

March 28, 2017
Mr. Gregory Brennan
Business Administrator
Union Township School District
2369 Morris Avenue
Union, New Jersey 07083

Dear Mr. Brennan

This letter is sent as our proposed budget between Union Township Public Schools and ARAMARK Education for food service in the 2017-2018 school year.

We are proposing a guaranteed surplus of \$228,000. In order to meet this budget, we made the following assumptions:

- Price increase of \$0.10 for paid breakfasts and \$0.10 for lunches at all grade levels. These increases are per the guidance issued by the Department of Education.

	Current Lunch Meal Prices	Proposed Lunch Meal Prices	Current Breakfast Meal Prices	Proposed Breakfast Meal Prices
Elementary	\$2.45	\$2.55	\$1.90	\$2.00
Middle	\$2.70	\$2.80	\$2.05	\$2.15
High	\$2.70	\$2.80	\$2.05	\$2.15
Average	\$2.62	\$2.71	\$2.10	\$2.10

- The Department of Education guidance is due to the changes under the section 205 of the "Healthy, Hunger-Free Kids Act of 2010". This regulation requires the program to provide the same level of support for lunches served to students who are not eligible for free or reduced price meals as they do for meals served to students eligible for free lunches. If the School food authorities (SFA) in the continental US are currently charging less than \$2.78 for a paid lunch they are required to gradually increase prices or provide additional non-Federal support for its lunches; per USDA memo SP09-2016, November 13, 2015.
- No change in state reimbursements.
- Federal reimbursement has an additional \$0.06 for Performance based lunch reimbursement.

ARAMARK's total fees are described below.

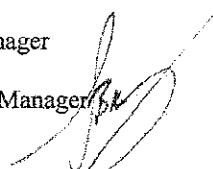
- Administrative Fee - \$ 0.1402 cents per meal; CPI increase 1.5%
- Management Fee - \$0.0537 cents per meal; CPI increase 1.5%
- Equivalent Meal Factor - \$ 1.00
- Service Days - 175
- Current Enrollment - 7,368
- Unlimited guaranteed return - \$228,000

Thank you for allowing ARAMARK to provide the food service for the Union Township School District. We look forward to our continuing partnership.

Sincerely,

Deb Smith, District Manager

Sarah Bridges, General Manager



ARAMARK Education Group
 Budget Summary For FY 2018
 I.O.B: Union Trw - ship SD -40C001761

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Client Budget

ACCOUNT NAME	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
REVENUE													
SALES	0	0	288,466	357,738	302,365	335,452	299,147	358,468	423,455	264,768	378,157	233,465	3,241,481
TOTAL REVENUE	0	0	288,466	357,738	302,365	335,452	299,147	358,468	423,455	264,768	378,157	233,465	3,241,481
COST OF FOOD													
TOTAL COST OF FOOD	0	0	114,934	113,390	93,554	130,601	117,134	112,504	134,780	80,609	119,442	63,930	1,079,878
LABOR													
SALARIES, WAGES	14,716	22,435	96,098	108,429	93,935	122,262	102,419	110,508	133,650	85,742	115,533	85,889	1,091,616
PAYROLL TAXES	1,067	1,987	11,885	13,779	11,593	14,896	14,437	15,577	18,826	11,685	15,505	13,430	144,687
BENEFITS	4,686	5,227	11,223	11,149	10,135	13,060	10,806	11,372	13,954	9,638	11,724	11,871	124,850
TOTAL LABOR	20,469	29,649	119,211	133,357	115,663	150,218	127,662	137,457	166,430	107,065	142,762	111,190	1,361,153
DIRECT													
MAINTENANCE / REPAIR	0	100	150	150	150	150	150	150	150	150	150	100	1,550
SUPPLIES	6,608	2,838	11,696	13,695	11,685	13,750	12,525	15,214	16,091	10,257	14,392	9,156	137,927
TRAVEL & ENTERTAINMENT	200	250	250	250	250	250	250	250	250	250	250	250	2,750
TRAINING	1,500	2,000	100	100	100	1,000	100	100	100	100	100	1,000	6,300
OTHER EXPENSES	26,669	32,882	8,148	7,584	6,942	8,182	7,318	7,676	8,586	5,479	6,799	6,388	132,533
TOTAL DIRECT	34,977	38,090	20,344	21,679	19,127	23,232	20,343	23,390	25,177	16,236	21,691	16,774	281,060
ADMIN & MGMT FEES													
TOTAL ADMIN & MGMT FEES	0	0	26,402	31,981	27,144	29,712	26,604	32,196	37,959	23,789	33,968	21,635	291,390
CLIENT RETURN/(SUBSIDY)													
CLIENT RETURN/(SUBSIDY)	(55,446)	(67,739)	7,575	58,331	46,877	1,689	7,384	52,921	59,109	37,069	60,294	19,936	228,000
TOTAL SALES	0	0	288,466	357,738	302,365	335,452	299,147	358,468	423,455	264,768	378,157	233,465	3,241,481
BILLABLE MEALS													
TOTAL BILLABLE MEALS	0	0	138,231	167,440	142,113	155,563	139,288	168,563	198,738	124,548	177,840	113,275	1,525,599
OPERATING DAYS													
TOTAL OPERATING DAYS	0	0	15	19	16	18	16	19	23	14	20	15	175
FOOD STATISTICAL													
TOTAL FOOD STATISTICAL	7,030	7,650	92,545	96,013	84,812	92,647	84,621	96,287	109,694	77,163	100,239	72,521	201,734
FTEs													
TOTAL FTEs	2	2	32	49	42	38	42	49	47	37	51	32	32