

## **RENEWAL AGREEMENT NUMBER (3)**

This renewal agreement number (3) is made and entered into by Woodland School District No. 404 (the "SPONSOR") and Sodexo America, LLC, hereafter called the Food Service Management Company (FSMC).

### **WITNESSETH:**

WHEREAS the SPONSOR and FSMC are parties to a certain Agreement, dated August 26, 2022, and

NOW, THEREFORE, in consideration of the promises herein contained and for other good and valuable consideration, the Parties hereto agree as follows:

1. Section 1.3 is deleted and replaced by the following:

Term of the Contract. The term of this contract shall be for one (1) year beginning on September 1, 2025, and continuing until August 31, 2026. The contract is subject to one (1) additional one-year renewal upon the written, dated consent of both parties, unless terminated by either party as provided herein. [7 CFR 210.16(d)] Extensions or renewals are contingent upon the fulfillment of all contract provisions related to USDA donated foods.

2. Section 6.1 is deleted and replaced by the following:

Billing for Fixed Price Per Meal. The SPONSOR and the FSMC have mutually agreed upon the fixed price per meal equivalent(s) as follows:

A. NSLP	\$2.54
B. SBP	\$2.54
C. SFSP	\$2.54
D. CACFP	\$2.54

Future fixed price increases will be limited to the percentage of change in the Consumer Price Index for All Urban Consumers: U.S. City Average – Food Away from Home for the 12-month period ending March of the current contract year. In the event of an increase in the city, state or federal minimum wage, the fixed price for meals shall be increased from the legislated date of increase in minimum wage by an amount equal to the resultant increase in cost to Sodexo from an increase in wages paid to Sodexo's management and non-management employees necessary to match similar increases paid locally as a result of the increase in minimum wage.

3. Section 6.2 is deleted and replaced by the following:

**Meal Equivalent Defined.**

For fixed price per meal purposes, each reimbursable lunch and supper shall be considered one (1) meal/meal equivalent, each reimbursable breakfast shall be considered two-thirds (2/3) of a meal/meal equivalent, and one reimbursable snack shall be considered one-third (1/3) of a meal/meal equivalent.

For cash meal sales other than reimbursable meals, the number of meal equivalents shall be determined by dividing the total of all food sales except reimbursable meals and snack sales (including sales of adult meals, a la carte meals, snack bar, catering, conference, and any other function sales) by \$4.75

4. Section 6.6 is deleted and replaced by the following:

**Guarantee.** Both parties shall work together to ensure a financially sound and well-run operation. The FSMC shall guarantee that the food service program will achieve a deficit of no more than Three Hundred Thirty Eight Thousand Seven Hundred Sixty Eight Dollars (\$338,768.00). The deficit shall be defined as the amount by which all actual and direct operating costs incurred by the LEA (including the Fixed Price Per Meal for all meals served and LEA labor and other expenses totaling Seven Hundred Ninety-One Thousand One Dollars (\$791,001.00), as outlined in Attachment 1, FSMC's Financial Pro Forma) exceed the generated program revenues. Generated program revenues include student cash sales, state reimbursement funds, federal reimbursements from lunch, breakfast, snack, and supper meals, adult sales, special functions, summer meals and the value of commodities received. If the annual deficit for the Food Service program is greater than Three Hundred Thirty-Eight Thousand Seven Hundred Sixty Eight Dollars (\$338,768.00), FSMC shall reimburse LEA the difference, up to a maximum of Twenty-Five Thousand Dollars (\$25,000.00) for the 2025-2026 school year. If the LEA makes a net profit in the food service account after deducting operating and indirect expenditures from all food service receipts and all federal and state meal reimbursements, the LEA must deposit the net income back into the food service account.

For the avoidance of doubt, the financial guarantee herein shall be calculated as follows: all program revenues including student cash sales, federal and state reimbursements from lunch, breakfast and snack meals, adult sales, special functions, and summer meal program revenues and the value of commodities received less (i) the Fixed Price for all meals served, and (ii) LEA labor and other program expenses as outlined in FSMC's Financial Proforma.

5. The term of this renewal agreement is effective September 1, 2025.
6. All other terms and conditions contained in the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this renewal agreement as of the dates written below:

**Woodland School District No. 404**

**Sodexo America, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attachment 1  
Financial Proforma 2025-2026 School Year

**Woodland SD**  
**Nutrition Services Budget**  
Projected Budget 2025-2026

I. RESOURCES:		<u>Dollars</u>	<u>CPM*</u>
Local Sales:			
Student Lunch Sales		\$100,200	0.392
Student Breakfast Sales		\$12,042	0.047
Catering Sales		\$4,283	0.017
Student and Adult Ala Carte		\$15,797	0.062
Total Local Sales		\$132,322	0.518
Reimbursements:			
Student Lunch USDA		\$505,525	1.978
Student Breakfast USDA		\$114,378	0.448
Farm to School Grant		\$0	0.000
HHFKA Certification (.09 cents per lunch)		\$17,102	0.067
Summer Food Service Program		\$18,165	0.071
State Lunch Matching Rate		\$227,656	0.891
Total Reimbursements		\$882,826	3.455
Total Resources		\$1,015,148	3.973
II REQUIREMENTS:			
LEA Paid Expenses			
LEA Annual Labor and Benefit Costs: (estimate)		\$775,001	3.033
LEA Annual Indirect Costs:		\$16,000	0.063
Total LEA Paid Costs		\$791,001	3.096
III REQUIREMENTS CONT.			
FSMC Fixed Price per Meal Charge	<u>Total Meals</u>	<u>Fixed Price</u>	
SBP Breakfast per Meal Charge	45,493 X	\$ 2.54	\$115,553
NSLP Lunch per Meal Charge	190,025 X	\$ 2.54	\$482,664
NSLP Snack per Meal Charge	- X	\$ 2.54	\$0
NSLP Meal Equivalent per Meal Charge	4,337 X	\$ 2.54	\$11,016
SFSP Breakfast per Meal Charge	3,240 X	\$ 2.54	\$8,230
SFSP Lunch per Meal Charge	12,435 X	\$ 2.54	\$31,585
Total Meals for Fixed Price per Meal Charge	255,530		
Total FSMC Fixed Price Charge		\$649,047	2.540
Total Requirements		\$1,440,048	5.636
IV FSMC Credit for Commodities Received as per USDA Regulations*		(86,132)	(0.337)
*(as stated in your RFP, and as required by the USDA, the FSMC shall credit the district for the value of all, commodities received for the contract year, the commodity credit on this proforma adheres to this requirement)			
V Projected Net Gain/(Loss) to LEA		(\$338,768)	-1.326

\*CPM: Cost Per Meal, include: Reimbursable Pattern Lunches calculated at (1 for 1), Reimbursable Pattern Breakfasts at (1.5 for 1), Reimbursable Snacks at (3 for 1), CACFP Lunches and Suppers at (1 for 1), CACFP Breakfasts at (1.5 for 1) Equivalent Meals at (\$4.73 for 1) and Vended Meals at (1 for 1) for Lunch and Suppers, (1.5 for 1) for Breakfast, and (3 for 1) for snacks.

The estimated food and supplies costs set forth in FSMC's Pro Forma submitted with FSMC's Financial Proposal are based on FSMC's estimated invoiced costs without reduction for rebates, credits, discounts and allowances (collectively, "Allowances"). The estimated value of Allowances, although not shown on the Pro Forma submitted by FSMC, have been utilized in formulating the Fixed rate per meal, and FSMC's retention of such amounts allows it to offer a competitive Fixed rate per meal while limiting additional consulting fees, management fees, and overhead costs. Estimated insurance costs are based on average manual rates for insurance in the

geographical area of the premises. FSMC's fixed rate per meal set forth in this Proposal is fully compliant with FNS-2007-003 R1N 0584-AD38 Procurement Requirements for the National School Lunch, School Breakfast and Special Milk Programs, per the Food and Nutrition Services, USDA, Final Rule, dated Wednesday, October 31, 2007.

Data provided in this Financial Pro Forma with respect to FSMC's operating expenses is provided for informational purposes only. Variances between the amounts set forth in FSMC's Financial Pro Forma and the actual operating expenses will not cause any additional charges, credits or changes to the fixed rate per meal charged to the LEA.