

GLENBROOK HIGH SCHOOLS
Regular Board Meeting Monday August 13, 2012
District Business Office

TO: Dr. Mike Riggle
Hillarie Siena

FROM: Kimberly L. Ptak

DATE: AUGUST 13, 2012

RE: DISCUSSION/ACTION: FOOD SERVICES RECAP

The district has a rent-based agreement with Quest Food Services (Quest), which was recently extended 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. Up until July 1, 2010, the district also paid all credit card fees which cost approximately \$35,000 per year. For FY 2011, the fee was passed on to parents through Quest’s web-based payment tool, My Lunch Money. 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>
		Rent:	\$193,000	\$252,000	\$255,000	\$237,000	\$251,934
		Expense:	(\$50,000)	(\$50,000)	(\$60,000)	(\$25,000)	(\$28,000)
Average Loss (\$75K)	Average Profit \$35K	Profit \$85K	Net Rent: \$143,000	Net Rent: \$202,000	Net Rent: \$195,000	Net Rent: \$212,000	Net Rent: \$223,934

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 2013 with a positive fund balance of \$374,000.

FREE and REDUCED STATISTICS

Per our contract, Quest absorbs 100% of the cost of free and reduced lunch (\$135K in FY 11/12) and up to \$15,000 (\$9,200 in FY 11/12) for free and reduced breakfast.

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. This was piloted at the end of the school year, and will formally go into effect with the FY 12/13 school year. The district will receive 10% of these sales which is estimated to be \$30,000 in additional rent for the district per year. Quest hired additional employees, purchased a truck and a driver as well as equipment to properly transport the food.
- Quest opened a “Quest for Life” station at Glenbrook North. 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. A station is being opened at GBS for the FY 12/13 school year.
- With the FY 11/12 school year, Quest rolled out 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.
- Effective with the FY 12/13 school year, Quest will be managing all of the snack vending machines at GBN and GBS (currently they manage all beverage machines.) Quest is investing in refrigerated machines to allow the sale of fresh deli sandwiches, yogurts, fruit cups and cheese cups. Again, the district will receive 10% of sales. The majority of the machines will accept credit and debit cards. We are trying to integrate student IDs.
- Quest continues to roll-out various display cooking stations which have been very popular. These stations include made-to-order pasta, stir-fry, omelets and pizzas.
- Quest is rolling out a new line which will include hot sub sandwiches, panini’s and chopped salads. The students will be asked to name this new line, similar to what has been done in the past.
- At GBN, Quest will start “Spartan Spirit BBQ Fridays.” This will be 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 Fiest 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.