

PALISADES CHARTER HIGH SCHOOL

Empowering Educational Excellence.

CHIEF BUSINESS OFFICER

COVER SHEET FOR AGENDA ITEMS

March 19, 2024

TOPIC/ AGENDA ITEM:

VI. FINANCE

B. 2024-2025 Food Service Management Company Contract Extension

PERSONNEL INVOLVED:

Board of Trustees, Executive Director/Principal, Chief Business Officer, Finance, Food Service

ISSUES INVOLVED/FISCAL IMPLICATIONS (IF ANY):

The purpose of this action is to approve the contract extension for our Food Service Management Company. We completed a formal RFP process in May of 2022, to award a new four-year contract to Chartwells. Last year, the Board voted to offer extension #1 to Chartwells. This year, we are recommending to move forward with contract extension #2.

Per the CDE guidelines, we are not required to conduct a formal bid. We only need Board approval to extend the contract.

The cost increase (per meal) for 2024-25 is 5.099%. That is below the current CPI of 5.5% (Food Away from Home – Los Angeles Index).

IMPACT ON SCHOOL MISSION, VISION OR GOALS, (IF ANY):

The action requested of the Board today will support the goal of ensuring PCHS meets CDE requirements and supports the LCAP.

CHIEF BUSINESS OFFICER'S RECOMMENDATION:

The Chief Business Officer recommends that the Board approve the 2024-2025 FSMC contract extension.

RECOMMENDED MOTION:

“To approve Agreement # 2023001, Extension #2 - naming Chartwells as the Food Service Management Company (FSMC) for 2024-2025.”

Juan Pablo Herrera
Chief Business Officer

CONTRACT EXTENSION (#1)

CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED

Pages

Renewal (Extension Number) 2	Agreement Number (Base year) 2023001
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1. This Extension Agreement is entered into between the School Food Authority and Contractor named below:

SCHOOL FOOD AUTHORITY'S NAME

Palisades Charter High School

FOOD SERVICE MANAGEMENT COMPANY'S NAME

Compass Group USA, Inc., by and through its Chartwells Division

2. Base year contract term: Effective date: **July 1, 2022** Expiration date: **June 30, 2023**
 Extension year: Effective date: **July 1, 2024** Expiration date: **June 30, 2025**

3. The maximum dollar amount of this contract is equal to the fixed cost per meal multiplied by the number of meals:
\$ 550,536.48 (maximum dollar amount)

4. The parties mutually agree to this extension as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein: **(Note: This section is used to indicate the current cost per meal. Please include your cost per meal table.)**

The parties have agreed to the following updated costs per meal:

Cost Per Meal

Note: Prices must **not** include values of USDA Foods, and must include all meal programs.
All costs are based on the average daily participation of 900 students in the district and 175 days.



LINE ITEM	UNIT*	RATE	TOTAL
Breakfast	69,000	\$ 4.8187 (2:1)	\$ 166,245.15
Lunch	78,000	\$ 4.8187	\$ 375,858.60
Ala Carte	1,750	\$ 4.8187	\$ 8,432.73
Total	148,750		\$ 550,536.48

*Units provided by SFA

FOOD SERVICE MANAGEMENT COMPANY

CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)

Compass Group USA, Inc., by and through its Chartwells Division

BY (Authorized Signature) 	DATE SIGNED (Do not type)
PRINTED NAME AND TITLE OF PERSON SIGNING Amy Shaffer, Chief Executive Officer	
ADDRESS 2400 Yorkmont Road, Charlotte, NC 28217	
SCHOOL FOOD AUTHORITY	
SCHOOL FOOD AUTHORITY NAME Palisades Charter High School	
BY (Authorized Signature) 	DATE SIGNED (Do not type)
PRINTED NAME AND TITLE OF PERSON SIGNING Juan Pablo Herrera, Chief Business Officer	
ADDRESS 15777 Bowdoin St., Pacific Palisades, CA 90272	

INSTRUCTIONS FOR USE:

1. Enter renewal number (also known as extension number). The contract can only be extended four times. Indicate the extension by entering 1 for year 1 of the extension from the base year or 2, 3 or 4.
2. Enter agreement number. Every agreement (contract) should have a number assigned to identify that contract. If there is not an agreement number, identify the contract by the year of the contract also known as base year.
3. Item 1: Enter the contractor's and the school food authority's name.
4. Item 2: Enter the base year terms and the current extension terms. The term is the effective and expiration dates
5. Item 3: Enter the maximum dollar amount.
6. Item 4: Indicate **the current cost per meal**. Include the cost per meal table.
7. The contractor's and school food authority's authorized signer should be identified, and signatures provided.



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RECOMMENDATION

- Continue with Chartwells for year #3.
- In past years, we used the January CPI data as the basis for potential rate changes.
- However, after looking at the contract, we are now using the March CPI data.
- Unfortunately, the current CPI (Los Angeles Index – food away from home) is tracking at +5.5%
- This exceeds the proposed COLA (cost of living adjustment) that the Governor proposed in January of 2024.
- Chartwells has offered an increase of 5.099%

2023-2024				2024-2025				2024-25 vs 2023-24	
	Units	Rate	Rate Total		Units	Rate	Rate Total	\$ Difference	% Difference
Breakfast	69000	\$4.5849 (2:1)	\$158,179.05	Breakfast	69000	\$4.8187 (2:1)	\$166,245.15	\$0.2338	5.099%
Lunch	78000	\$4.5849	\$357,622.20	Lunch	78000	\$4.8187	\$375,858.60	\$0.2338	5.099%
A-la-Carte	1750	\$4.5849	\$8,023.58	A-la-Carte	1750	\$4.8187	\$8,432.73	\$0.2338	5.099%
Total			\$523,824.83	Total			\$550,536.48		

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted)

Item and Group	Indexes				Percent change from-		
	Historical data	Nov. 2023	Dec. 2023	Jan. 2024	Jan. 2023	Nov. 2023	Dec. 2023
Expenditure category							
All items		323.341	323.456	326.640	2.5	1.0	1.0
All items (1967=100)		955.292	955.632	965.040	-	-	-
Food and beverages		331.608	333.802	335.312	3.4	1.1	0.5
Food		333.581	335.923	337.261	3.4	1.1	0.4
Food at home		318.650	319.805	321.664	2.2	0.9	0.6
Cereals and bakery products		345.380	351.146	349.337	0.1	1.1	-0.5
Meats, poultry, fish, and eggs		348.506	349.043	348.207	2.5	-0.1	-0.2
Dairy and related products		297.787	302.927	302.835	-0.9	1.7	0.0
Fruits and vegetables		413.305	415.278	419.481	1.1	1.5	1.0
Nonalcoholic beverages and beverage materials(1)		306.209	300.440	308.219	3.1	0.7	2.6
Other food at home		258.159	258.853	260.755	4.4	1.0	0.7
Food away from home		345.277	349.499	350.233	5.5	1.4	0.2
Alcoholic beverages		283.023	283.123	287.206	3.6	1.5	1.4
Housing		371.772	372.378	375.856	2.4	1.1	0.9

Attachment I: Certifications Regarding Lobbying, Debarment, Suspension, and Other Responsibility Matters

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents of all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.


Organization: Compass Group USA, Inc., by and through its Chartwells Division

Street address: 2400 Yorkmont Road

City, State, Zip: Charlotte, NC 28217

CERTIFIED BY: (Type or Print)


TITLE: Amy Shaffer, CEO, Chartwells K12

 1/18/2024
(Signature) (Date)

NOT APPLICABLE

Disclosure Of Lobbying Activities and Instructions

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1 Approved by
(See next page for public burden disclosure) OMB

<p>1. Type of Federal Action:</p> <p>a. Contract</p> <p>b. Grant</p> <p>c. Cooperative agreement</p> <p>d. Loan</p> <p>e. Loan guarantee</p> <p>f. Loan insurance</p>	<p>2. Status of Federal Action:</p> <p>a. Bid/Offer/Application</p> <p>b. Initial Award</p> <p>c. Post-Award</p>	<p>3. Report Type:</p> <p>a. Initial filing <input type="checkbox"/></p> <p>b. Material change</p> <p>For Material Change Only:</p> <p>Year _____ Quarter _____</p> <p>Date of last report _____</p>	
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime <input type="checkbox"/> Subawardee</p> <p><input type="checkbox"/> Tier, if known</p> <p>Congressional District, if known:</p>		<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p> <p>Congressional District, if known:</p>	
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p> <p>CFDA Number, if applicable:</p>		
<p>8. Federal Action Number, if known:</p>	<p>9. Award Amount, if known:</p> <p>\$</p>		
<p>10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):</p>	<p>b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI)</p>		
<p>11. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: </p>		
	<p>Print Name:</p> <p>Amy Shaffer</p>		
	<p>Title:</p> <p>CEO, Chartwells K12</p>		
	<p>Telephone No:</p> <p>704-328-4000</p>	<p>Date:</p> <p>1/18/2024</p>	
<p>FEDERAL USE ONLY:</p>		<p>Authorized for Local Reproduction Standard Form (SF—LLL (Rev. 7-97)</p>	

INSTRUCTIONS

Disclosure Of Lobbying Activities (SF-LLL)

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation or receipt of a covered federal action, or a material change to a previous filing, pursuant to 31 U.S.C. Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget (OMB) for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state, and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, state, and zip code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, U.S. Department of Agriculture, Food and Nutrition Service.
7. Enter the federal program name or description for the covered federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in item 1 (e.g., RFP number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state, and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter last name, first name, and middle initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and phone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Debarment, Suspension, and Other Responsibility Matters

As required by Executive Order 12549, Debarment and Suspension, and implemented at 7 *CFR* Section 3017.510, for prospective participants in primary covered transactions, as defined at 7 *CFR* Section 3017.200:

- A. The contractor certifies that it and its principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.
- B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

Compass Group USA, Inc., by and through its Chartwells Division

Contractor/Company Name

Award Number, Contract Number, or Project Name

Amy Shaffer, CEO, Chartwells K12

Name(s) and Title(s) of Authorized Representatives



Signature(s)

1/18/2024

Date