



**School Administrative Unit #31
Newmarket School District**
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RFP Tabulation Sheet

RFP/RFQ Project Type: **Food Service Management Contract RFP, 2023**

RFP/RFQ Project Location: **Newmarket Junior Senior High School**

Date Due: **April 4, 2022**

Time Due: **3:00 PM**

Conducted By: **Janna Mellon**

Opening Location: **Newmarket School District, 186A Main St. Newmarket, NH 03857**

Submission Type

RFP

RFQ

RFP/RFQ

Submission By: **Fresh Picks Cafe**

Bid Amount: **\$212,607** (\$21,260.70 per month for 10 months)

Note: Only 1 Bid Received for this RFP

Financial Proposal

Financial Proposal Introduction

Fresh Picks Café is pleased and proud to present our proposed food service budget. We have used our decades of experience in operating successful school food service programs as well as our 2 years of partnership with your community to prepare the most comprehensive and accurate financial projection possible for the Newmarket Jr. Sr. High School food service program.

Participation has been adjusted based on current enrollment trends, upcoming changes in regulations and the anticipation of the exciting new programs and promotions we are constantly developing and implementing throughout our system. Meal prices as specified in the RFP document have been maintained.

This projection has been benchmarked against your program's historical financial performance and the financial performance of Fresh Picks Cafe clients of similar size and scope to your district. We have also compared our forecasted increases in revenue and participation against national trends in school food service.

We feel this process of benchmarking is of the utmost importance in preparing a competitive, but most importantly, realistic financial projection. It is all too easy for any proposer to be overly optimistic about the financial impact of new programs, changed operating conditions or a new business relationship. This optimism can lead to unrealistic projections of short term gains that can be detrimental to your program in the long term.

We understand that even with the most dramatic improvements it can take time for your program to reach its full potential. Our financial projection is not a short term plan. It is the continuation of a strategy for sustainable growth and continuous improvement.

Performance Guarantee

The benchmarking process and our history of success enable us to have complete confidence in our financial projection.

Our financial performance is guaranteed. If the program fails to achieve our projected variance of revenues to expenses, our billing will be reduced to cover that variance. Your district will realize the "bottom line" presented in our financial proposal.

While many of our competitors may try to limit their guarantee or set conditions, we do not. As long as the operating conditions your organization has presented during the RFP process are accurate our guarantee is unconditional.

Financial Proposal Highlights

Fresh Picks Café has projected financial performance for Newmarket Jr. Sr. High School based on almost two years of working within the community and the knowledge gained through the personal relationships we have formed with students, faculty and community groups during our 2 years as your food service provider.

Meal pricing has been projected as presented in the Request for Proposal document. Our projection was normed against past actual performance of the Newmarket Jr. Sr. High School food service program. The impact of new programs and regulatory changes has been factored into participation rates. Programs that we feel will have the greatest impact in achieving your financial objectives include:

- The continued implementation and enhancement of our successful marketing programs and promotions
- Thoughtful implementation of USDA whole grain flexibilities that support the school district's wellness policy and the formation of healthy eating habits.
- Continued improvement in the execution of Smarter Lunchroom techniques, including a la carte pricing that has been structured to encourage students to purchase full meals. This provides benefits to the students by encouraging meals with increased nutritional value and benefits the district by capturing more reimbursable meals for increases in reimbursement dollars, USDA donated foods and a host of other financial benefits.
- No increase in administrative or management fees.

This information factored into our projection, combined with our long history within the community and the projected impact of exciting new programs we are implementing has allowed us to provide you with the most accurate financial forecast possible.

Our proposal also provides detail on an extensive support team in place for your school district. These professionals provide a wealth of support for your district and their services are included within our financial proposal, making our reasonable Administrative Service Fee the best value in our industry. There will never be additional fees for any administrative support or consulting services we provide, even if it goes above and beyond the scope of services requested by your RFP or is not outlined in our proposal.

In addition to the requested financial proposal, Fresh Picks Cafe has also included a financial projection on both schools in the Newmarket School District being included in the food service management contract. This projected financial is included at the end of this section, and will be honored should Newmarket School District choose to include both schools in the contract.

Explanation of Financial Schedules

To support our efforts to provide the highest transparency possible, we offer the following definitions for terms used in our financial schedules. The definitions included here are intended to assist in clarifying what goods and services will be encompassed within each revenue or expense category, as well as provide information for any reviewer who is new to contracting with Food Service Management Companies and the requirements of a Cost Reimbursable contract under USDA regulations.

Revenues

Under a cost reimbursable contract, all sales and reimbursement revenue generated by the program are always retained by the school district. All revenue will be deposited into the school district's bank account.

Sales/Reimbursement Revenue: We have anticipated revenues based on the information contained in the Request for Proposal document, adjusted for anticipated increases in participation brought by our improved programs and services.

Expenses

Under a cost reimbursable contract, Fresh Picks Cafe pays for all expenses associated with operating your food service program as defined by the cost responsibility section of your Request for Proposal document. After your administration has the opportunity to review expenses claimed, your school district will reimburse Fresh Picks Cafe for the expenses incurred. The expense dollar amounts listed in our financial proposal are estimates based on our anticipated revenues. Your district will only be responsible for actual expenses incurred.

Food Costs: This expense category encompasses all food purchases for all programs we will operate on your behalf.

Labor Costs: The labor cost expense category encompasses all expenses for the labor outlined on the included Proposed Staffing Guide. This staffing guide has been created based on the information and direction contained in the Request for Proposal document and takes into consideration your current staff and the current labor market in your area.

Laundry Uniforms: Provides for coordinated professional uniforms for all staff members.

Paper and Cleaning: These categories encompass all non-food product related costs associated with the operation of your program including recyclable and compost-able paper goods, non-reusable cleaning supplies, detergents, etc.

Insurance: Fresh Picks Café cost for insurance coverage as detailed in the "Protecting Your Organization" section of this proposal.

Replacements/Smallwares: Dedicated funds for the replacement of small wares, trays, etc.. These items become property of the school district upon purchase.

Promotions: Annual budget for promotional materials, cafeteria merchandising and decor.

Postage/Office Supplies: Cost of office supplies, postage, etc.

Training: Annual budget for expenses associated with training activities for the Fresh Picks Cafe employees working within your district.

USDA Commodity Administrative/ Delivery Charges: Payment of the delivery fees assessed by distributors of

USDA commodities foods.

Food Service/Other Licenses: The cost associated with Health Licenses and other required permits for operation of a food service program at your locations.

Software Licenses: The expenses associated with software licenses to host our Accountability File system, cloud based Personnel and Inventory management and interactive online menus. If your Request for Proposal document has specified that we are to pay the license fees for your Point of Sale software system those expenses will be included on this line as well.

Depreciation: If this expense line is included, it represents Fresh Picks Café's cost of depreciation for investment in your facility. If your program requires purchases of major equipment, Fresh Picks Cafe will purchase these items and charge the expense against the revenues of your program over a specified term, typically 5 years. This essentially acts as a zero interest loan to your district, and at the end of the term your district will own the depreciated equipment.

Start Up: Fresh Picks Café initial cost of set up, décor, menus, signage and opening activities. This expense category is only included on the first year budget of an operation new to Fresh Picks Cafe.

Administrative Fee: Fresh Picks Café cost of corporate accounting and support personnel.

Management Fee: Fresh Picks Café incentive for efficiently operating the food service program.

Net Guaranteed Surplus/Cost: The projected variance of revenues generated vs. expenses incurred. This surplus or cost is guaranteed to the accuracy of the operating conditions outlined in your Request for Proposal. If operating conditions are as outlined and we fail to achieve our financial goals our fees and expense reimbursement will be reduced to cover any variance. If your program achieves better financial results than we have proposed, your school district realizes the financial benefit (our management fee will not increase).

Financial Proposal

Newmarket Jr./Sr. High School SCHEDULE E: FINANCIAL SCHEDULE - OPERATING STATEMENT

PROJECTED REVENUE

A. SALES

1. Cafeteria Sales (Lunch)

a. Student Paid Meals

Jr. Sr. High School	25,071	@	\$	3.15	=	\$	78,975
b. Student Reduced Price Meals	1,671	@	\$	0.40	=	\$	669

1A. Cafeteria Sales (Breakfast)

a. Student Paid Meals

Jr. Sr. High School	8,807	@	\$	1.50	=	\$	13,211
b. Student Reduced Priced Meals	1,090	@	\$	-	=	\$	-

2. Other Sales Revenue

a. Student Ala Carte

12,329	\$	3.65	\$	45,000
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b. Adult Ala Carte

986	\$	3.65	\$	3,600
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Sales - Total						\$	141,454
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B. REIMBURSEMENTS

Anticipated Reimbursements

Lunch

Paid Meals-Federal	25,071	@	\$	0.35	=	\$	8,775
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Reduced Meals Federal	1,671	@	\$	3.26	=	\$	5,449
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Free Meals Federal	8,357	@	\$	3.66	=	\$	30,587
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Reimbursed Meals State	35,100	@	\$	0.04	=	\$	1,404
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.06 Cent Reimbursement	35,100	@	\$	0.07	=	\$	2,457
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Total Lunch Reimbursement						\$	48,672
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Breakfast

Paid Meals Federal	8,807	@	\$	0.33	=	\$	2,906
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Reduced Meals Federal	1,090	@	\$	1.97	=	\$	2,148
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Free Meals Federal	4,693	@	\$	1.97	=	\$	9,245
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Reimbursed Meals State	14,590	@	\$	0.03	=	\$	438
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Total Breakfast Reimbursement						\$	14,737
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Grand Total Reimbursements						\$	63,409
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TOTAL PROJECTED REVENUE (A & B)						\$	204,863
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SCHEDULE E: FINANCIAL SCHEDULE - OPERATING STATEMENT

C. FOOD COST

Student Lunch	35,100	@	\$	1.47	=	\$	51,597
Employee Lunches	540	@	\$	1.47	=	\$	794
Adult a la carte equiv	986	@	\$	1.20	=	\$	1,188
Student Breakfast	14,590	@	\$	1.08	=	\$	15,758
Student Ala Carte (including milk)	12,329	@	\$	1.20	=	\$	14,850
USDA Commodity Value						\$	(9,126)
Food Costs - Total						\$	75,060

D. LABOR

1	Salaries						
	Management					\$	53,519
	Administrative/Clerical					\$	-
	Other					\$	-
2	Hourly Wages						
	Cafeteria Workers					\$	27,816
	Other						
3	Other Payroll Costs						
	Taxes & Benefits					\$	27,654
	LABOR - TOTAL					\$	108,989

SCHEDULE E: FINANCIAL SCHEDULE - OPERATING STATEMENT**E. OTHER ANNUAL EXPENSES**

Laundry/Uniforms	\$	300
Paper Supplies	\$	7,170
Cleaning Supplies	\$	2,049
FFVP Supplies	\$	-
Delivery Vehicle Expense	\$	-
Insurance	\$	2,663
Replacements/Smallwares	\$	200
Promotions	\$	250
Postage/Office Supplies	\$	650
Training	\$	200
USDA Commodity Administrative/Delivery Charge	\$	500
Travel Expenses	\$	-
Repairs & Maintenance	\$	300
Depreciation	\$	-
Food Service & Other Licenses	\$	100
Software Licenses	\$	1,826
Start - Up	\$	-
Total Expense	\$	16,208

SCHEDULE E: FINANCIAL SCHEDULE - OPERATING STATEMENT

F. ADMINISTRATIVE FEE

Flat Rate	\$ 9,263
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MANAGEMENT FEE

Flat Rate	\$ 3,088
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Administrative & Management Fee - Total	\$ 12,350
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TOTAL PROJECTED EXPENSES (Total of items C+D+E+F)	\$ 212,607
<i>Net Guaranteed (Subsidy)</i>	\$ (7,744)

SUMMARY

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|---|------------|
| 1. Projected annual subsidy by board not to exceed the amount of | \$ (7,744) |
| 2. Are labor cuts anticipated/factored into this proposal? | No |
| 3. Is the price of the student lunch increased? | No |
| 4. Are the prices for Ala Carte items changed? | No |
| 5. Have you made a physical inspection of all school facilities and found all facilities and equipment to be satisfactory? | Yes |
| 6. Identify any clauses or conditions that would change the bottom line.
<i>Return is guaranteed based on the operating conditions identified in the RFP document</i> | |
| 7. Identify and include a prioritized listing of any major new equipment you feel is desirable for this contract. | None |
| 8. What would you suggest in dealing with competitive food sales through school stores?
<i>Work with administration to ensure school stores are operated in a fair and compliant manner.</i> | |

State the percent and amount of increase in the management and administrative fees or indicate if your company chooses to use the Consumer Price Index:

Administrative and Management Fees are subject to increase based on CPI

Proposed Staffing Guide

Newmarket Jr./Sr. High School PROPOSED STAFFING GUIDE 22-23							
Building Position	Hours Per Day	Rate Per Hour	Daily Wage	School Days	Pers/Hol/ Sick Days	Total Days	Annual Labor
Newmarket Jr./Sr. High School							
FSW	6.25	\$ 16.00	\$ 100.00	180	3	183	\$ 18,300
FSW	4	\$ 13.00	\$ 52.00	180	3	183	\$ 9,516
Total Hourly Wage							\$ 27,816
Food Service Director							\$ 53,519
Total Wages							\$ 81,335
Taxes & Benefits							\$ 27,654
Total Labor Expense							\$ 108,989

Breakfast Price List

Proposed Price List Breakfast

Elementary	Middle School	High School	Adult
Breakfast \$0.00	Breakfast \$1.50	Breakfast \$1.50	Breakfast - A la carte
Reduced \$.00	Reduced \$.00	Reduced \$.00	

Reimbursable Meal Stations & Concepts

Breakfast After the Bell (Optional Program)

A variety of bagged breakfast options designed for easy delivery to classrooms. Menus are written to provide selections that create minimal disruption and mess.

Offered to Grade Levels: Elementary

Fresh Picks Cafe Breakfast 1,2,3 Entrée Station

A variety of hot breakfast options. Choices include whole grain pancakes or French toast, scrambled eggs & toast, ham & cheese frittata and more! Offered during all breakfast serving times, served with fruit sides and milk.

Offered to Grade Levels: Elementary (before the bell), Middle School, High School

Fresh Picks Cafe Express Breakfast Station

A variety of hot and cold grab n' go style options. Choices include breakfast sandwiches, breakfast pizza, assorted bagels, fresh baked muffins and more! Offered during all breakfast serving times, served with fruit sides and milk.

Offered to Grade Levels: Middle School, High School

Fresh Picks Cafe Breakfast Action Stations

Made to order breakfast items offered on a rotating basis. Concepts include made to order omelets, breakfast Power Bowls, grilled to order sandwiches and more! Offered during select breakfast serving times, served with fruit sides and milk.

Offered to Grade Levels: High School

A la carte item pricing

Breakfast Sandwich	\$1.50	Fresh Baked Muffins	\$1.00
Breakfast Wrap	\$1.50	Lowfat Fruit & Yogurt Parfait	\$2.00
Entrée of the Day	\$1.50	Overnight Oatmeal	\$2.00
Breakfast Pizza	\$1.50	Cereal	\$1.00
French Toast or Pancakes	\$1.50	Oatmeal (Hot)	\$1.00
Fresh Baked Quickbreads	\$1.00	Fresh Fruit	\$.75
Bagel with Cream Cheese	\$1.00	Juice (4 oz)	\$.55
Fresh Baked Breakfast Bars	\$1.00	Milk	\$.50

Lunch and A La Carte Price List

Reimbursable Meal Pricing

Elementary	Middle School	High School	Adult
Lunch \$2.90	Lunch \$3.15	Lunch \$3.15	Lunch \$4.00
Reduced \$.40	Reduced \$.40	Reduced \$.40	

Reimbursable Meal Stations & Concepts

Signature Cafe

Our premiere station offering a wide variety of entrée choices ranging from homestyle favorites like turkey dinners, classics like mac n' cheese and a wide variety of ethnic cuisines. Concepts that will be rotated in at the Middle and High School levels include Iron City Flats, Build it Bar, Action Stations and Power Bowls. Served with a variety of fruit and vegetable side offerings and milk.

Offered to Grade Levels: Elementary, Middle School, High School

Signature Cafe a la carte item pricing

Entrée of the Day	\$2.00	Fresh Fruit Side	\$1.00
Vegetable Side	\$1.00	Milk	\$.50

Pizza Station

A variety of pizza styles, calzones and stromboli made fresh onsite daily. Served with a variety of fruit and vegetable side offerings and milk.

Offered to Grade Levels: Middle School, High School

Pizza Station a la carte item pricing

Fresh Baked Pizza Slice	\$2.50	Fresh Fruit or Vegetable Side	\$1.00
Fresh Baked Calzone	\$2.50	Milk	\$.50

Express Picks

The Express Picks station offers grab n' go convenience to make it easy for students to grab a quick, full meal. Hot sandwich options, specialty wraps and baskets are served along hot vegetable sides. Served with appropriate vegetable toppings, fruit and vegetable sides and milk.

Offered to Grade Levels: Middle School, High School

Cafe Express a la carte item pricing

Sandwich	\$2.50	Sweet Potato Fries	\$1.00
Special of the day	\$2.50	Fresh Fruit or Vegetable Side	\$1.00
Baked Fries or Tater Tots	\$1.00	Milk	\$.50

Deli Picks

Students can select from a variety of pre made sandwich options daily. Served with a variety of fruit and vegetable side offerings and milk.

Offered to Grade Levels: Elementary

Students select from a variety of whole grain breads and wraps, a variety of deli meats, cheeses, fresh vegetables, traditional condiments and homemade spreads to have a sandwich custom made before their eyes. Served with a variety of fruit and vegetable side offerings and milk.

Offered to Grade Levels: Middle School, High School

Deli Picks a la carte item pricing

Deli Sandwich (Elementary/Middle)	\$2.90	Fresh Fruit or Vegetable Side	\$1.00
Deli Sandwich (High School)	\$3.15	Milk	\$.50

Market Fresh

This station features a wide range of salads, yogurt parfaits and bento box style entrees made fresh on premises and packed for quick service.

Offered to Grade Levels: Elementary, Middle School, High School

Market Fresh a la carte item pricing

Entrée Salad	\$3.15	Fresh Baked Roll	\$.75
Lunchbox	\$3.15	Fresh Fruit or Vegetable Side	\$1.00
Fruit & Yogurt Parfait	\$3.15	Milk	\$.50

The following items represent the full line of Smart Snacks compliant items available in the Fresh Picks Cafe program. Specific offerings for Newmarket Jr. Sr. High School will be determined based on nutrition and wellness guidelines.

Beverage Offerings

100% Juice (4 oz)	\$.55	Milk	\$.50
Poland Springs Water (16.9 oz)	\$1.00	Polar Seltzer (12 oz)	\$1.00
Poland Springs Water (23 oz)	\$1.50	Polar Seltzer (20 oz)	\$1.75
Poland Springs Sparkling	\$1.50	Polar Frost (17 oz)	\$2.25
Snapple Juiced (12 oz)	\$1.25	Gatorade G2	\$1.50
Diet Snapple (20 oz)	\$2.00	Gatorade Water	\$2.25
Sparkling Ice (17 oz)	\$1.75	LifeWater	\$2.25
Switch (8 oz)	\$1.50	Kickstarter	\$2.00
Arizona Diet (15.5 oz)	\$1.50	Aquafina Flavor Splash	\$2.00

Market Fresh Snack Items

Fresh Fruit	\$.75	Fresh Veggies	\$.75
Whole Grain Cookies	\$.50	Veggie Stacker with Dip	\$1.50
Homemade Flavored Popcorn	\$1.00	Homemade Trail Mix	\$1.00
Yogurt (4 oz)	\$1.00	String Cheese	\$.75
Greek Yogurt, Local (6 oz)	\$1.50	Fresh Fruit Cups	\$1.50
Cracker Stackers	\$1.50	Frozen Fruit Cup	\$.75
Homemade Baked Goods	\$.75-1.50	Cinnamon Breadsticks	\$1.00

Packaged Snack Items

Baked Lay's Varieties	\$1.00	Cereal Bars	\$1.50
Dorito's Varieties	\$1.00	Granola Bars	\$1.00
Smartfood, Sunchips	\$1.00	Oatmeal Bars	\$1.25
Sun Opta Sunflower Seeds	\$1.25	Low Fat Ice Cream	\$.75-1.50
Cinnamon Goldfish	\$.50	Frozen Yogurt Cups	\$1.00
Cheez-Its, Goldfish	\$.75	Local Potato Chips	\$1.00

Payment Terms and Schedule

Fresh Picks Cafe has designed our standard invoicing structure to be in line with our partnership philosophy.

Our normal invoicing structure is based on the total annual forecasted expenses outlined in our financial proposal. We issue monthly invoices September through May in the amount of 1/10 of total annual expenses per month. We have designed this invoicing structure to help our clients manage their cash flow. Fresh Picks Cafe takes on the burden of fluctuating expenses and allows clients to make easy to plan for equal payments throughout the school year.

Our beginning of June invoice is equivalent to 1/20 of total annual expenses, leaving 1/20 of expense reimbursement outstanding in anticipation of the year end reconciliation process.

At the close of the school year, our accounting department reconciles actual expenses and revenues and compares them to our proposed budget. If the actual variance of revenues to expenses is equal to or greater than forecast, our final invoice will be the difference between anticipated expenses and actual expenses. If the variance of revenues to expenses is different than our forecast our final invoice will be adjusted to compensate for that variance. This situation can lead to a reduced invoice or even a return of funds to the district.

Payments are due within 30 days of receipt, with the understanding that the district needs ample time to review backup documentation for the expenses we have submitted.

Although this is our preferred payment structure, we are always willing to work with different payment structures upon request.