



Naomi Dillon

No Free Lunch

Child nutrition programs are struggling to maintain self-sufficiency in volatile times

She's as sweet as her name sounds, but a visit from Gertrude Applebaum generally is a nerve-racking experience. She can find the flaw in a stack of spreadsheets, see the waste in a menu cycle, and detect the disparities down the chain of command.

Nothing gets past this woman, which is precisely why school districts with troubled food service programs hire her.

"We became known as turnaround artists," says Applebaum, vice president of inTEAM Associates, a consulting agency specializing in school food services. "If you were having financial problems, we could turn that around."

Money woes are the top reason why more than 10,000 clients from 45 states have sought guidance from Applebaum's agency. The financial foibles the team encounters are often a reflection of poor management, loose controls, or lack of accountability. But, increasingly, budget shortfalls in food service programs are a reality of the times.

Across the globe, food costs are rising. The U.N. Food

and Agriculture's food price index, an amalgam of more than 60 internationally traded commodities, climbed by 37 percent in 2007. The cost of grains rose 42 percent, cooking oils by 50 percent, and dairy skyrocketed 80 percent from the previous year.

The food inflation comes as school districts face increased pressure to serve as the frontline in the battle against childhood obesity. Districts are offering more fresh fruits and vegetables, eliminating high-calorie and high-fat items from vending machines and à la carte lines, and adding more whole grains to meals.

But these changes, prompted by 2005's federally mandated wellness policies, aren't cheap. And no extra money is coming.

Struggling to break even

In most districts, food service is the only department that is expected to cover its own costs, from labor and supplies to equipment and utility bills. At the same time, these child nutrition programs don't have control over major budget areas like meal prices or salaries and benefits.

The federal government provides only limited help. Subsidies are \$2.47 for a free lunch and 23 cents for a regular-priced meal—hardly enough given today's food economics.

"I just went out to lunch, and the bill for two of us was \$25," says Katie Wilson, president-elect of the School Nutrition Association (SNA). "What we're charging for lunch and the federal reimbursement is way behind the economy."

Complicating matters this year was the largest meat recall in U.S. history. In February, after seeing footage of "downed" animals being forced through inspection, federal officials recalled 143 million pounds of beef. About 37 million pounds of that beef had been distributed to schools through the U.S. Department of Agriculture.

Schools had to discard the beef, taking a loss that has yet to be reimbursed, and found their food service programs' credibility tarnished. As Applebaum says: "It made the public begin to think, 'How safe is my child's lunch?'"

Applebaum, who was SNA's president when federal child nutrition funds were cut in the early 1980s, has been in the industry long enough to know the food service programs can survive.

"I remember going up and down the U.S. talking to people who were saying food service would go out of business," she says. "I told them we wouldn't; we would excel. We just had to look at our programs critically."

Still, things aren't what they once were.

Apples and oranges

Like everything else in education, food service programs have changed dramatically since the National School Lunch Program was enacted more than 60 years ago.

On the heels of the Great Depression and World War II, the federal government developed the program to ensure that low-income children received at least one nutritious meal a day.

"When school nutrition programs started, it was a simple lunch and a hot meal," Wilson says. "Well, we've taken that program and made it into a super program."

Today, district officials want the program to generate revenue. Special interest groups want it to build healthy eating habits among youth. Parents want affordable meals, and students want choices.

As expectations have expanded, the restrictions and regulations governing food service departments have tightened. From temperature logs to nutritional analyses, school food services track and collect myriad information, some of which can have huge financial implications.

"The whole idea that we collect income data is ridiculous," says Wilson, who heads up the food services program for the School District of Onalaska in Wisconsin. "Kids are moving from building to building and we have to know whether they get free or reduced meals because it's used to determine Title I monies, yet we don't get any of that money."

Although the modern world has heaped its share of headaches onto

child nutrition programs, it also has introduced some tools that can help make jobs more efficient and cost effective.

Michael Rosenberger, food service director at the Irving Independent School District just outside Dallas, uses technology to speed up customer sales, collect income data, and cut down on energy costs. He also has purchased software to scan the 40,000-plus free and reduced-priced meal applications Irving receives annually, cutting processing

time by 25 percent.

"We just spent \$100,000 on laser hand-washing sinks that only spout water when you need it," he says. "It has cut our water bills down tremendously."

Rosenberger has managed to keep his program in the

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Budget shortfalls in food service programs are a reality of the times.



Tips for keeping your bottom line in line

Forget making a profit; breaking even has become a difficult task for an increasing number of school food service departments. Below are some tips and practices from those who have managed to keep their bottom line in line.

■ **Standardize it.** Eighty percent of what happens in school food service happens at the site level, says Gertrude Applebaum, vice-president of inTEAM Associates. To ensure consistency and uniformity, standards need to be drafted, implemented, and followed for almost everything in the department—from menus and food prep to staff training and communication.

■ **Image is essential.** "Our image has to do with three things," Applebaum says. Food (quality, presentation, and preparation); customer service (Does the staff approach you? Are lines too long? Are the uniforms appealing?); and the facility (the layout, the façade.) Pay attention to all three areas if you want to increase participation.

■ **Provide samples.** In nine of 10 school districts nationwide, asking students to test new menu items has become a popular strategy among food service directors.

"We do taste tests it seems like every week. We're always at some school, with some type of product, getting feedback," says Michael Rosenberger, the food service director for Texas' Irving Independent School District. Homemade tortillas are currently being tested (with great success) at a district high school, and Rosenberger plans to introduce them at other schools in the future.

■ **Look for new sources of revenue.** This is, of course, the flip side of controlling and streamlining expenses. In February, Florida's Orange County Public Schools introduced a dollar menu (typically smaller portioned items or snacks) that has kept participation levels steady in the usually slow February and March months. In Onalaska, Wis., food service director Katie Wilson offers boxed lunches for field trips, personal pan pizzas for class parties, and catered lunches for department meetings.

■ **Involve your staff.** Healthy eating isn't innate, particularly among children, so food service programs need to be strategic and almost stealth-like in exposing kids to new foods. At Irving, Rosenberger enlisted the help and competitive spirit of his staffers by challenging them to develop a roll with at least 25 percent whole-wheat

ingredients. "All the cafeterias went crazy and we had this huge contest and eventually came up with the champion roll," Rosenberger says. The contest boosted staff morale and produced a tasty product that since has been bumped up to a 50 percent whole grain roll. "And it's so popular," he says.

■ **Increase nosing time.** One in every 10 school districts nationwide has lunch periods that are 17 minutes or less. To increase participation levels, consider increasing the time you give kids to eat. "We have schools that serve 600 to 650 students and the administration wants us to serve them in 10 or 15 minutes," says Eric Boutin, food service director for the Auburn School District in Washington state. "If you make a taco from scratch and you're trying to ask the kids what they want, and have a conversation, you can't do that."

■ **Double-duty fresh commodities.** "It's 100 percent expensive to use local, fresh produce and cook from scratch," Boutin says. But you can do it smarter. Boutin buys fresh, whole-roasted turkeys that are used in deli sandwiches one day and then paired with brown rice the next.

black, but he acknowledges that financially struggling school districts could have trouble shouldering the upfront costs that come with installing new technology.

“My way of looking at it is [that] it’s like a garden,” he says. “If you want to harvest tomatoes two months from now, you have to invest now to reap the benefits later.”

Calories in, calories out

Some practices in the school food service industry have become more sophisticated, but others clearly are outdated. For example, when it started in 1946, the National School Lunch program was expected to provide indigent children with one-third of their dietary needs.

“The underlying thing was they had to have one-third at school because they weren’t getting enough nutrition at home,” says Darlene Moppert, program manager for nutrition education and training at Florida’s Broward County Public Schools. “Today we know that isn’t true. Kids are far exceeding their [caloric intake] at home.”

Moppert notes that fewer students now walk to school or play sports, preferring instead to sit in front of a computer. “There’s a disparity,” she says.

And school districts like Broward County are caught in the middle. The Florida Department of Education recently audited the district’s food service program and determined students were not getting enough to eat. The state’s assessment was based on USDA caloric guidelines—elementary lunches should have a minimum 664 calories; middle and high schools 825 calories—that haven’t been revamped since the early 1990s.

While the USDA is apparently working to update the figures, Broward and others are forced to do what they can to make the quota by increasing portion sizes and encouraging kids to consume all of a meal.

“We are making better food available,” Moppert says.

“We shouldn’t be penalized for that.”

As any parent knows, kids don’t automatically gravitate toward nutritious options, which is one reason the obesity rate among children is growing so quickly. In 2004, Congress passed the Child Nutrition and WIC Reauthorization Act, requiring all school districts to draft wellness policies that included nutrition and physical activity goals and strategies on how to achieve them.

Each district has its own version of this unfunded man-

date, but the implication in virtually all wellness policies was that school food service programs would play an integral role in introducing, acclimating, and eventually turning kids into healthy eaters. No one could disagree that these are admirable goals, but they are not easy to achieve.

“You can’t serve nuggets and hamburgers every day and feel good about it,” says Eric Boutin, food service director for the Auburn School District in Washington state. “But you also need something the kids are going to eat. So it’s a delicate balance.”

The cost of health

In the financially precarious world of school nutrition, maintaining and increasing meal participation is as important as controlling costs. Auburn is among a handful of Washington districts that is breaking even despite the cost of incorporating more whole foods and fresh local produce. But it’s a challenge.

Part of the difficulty, Boutin says, is that farmers are busy during the growing season, selling their wares at the multitude of open-air markets in the area. “I happen to like to go to farmers markets, but it’s not a fair expectation that your food service director will go every week,” he says.

Another problem is product quality and consistency. A No. 10 can of fruit cocktail will always yield 47 servings, Boutin says, but in a case of fresh produce, some might be unripe while others are overripe, raising the per portion cost. Distribution is yet another issue.

“We have 22 schools and none of [the distributors] want to go school to school, dropping things off,” Boutin says. “I can’t tell you how many times I’ve waited for a truckload of cherries, or whatever, and they didn’t show up.”

But the biggest obstacle to offering a healthier menu is, of course, the expense. The state of North Carolina found this out the hard way.

In 2005, the state developed new dietary guidelines and decided to test them at 124 elementary schools in seven school districts. The districts received an additional \$25,000 to cover expenses for one year, but the pilot was halted after four and a half months when each district took an average hit of about \$500,000.

“When you start removing things that are popular but unhealthy and replace them with whole grains, fresh fruits, and vegetables, which are more expensive and require an increase in prep time, labor, and storage, that’s what happens,” says Cindy Marion, director of child nutrition for Stokes County Schools and the public policy and legislative chairwoman for the state SNA chapter.

Adding to money pressures, North Carolina, which controls labor costs for food service employees, has raised salaries by 19 percent since 2005 and benefits by 38

percent over the last five years. Add a 26 percent increase in food costs since 2005, and you can see why the state’s child nutrition program has gone from a \$5.6 million profit in 2003 to a \$5.7 million loss in 2007.

Marion’s program in Stokes County is struggling, too, ending the 2006-07 year with a \$100,000 loss. Since she took over as the child nutrition director last year, Marion has restructured labor, tightened inventories, and revamped menus to make them more appealing to students. To make ends meet, she also had to reverse some changes made to raise nutritional standards.

“We do offer a lot of healthy choices, but we ended up putting back à la carte and some beverages, cookies, and french fries in order to help us make payroll and pay the bills,” Marion says. “I hate to do it, but I have to see the reality.”

Value on a dime

The reality at Florida’s Orange County Public Schools was bleak when Applebaum and inTEAM Associates founder Dorothy Pannell Martin arrived in 2003. “It was one of the worst school districts that we were able to turn around,” Applebaum says.

Once a strong and fiscally sound operation, the district’s food services began a downward spiral in the 1990s, going through more than \$10 million in reserves and ending the 2001 fiscal year with a \$2 million deficit.

With the longtime food service director retiring, district leaders considered outsourcing but decided to call inTEAM instead. Applebaum and Martin combed through everything in the department, from financials and record control to inventory and marketing efforts. They determined the district’s site-based management philosophy, as it applied to child nutrition programs, was incredibly inefficient.

“We think a program should be standardized,” Applebaum says. “You set up a model and every single school in the system should operate in the same manner.”

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Between centralizing purchases and menu development and creating procedures for things like staff training and production methods, inTEAM helped the department achieve a surplus of \$3 million in 2004. Since then, though, the surplus has slowly eroded and the program is back in the red, thanks to salary increases set by the board and other matters beyond their control.

“It takes a significant amount of planning and attention to detail to stay afloat,” says Nick Gledich, the district’s chief operations officer. “But you’re always going to be in that pickle because there are always going to be some uncontrollables, like the rising cost of energy, gasoline, and food.”

The cost of chicken fajitas, for instance, increased by 100 percent after they were introduced in the cafeterias and menus were printed. Gledich says the department had to absorb the cost.

The news hasn’t been all bad. In fact, Orange County has made great strides toward the ultimate goal of every child nutrition program: getting kids to be smart food consumers.

Vending machine sales, which took a hit when all carbonated beverages were removed from high schools, have returned to normal. At the elementary level, the changes are even more inspiring.

“We did focus groups and the kids said they liked a mix of romaine and iceberg, then they said they wanted cherry tomatoes. They didn’t like them cut up,” says Lora Gilbert, the district’s food service director. “Then this last time they said they wanted cucumbers and, you know, we are selling more salads than ever.” ■

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The Outsourcing Question

Joetta Sack-Min

When deciding whether to privatize food service management, consider the pros, cons, and the company's resources

It sounds tempting, especially in tough fiscal times: Hand over all the responsibility for food service management—that byzantine department that usually operates in the red—to a private company promising to provide nutritious and appetizing meals, keep up with increasingly complex regulations, and perhaps even make a profit. After all, schools are in the business of educating students, not wrestling with commodities markets.

Of course, it's never that easy. Privatization, or outsourcing, has worked well for some districts for years, the mere mention of the dreaded "O" word may set off protests from employees, unions, and parents and divide the administrative staff.

It's a tough decision for any district, but outsourcing may become more attractive because of the changing nature of the food service field, says Katie Wilson, the president-elect of the School Nutrition Association and food service direc-

tor for the Onalaska, Wis., school district. As food costs rise and regulations become more complex, many food service directors are retiring and fewer people with the right mix of business and nutrition skills want to work in a school district.

"Any district has to weigh the pros and cons, and ask what are their equipment needs, financial needs, and do they have the resources in house to hire a professional director?" says Wilson. "Outsourcing has a place in school nutrition programs if the need is there and a district can't find other sources."

Why privatization can work

Nationally, nearly 20 percent of school districts use a private food service management company, a number that has remained steady for the past decade or so, says Kendley Davenport, a senior vice president for Sodexo School Services, one of the major food service providers.

Davenport says most school districts that he's worked with face three issues: finding a good leader for their food services division, low participation in the school lunch program because of few choices or poor quality foods, and financial problems.

Opinions on whether outsourcing saves a district money vary widely, and two Michigan studies provide conflicting results. Roland Zullo, a University of Michigan researcher who surveyed the state's districts that used private providers in 2005-06, found no substantive decrease in lunch costs and a slight increase in breakfast prices. But a "Privatization Primer" released last year by the conservative Mackinac Center for Public Policy found that nearly 30 percent of Michigan school districts were outsourcing food services, and their surveys showed "the vast majority of districts are satisfied with the results."

Several companies provide a range of plans to relieve school officials of the day-to-day duties of food service. Most assign at least one on-site manager and allow the district to decide whether to retain current cafeteria and food service employees at the same wages and benefits. Some positions may be gradually downsized or eliminated.

"There's no cookie-cutter method," says Davenport. "Every school district is its own entity, and we tailor our offer to meet their needs."

Chartwells, another school food service provider, begins by meeting with school officials and parents to understand their needs and goals, particularly if the district is working toward a wellness policy.

"We try to find out what is most important in the process," says regional sales manager Dennis Thomas. "A lot of the healthier options may cost a little more, so we try to look at three-to-five year plans" to defray some of those costs, he says.

Providers often use marketing to students to generate

more interest in school lunches. For instance, food service provider Aramark brands its high school facilities with names like "UBU Lounge," and Sodexo has an A-to-Z salad bar that encourages elementary students to try new foods.

School officials who've outsourced say districts must be sure that they communicate their goals, understand the legal terms of the contract, and insist that their needs will be met before signing on. It's also important to visit other districts using the same company.

Don Hietpas, the Appleton, Wis., school district's chief financial officer, also advises school officials to meet and check references for the management team they will be working with most closely.

Hietpas further suggests districts "make sure they're working with a partner that's willing to work with them, meet their nutrition and financial needs, and stay within their nutrition and financial constraints.

"And," he says, "make sure you have a good management team."

Plans can go astray

School officials in the Neenah, Wis., district wish they had heard that advice when they decided to try privatization about three years ago, after a longtime food service director retired. The food services division was "bleeding money," and its meal selections didn't meet the district's nutrition policies, said Superintendent James Wiswall.

The 6,200-student district contracted with Aramark, hoping to at least break even. Instead, they saw a \$354,000 deficit for the 2006-07 school year.

The board initially didn't realize it was responsible for most of those excess costs, but its contract stated that Aramark would cover only the first \$100,000. School officials had agreed to that stipulation assuming that the arrangement wouldn't produce shortfalls higher than the \$80,000 to \$110,000 deficits it previously ran, says John Lehman, the school board's vice president.

"It was a learning experience," he says.

One factor Lehman believes contributed to the deficit was grandfathering the existing cafeteria employees with the same pay and benefits. He said many worked part time but received full benefits—and sometimes the cost of benefits was higher than their salaries. Also, some of the district's food operations didn't run as efficiently as possible, he says.

After Aramark assigned a new manager to Neenah last year, the district significantly reduced its deficits and may break even this year, Lehman says.

In a written statement, Aramark said of the Neenah situation: "The labor costs for district employees and food costs were considerably higher than anticipated. However, the increase in food cost was the result of many positive changes that were made to improve the quality of the food program."

Those changes included more choices for students and the selections of more costly fresh fruits, vegetables, and whole grains. The number of students buying school lunches increased 31 percent, according to Aramark.

Unions oppose outsourcing

Employee relations are by far the thorniest issues when considering privatization—in many cases, unions have vehemently opposed privatization because of concerns about their employees' jobs.

Aramark, Chartwells, and Sodexo say school districts can choose to keep their existing employees, with the same pay and benefits, and can decide whether those employees will be employed by the district or the private company. Often those decisions lead to gradual restructuring to save money and increase efficiency.

"Food management companies come in and say, 'we're not going to try to change everything overnight,'" says Davenport. "Over time, through attrition, we will right-size your organization and put on more a private-thinking approach."

Cathy Schlosberg, a vice president with Aramark, says most of the company's contracts include existing employees.

"A good portion of those employees are union employees, and we support that same approach," she says. "One of the large misperceptions is that the district would lose control over food services, and employees are not retained or will lose benefits."

The food service providers also say that their efforts often lead to better training and career advancement opportunities that school districts cannot provide.

That hasn't stopped local unions, including the 1.5 million-member Service Employees International Union (SEIU), from organizing campaigns against providers and the districts that hire them.

The Houston chapter of SEIU, for instance, has set up a Web page and distributed fliers to protest the Houston Independent School District's decade-long contract with Aramark, calling the company a "corporate menace." Under Aramark, they said, the number of school employees and their hours were cut; children were served smaller portions and food of lesser quality; and more vending machines were on campuses.

The American Federation of Teachers (AFT), the second-largest teachers union, also urges school districts to avoid privatization of food services and other duties.

"In general, the experience of our affiliates has been that school districts think that they are going to save dollars, but privatization rarely takes into account a whole variety of indirect costs and a loss of quality and services to the district," says Nancy Van Meter, the deputy director of AFT's Privatization Center.

AFT's affiliates, which include both teachers and classified

employees organizations, have reported numerous problems with private-management companies over the years, Van Meter says. She cites food safety violations, workers infected with contagious diseases who were still required to work, and lack of facility maintenance as examples.

Further, Van Meter says, districts have little recourse if they're unhappy with a provider's services.

"In many contracts there are very few sanctions—if you read the contract between a food service or vendor there are very few ways that the district can hold the vendor accountable other than firing them," she says. Going back to in-house management can be costly because often the school district has removed its kitchen equipment and has to search for new employees and managers, she says.

Some districts endorse outsourcing

Some districts that currently use private management companies say they've been pleased with the experience.

In Eugene, Ore., Chief Financial Officer Susan Fahey says her district has used Sodexo for about 10 years, and she appreciates outsourcing because it's brought more organizational support to help handle increasing federal and state regulations and the district's move toward healthier foods.

"When you're running your own program, you try to be as efficient as possible," she says. But that becomes difficult when you're splitting time between running school sites and keeping up with paperwork and regulatory changes, she adds. Sodexo has assigned three on-site managers to the 17,000-student district.

The district currently budgets about \$300,000 for its school food services, Fahey says. After outsourcing its management, the program broke even for several years, but school officials recently chose to pay more for healthier foods.

The Cleveland Heights/University Heights City School District in Ohio contracted with Chartwells last year and so far has judged their performance to be "outstanding," says Stephen Shergalis, the district's business manager.

"In today's economic climate, the challenges of providing healthy and nutritious meals while also prudently managing the food service budget are greater than ever," he says.

The 15,000-student Appleton, Wis., district also recently adopted a nutrition policy and worked with its longtime provider, Aramark, to provide better food choices.

"We've been very happy with our working relationship with Aramark," says Hietpas. "They have been a good fiscal partner, keeping the cost of the meals down but maintaining a situation where we're breaking even, and with a healthier diet than students had received in the past." ■

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David Tokofsky Food For Thought

Child nutrition programs deserve the school board's time—and attention

School board members spend much of their time focusing on two big items—student achievement and personnel. Personnel is the biggest single cost in the budget. Academic achievement drives almost all of our decisions. Both determine our ability to be re-elected.

But do board members understand that school food service programs are probably the second largest part of the budget? School cafeterias certainly are the single largest source of federal revenue. Do we consider the impact that good nutrition or, more relevantly, the lack of good nutrition, has on achievement? Parents certainly know that hungry children don't learn.

I taught in the Los Angeles Unified Schools for 12 years and served for another 12 years as one of the seven members on the LAUSD Board of Trustees. As a board member, I represented 800,000 voters and 125 schools, almost all in the federal Title I program with large percentages of students eligible for free and reduced-price breakfast and lunch.

Over the years, I have observed how board members lack understanding about the role of the school food service program. I am dismayed that board members often dismiss it as an auxiliary service not worthy of time and attention,



because it deserves both.

Let's talk about the issues.

What is your wellness policy?

First, and most important, is the well-being of the children in our care. As successful adults, we rarely experience short-term or long-term hunger. We know that skipping breakfast means we won't perform well, but we have choices.

What about the kids in public schools whose choices are limited for any myriad reason associated with poverty, urban life, or necessity? It could be lack of food or money, or parents who are too busy to provide breakfast. Maybe the parents have gone to work before their children leave for school. This is a chronic problem for many of these children. How well can they perform in the classroom?

It always amazes me when school boards, administrators, and parents get all riled up to make sure breakfast is available on test days. What about non-test days when the children are expected to learn the information for the test? The problem continues after lunch if the children in our care don't receive healthful, nutritious meals. No Child Left Behind becomes unattainable if we leave the child's food issues on the side. This is food for thought—and school board action.

In recent years, thanks in part to legislation enacted by Congress in 2004, districts now are looking at the food available on campus and the opportunities for physical activity throughout the school day. The wellness policies that many districts are embracing are an acknowledgment of our responsibility to address the whole child as part of academic success.

Wellness policies should be a wake-up call for school boards. We have a responsibility to our children and our communities to provide a strong nutrition program. This means that we need to keep informed about food service operations so that we can make good policy decisions and decipher lip service from state capitals.

What is your food service budget?

Part of this effort is fundamental to our responsibility as custodians of public funds. Do you know what your food service budget actually is? More importantly, do you know whether you are maximizing the potential that the food service program has for generating revenue?

Los Angeles Unified is leaving millions of dollars on the table by not reaching as many children as we could and should. Do you know how many children in your district are eligible for free or reduced-price lunch? Of those eligible, how many actually participate? Every child who is eligible represents an opportunity.

Next, is your food service program operating efficiently? Do you have the information to evaluate this, or do you wait until a federal or state audit finds you deficient and then react impulsively? Many districts invest in technology believing that the computer will provide effective management and oversight. Purchasing technology without addressing the whole picture will ultimately waste resources and result in an embarrassing set of newspaper articles about ineptitude in government.

Finally, what role does your food service program play in your human resources allocation? My district gave more than 2,000 part-time cafeteria workers health insurance and other benefits without increasing student participation in the federal program. Now it is in a budget crisis compounded by a state revenue shortfall.

For many urban districts, the food service program is an opportunity to offer jobs to otherwise underemployed individuals. Balancing this social justice issue with the efficient use of personnel and control of labor costs requires effective and inspired management. It certainly has an impact on district-labor relations, and that is always critical for school boards.

If we recognize that we have an opportunity to provide training and job skills for constituents who may lack employability, we are fulfilling some of our most important policy goals as elected officials. If we fail to raise the community's general economic standards through thoughtful employment, we are contributing to higher economic and social costs. By providing a living wage and benefits for this class of worker, we reduce dependence on other social services.

It is not surprising when well-trained employees with a sense of ownership about their work actually reduce costs. We would never accept educating kids to work in the fast

food industry as a goal. Why would we model that for their parents?

This may seem overwhelming for a part-time lay board member. We ran for office to change kids' lives, not compete with McDonald's. That is why I often think districts turn to outside companies as a means of laying aside the board and superintendent's responsibility for food service. I think this is a mistake.

Are you accountable?

Federal law is clear that a local educational agency cannot assign responsibility for compliance to a third party. While the district might assign operational oversight duties to a management company as part of a contract, accountability rests with the district.

Houston found this out the hard way when an audit revealed that claims for breakfast reimbursement were overstated, and the district had to refund them. The contractor who was responsible for the errors, which were found to be intentional, was not penalized.

In September 2007, Philadelphia fired its food service contractor with two years still left on the agreement because losses had grown to a completely unacceptable level. Several investigations are still ongoing, but the district still does not know how deep the losses are. The only saving grace in this example is that Philadelphia did not outsource employees, too, so day-to-day operations could continue without a total cafeteria shutdown.

These are extreme cases, but they provide food for thought and board study. Outsourcing can work, but it's not always a viable answer. In any case, contracts must be carefully monitored for compliance so that other facets of the district are not harmed. Know the big picture beforehand so you don't learn by trial, error, and tragedy.

A board should consider all of its operations and options when evaluating and assessing food service operations. Using strategists who can work with the existing program may achieve many of the results the district wanted from outsourcing.

I encourage all of you to invest some time to review and consider what you are doing with your food service program. Learn what is required for effective and responsible oversight and management. Know the people who deliver food to your kids. Know the nutritional content of the food. Know the technology involved. Know the choices that are available to you as policymakers and leaders.

In short, it's food for thought. ■

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Food for thought resolution

I have taken some of what I have learned to put together a list of questions and considerations that all school boards should request. It is in the form of a board resolution that you can adapt for your locality.

Whereas, student academic achievement is not only dependent on quality teachers and administrators along with a safe and supportive learning environment, but student academic achievement also requires that all students are physically and mentally ready to learn, including having access to healthful meals; and

Whereas, the locally elected school board must comply with all federal and state nutrition program requirements; and

Whereas, it is requisite for the locally elected school board and its superintendent to provide a quality food program while focusing on a solid and balanced academic program as well as a fiscally balanced district budget;

Therefore be it resolved that to assess all

of the above the board of education asks the superintendent to present in an open public meeting an independent assessment of the school district's food service program by the following date; and

Be it further resolved that the assessment of the school district's program include at a minimum the following data for analysis:

A) The proportion of enrolled students being served at each school in the district based on the total enrollment and school lunch eligibility of each school, and

B) The physical condition of the cafeterias of each school and the preliminary analysis of the repairs, equipment, and enhancements needed; and

C) The number of employees in food services and all costs associated with said workforce; and

D) The quantity and quality of the training invested in the workforce in food services; and

E) The financial balance and fiscal condition of the food services program in the district; and

F) The effectiveness of management and business processes including technology in food service operations.

And be it finally resolved that the superintendent provide preliminary conclusions and recommendations along with a district draft plan for food services to the board of education, and that the report summarize at a minimum whether:

1. Students, especially at-risk students, are being effectively served at all district locations, and

2. The district is maximizing all federal and state entitlement dollars as well as local public and private funds for food services; and

3. All nutritional guidelines are being met or exceeded; and

4. The food service program is employing effective business processes in its operation.