan Spirit BBQ Fridays.” This is outside in the courtyard on all, nice weather, Fridays.
- Quest continues its various made-to-order stations in the food courts such as –
 - The Deli Depot
 - Boxcar Burgers
 - Oriental Express
 - Garden Fresh Salad, Fruit and Yogurt Bar
 - Mexican Fiesta Junction
 - Los Tortas Express
- Quest will continue to offer three value meals daily that cost \$3.25 for full paying students, \$.50 for reduced students and \$0 for students with free status. The three choices include a hot choice, deli sandwich or salad. In addition, a side and drink are included. In addition, there are many salads, deli sandwiches and combo meals selling that sell for less than \$5.