

PINCO ADVISORY COMMITTEE MEETING

MAY 16, 2019

10:00AM

PINCO SERVICE CENTER

3019 16TH STREET

BAKERSFIELD, CA 93001



AGENDA

1. SIGN-IN:

2. ADOPTION OF AGENDA

Adoption of May 16, 2019 Advisory Committee Meeting Agenda as presented.

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ____ **NO** ____

3. ADOPTION: ADVISORY COMMITTEE MEETING MINUTES OF APRIL 11, 2019

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ____ **NO** ____

4. PUBLIC COMMENTS FROM THE FLOOR:

Public Business from the Floor – Agendized Items and Non-Agendized Items: The public is invited to address items on the PINCO Agenda or any item that is within PINCO’s jurisdiction as constituted. Without taking action or entering into a dialog with the public, PINCO Board members may briefly respond to statements made or ask clarifying questions about topics not on the PINCO agenda. Individual speakers are limited to three (3) minutes each with the total time for public input on each item limited to fifteen (15) minutes. All persons requesting to make comments are asked to complete a public speaking form prior to the meeting. You will be asked to provide your full name, who or what you are representing and the topic as an item identified on the agenda or as a non-Agendized item.

5. APPROVAL: PINCO EXTENSION OF AGREEMENT WITH SYSCO FOODS OF VENTURA; 2019-2020

Background: Sysco Foods of Ventura has submitted its response to extend its agreement with PINCO for 2019-2020, including pricing on new items requested by Member Districts. The extension represents the final option year under this agreement. There has been no change to the fifteen case/no-dollar minimum or lead times; off-line pricing terms also remain unchanged. Sysco Foods of Ventura has been responsive in addressing any service/product issues for Member Districts.

It is recommended PINCO’s Advisory Committee approve Sysco Foods of Ventura’s response in extension of PINCO RFP #06-17/18 for 2019-2020.

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ____ **NO** ____

6. APPROVAL: EXTENSION OF AGREEMENT WITH P&R PAPER SUPPLY; 2019-2020

Background: P&R Paper Supply has submitted its response in extending the terms of current agreement into final rollover option year following the language in agreement. P&R Paper Supply has been transparent in providing documentation and information related to price increases as a result of ongoing trade disputes that have impacted the packaging supply industry. Vendor has made a commitment to PINCO to hold pricing throughout the 2019-2020 contract year and will reduce pricing if conditions in the market change during year.

It is recommended PINCO’s Advisory Committee approve the response of P&R Paper Supply in extension of PINCO RFP #07-17/18 for 2019-2020.

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ____ **NO** ____

7. APPROVAL: EXTENSION OF AGREEMENT WITH FOOD SOURCE TRANSPORTATION; 2019-2020

Background: Food Source Transportation has responded to PINCO’s request to extend the current agreement into its final year per contract language. Vendor has requested of five percent increase per agreement language due to increased fuel, vehicle maintenance, insurances and support costs; increase would raise daily rate from \$741.00 to \$778.00 for each of the vehicles. In addition to providing outstanding customer service, FoodSource Transportation performs valued-added support assistance in warehousing services to reduce PINCO’s staffing expenses.

It is recommended PINCO’s Advisory Committee approve Food Source Transportation’s response in extension of PINCO RFP #08-15/16 for 2019-2020.

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ____ **NO** ____

8. APPROVAL: 2019-2020 PINCO OPERATIONS BUDGET

Background: The proposed 2019-2020 PINCO Operations Budget takes into account current and projected revenues (food purchases/deposits) and adjustments made to expenses. Lead Agency will review budget at scheduled interims with PINCO Executive and Advisory Committees and make any revisions as required.

It is recommended PINCO’s Advisory Committee review and approve the proposed 2019-2020 PINCO Operations Budget as presented.

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ____ **NO** ____

9. 2019-2020 ELECTION OF PINCO EXECUTIVE OFFICERS AND REGION REPRESENTATIVES

Background: As dictated in PINCO’s Joint Powers Agreement, PINCO’s Advisory Committee is to hold Elections every two years for its Executive Committee consummate with the conclusion of the PINCO Executive Committee’s current term effective July 1, 2019.

Nominations will now open for the Office of:

Region 1 Representative _____ Region 2 Representative _____
Region 3 Representative _____ Region 4 Representative _____

Selection of Executive Committee Officers:

First Vice President _____
Second Vice President _____
Secretary _____

Re-Nomination/Selection for Office of:

Region 1 Representative and Alternate _____
Region 2 Representative and Alternate _____
Region 3 Representative and Alternate _____
Region 4 Representative and Alternate _____

Recommendation: It is recommended PINCO’s Advisory Committee approve the selection of PINCO Executive Committee Officers for the term of two years effective July 1, 2019 through June 30, 2021.

MOVED _____ **SECONDED** _____ **VOTE: YES** _____ **NO** _____

10. APPROVAL: 2019-2020 PINCO MEETING CALENDAR

Background: The following are proposed dates for PINCO’s Executive and Advisory Committee meetings in 2019-2020. Several Member Districts have requested combining the Executive and Advisory Committee meetings into one day to reduce out-of-office time. If Meetings were to be combined, Executive Committee would start at 9:00 AM with Advisory Committee meetings beginning at 11:00 AM. Combined Meeting schedule would take place at the Service Center with “two-date” Meeting scheduling remaining at the current location(s). Below are dates listed by month following Thursday scheduling that seemed to work best for Member Districts. If the combined Meeting option is selected, Membership would need to determine between the first/third weeks of each month:

September 5, 2019	September 19, 2019
October 3, 2019	October 17, 2019
December 4, 2019 Food Show Meeting – Lancaster	
December 5, 2019 PINCO Food Show – Antelope Valley Fairgrounds	
December 12, 2019 (Advisory Committee Only)	
January 16, 2020	January 30, 2020
February 6, 2020	February 20, 2020
March 5, 2020	March 19, 2020
April 2, 2020	April 16, 2020
May 7, 2020	May 21, 2020
June 4, 2020	June 18, 2020

It is recommended PINCO’s Advisory Committee consider the following option/dates and approve the 2019-2020 PINCO meeting calendar.

MOTION: _____ **SECONDED:** _____ **VOTE: YES** ___ **NO** ___

11. J.P.A./POLICY UPDATE: PINCO PROCEDURES MANUAL AND LEAD AGENCY VOTING RESPONSIBILITIES AND RIGHTS

INFORMATION ONLY

12. LEAD AGENCY SELF-EVALUATION

Background: Lead Agency to present annual self-evaluation.

INFORMATION ONLY

13. SUB-COMMITTEE REPORTS:

Commodity – Futures - Sunshine - J.P.A/Policy - Food Show

Lead Agency to post recruitment of 2019-2020 at May/June Advisory Committee Meetings.

14. REPORTS FROM ADVISORY COMMITTEE MEMBERS/LEAD AGENCY (ACDA DE-BRIEF)

15. UPCOMING MEETING DATES:

PINCO Executive Committee
June 6, 2019 PINCO Administrative Offices, Lancaster

PINCO Advisory Committee
June 13, 2019 PINCO Service Center, Bakersfield

16. ADJOURN:

MOTION: _____ **SECONDED:** _____

2019 - 2020 PINCO Proposed Operations Budget

Object	Description	Current Totals 18/19	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total **	19/20 Proposed Budget
8677	Deposits	14,148,638.40	1,449,778.00	977,785.00	618,522.40	1,722,070.00	1,338,984.00	1,427,266.00	2,245,875.00	1,234,492.00	1,496,656.00	1,390,138.71	1,390,138.71	1,390,138.71	\$16,681,844.53	21,414,195.00
8799	Deposits F/S	54,400.00														55,000.00
8660	Interest	66,443.37														70,000.00
9120	Cash in Bank															
	Mgmt-Salary	63,278.80	7,926.98	6,606.71	6,606.71	6,670.28	8,596.36	6,670.28	6,860.99	6,670.28	6,670.28	7,030.90	7,030.90	7,030.90	\$84,371.57	85,000.00
2300	Director	28,873.29	3,514.61	3,000.40	3,000.40	3,025.15	3,775.32	3,025.15	3,149.44	3,075.16	3,307.66	3,208.10	3,208.10	3,208.10	\$38,497.59	42,000.00
2400	Staff	275,555.67	25,040.87	25,654.15	25,707.14	35,594.98	39,796.32	30,570.56	31,349.36	30,775.62	31,066.67	30,617.30	30,617.30	30,617.30	\$367,407.57	410,000.00
3202	PERS	57,815.66	5,681.79	5,681.79	5,681.79	7,508.04	6,670.18	6,570.18	6,767.18	6,588.62	6,786.09	6,423.90	6,423.90	6,423.90	\$77,087.36	110,000.00
3312	OASDI	22,355.35	2,261.92	2,150.07	2,153.34	2,743.72	3,173.21	2,435.32	2,503.09	2,451.12	2,483.56	2,483.90	2,483.90	2,483.90	\$29,807.05	36,000.00
3332	MEDI	5,228.26	528.99	502.84	503.60	641.69	742.11	569.56	585.40	573.24	580.83	580.90	580.90	580.90	\$6,970.96	8,000.00
3412	HAW	106,489.26	0.00	11,893.21	11,893.21	15,063.39	13,527.89	13,527.89	13,527.89	13,527.89	13,527.89	13,311.10	13,311.10	13,311.10	\$133,111.46	157,000.00
3512	SUI	180.31	18.23	17.34	17.36	22.12	25.99	19.64	20.21	19.77	20.05	20.00	20.00	20.00	\$240.31	300.00
3612	W/C	10,517.20	1,043.38	1,009.18	1,009.98	1,295.31	1,492.01	1,151.62	1,182.92	1,158.91	1,173.89	1,168.50	1,168.50	1,168.50	\$14,022.70	16,000.00
4300	Supplies	13,014.68	1,260.33	1,925.45	1,207.08	1,452.85	1,141.08	444.00	2,168.92	1,658.27	1,756.70	1,446.08	1,446.08	1,446.08	\$17,352.92	30,000.00
4710	Food	10,706,118.72	137,927.62	1,699,730.39	894,020.32	2,157,340.22	1,332,486.57	715,800.91	1,332,763.92	1,468,651.06	967,397.71	1,189,568.75	1,189,568.75	1,189,568.75	\$14,274,824.97	16,000,000.00
4720	Commodities	100,508.10	10,814.40	21,175.80	0.00	13,085.10	17,208.90	0.00	32,908.50	5,915.40	0.00	11,167.57	11,167.57	11,167.57	\$134,010.81	150,000.00
5220	Travel/Mileage	3,896.67	0.00	0.00	0.00	1,334.17	281.40	0.00	398.35	0.00	1,882.75	0.00	0.00	0.00	\$3,896.67	5,000.00
5310	Membership	310.00	0.00	0.00	0.00	0.00	0.00	175.00	135.00	0.00	0.00	0.00	0.00	0.00	\$310.00	1,000.00
5450	Insurance	15,069.50	4,081.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	1,373.50	\$19,190.00	17,000.00
5510	Gas	333.86	7.92	8.19	8.74	9.14	8.74	30.28	69.62	93.63	97.60	37.10	37.10	37.10	\$445.16	600.00
5520	Electric	105,559.65	12,365.58	13,252.90	14,455.27	14,326.17	14,242.79	10,069.90	9,175.68	9,075.68	8,595.68	11,738.85	11,728.85	11,728.85	\$140,756.20	150,000.00
5530	Water	2,084.52	260.67	242.18	242.18	275.45	224.61	275.61	247.43	264.68	51.71	231.61	231.61	231.61	\$2,779.65	3,200.00
5560	Disposal	2,876.69	240.37	400.94	319.34	319.34	319.34	319.34	319.34	319.34	319.34	319.34	319.34	319.34	\$3,834.71	4,000.00
5570	Pest	2,650.50	294.50	294.50	294.50	294.50	294.50	294.50	294.50	294.50	294.50	294.50	294.50	294.50	\$3,534.00	3,700.00
5600	Leases	277,833.82	30,479.75	30,835.18	30,479.75	30,479.75	30,479.75	30,479.75	30,763.12	30,544.07	33,011.75	30,870.42	30,870.42	30,870.42	\$370,445.08	390,000.00
5610	Whse-Lease	293,967.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	32,663.00	\$391,956.00	486,956.00
5630	Maintenance	32,262.37	76.63	3,964.10	4,680.78	5,010.13	2,431.82	1,011.63	8,378.56	4,942.09	1,766.63	3,854.71	3,584.71	3,584.71	\$43,296.50	100,000.00
5800	Contracts	3,799.54	3,799.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	422.17	422.17	422.17	422.17	\$5,066.05	1,500.00
5810	Legal	5,000.00	0.00	120.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$2,120.00	5,000.00
5820	Audit	5,646.89	0.00	0.00	0.00	0.00	0.00	0.00	5,646.89	0.00	0.00	0.00	0.00	0.00	\$5,946.89	6,500.00
5830	Adv.	7,603.31	0.00	195.00	857.10	2,358.00	0.00	0.00	0.00	2,700.00	1,493.21	0.00	0.00	0.00	\$7,603.31	11,000.00
5880	Transp.	696,570.00	74,130.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	77,805.00	\$929,985.00	976,295.00
5890	LACOE	2,051.50	0.00	0.00	0.00	1,025.75	0.00	0.00	1,025.75	0.00	0.00	1,025.75	0.00	0.00	\$3,077.25	4,000.00
5900	Commun.	4,506.53	1,828.65	333.36	334.83	342.27	335.94	115.83	550.70	331.90	333.50	500.78	500.78	500.78	\$6,009.32	12,000.00
6400	Equipment	41,311.00	0.00	0.00	0.00	41,311.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$41,311.00	41,311.00
	Expenditures		356,247.23	1,940,835.18	1,115,314.92	2,453,650.97	1,588,955.93	935,368.45	1,602,634.26	1,700,872.72	1,194,439.61	1,428,163.73	1,428,163.73	1,414,546.88	17,159,258.06	19,213,362.00
	Revenue		1,449,778.00	977,785.00	618,522.40	1,722,070.00	1,338,984.00	1,427,266.00	2,245,875.00	1,234,492.00	1,496,656.00	1,390,138.71	1,390,138.71	1,390,138.71	16,681,844.53	21,539,195.00

* Monthly average based on nine-month totals
 ** Total(s) include Interest & PINCO Food Show Deposit(s)
 Changes in budget amount
 \$45,000.00 Increase represents proposed restroom renovation
 M&S Security, Dietician

Pinco Lead Agency Self-Evaluation 2018-2019

	Meets		Comment Section
	Standards	Below Standards	
Accounting			
Budget Approval	X		Membership approved budgets are processed and managed through LACOE.
Average Approval 10%	X		No issues identified.
Marketing Fund Maintenance	X		Funds managed and expensed according to Co-Operative's need and Membership approval.
Independent Audit Distribution	X		Available upon request.
Twice Yearly Fiscal & Inventory Report	X		All protocols followed in regard to inventory reporting and expense adjustment(s)
General Fund Maintenance	X		Budgets monitored throughout year with any adjustments performed at 1st/2nd Interim(s).
Establish Fund Balances per District	X		Member District required fund balance(s) maintained according to J.P.A. requirements.
Limit Purchases Per Fund Balance	X		Expenses within J.P.A. guidance w/ notification & approval procedures adopted this year.
Maintain 30 day Invoice Payment	X		Following schedule.
Purchase Orders	X		Following all approval timelines at/ahead of required payment date(s). No Late Bills!
Vendor Discounts	X		2018-2019 Early Payment Discount total \$34,867.00 through May 3, 2019.
Document Maintenance	X		Documentation archived/available as required-needed for CDE-Agency-Audit review.
Bids/Contractors			
Write Specs	X		High level of Sub-committee participation in developing 2019-2020 RFP's.
Prepare Bids	X		Solicitations met/exceeded CDE-PRU requirements.
Provide Accurate Usage Figures	X		All usage figures and data provided in PINCO RFP's accurate and verifiable.
Award Bids	X		Revised Best Value Scoring matrix used in PINCO's 2019-2020 RFP's.
Spec Sheets	X		All products solicited by PINCO follow USDA/CDE NSLP-CACFP regulations.
Nutritional Review by RD	X		Allergen listing and additional data available on website for Member District's use.
Pinco Food Show	X		A well-received/orchestrated 2018 PINCO Food Show netted \$30,919.27.
Comply with Federal & State Regulations	X		No issues. PINCO working directly with PRU; previewing/vetting RFP's and agreement language prior to solicitation.
Commodities			
Executed Assignments of Fair Shares	X		Member Districts received full entitlement/allocations based on J.P.A. fair-share allocation.
Eligible to Receive	X		Service Center meeting all requirements of USDA Receiving Agency status.
Ordering, Receiving, Storage & Distribution	X		PINCO provided all services required by Member Districts to maximize USDA entitlement.
Credits and Adjustments	X		Members did not experience loss of inventory value as a result of annual internal adjustment.

Pinco Lead Agency Self-Evaluation 2018-2019

District Assignment Termination				N/A
Commodity Monitoring	X			Service Center providing on-going commodity tracking for Member Districts.
Manage Member Districts Usage	X			PINCO & Commodity Sub-committee currently reviewing/updating Sweep Policy.
Inventory Maintenance	X			Service Center increasing notification with new nine-month/best-by storage timelines.
Comply with Federal & State Regulations	X			In full compliance in facility and document regulations.
Communication/Meetings				
Schedule Meetings	X			All scheduled meetings held in 2018-2019 per approved calendar.
Minute Distribution	X			Minutes distributed with upcoming Meeting Agenda(s) for review prior to approval.
Minute Format	X			No issues identified.
Training	X			LA and Service Center Staff provided Member Districts with training as needed.
Roberts Rules of Order	X			Progress made at each meeting to complete adherence to Roberts Rules of Order.
Quorum	X			Quorum met at all PINCO Executive and Advisory Committee meetings in 2018-2019.
Agenda Items	X			Member Districts have opportunity to request items/topics for Meeting Agenda(s).
Vote Approvals	X			All action items carried out as Executive and Advisory vote(s) dictate.
Timely Notifications	X			Calendar posted on PINCO website; Members notified of special-schedules as required.
Liaison w/CDE	X			LA communicates/updates Member Districts in all aspects of USDA Foods guidance in its on-going activity with CDE.
District Management				
Annual Accounting of PINCO Fund	X			PINCO's revolving fund maintaining a balance above J.P.A. required levels.
Voting/Alternative Representation	X			Member District Representative and Alternate voting rosters current and up-to-date.
Monitor District Adherence to JPA	X			LA working with Executive Committee and Member Districts as needed to address any issues.
Mediation of Disputes w/Bidders	X			No formal challenge to PINCO award or vetting process(es).
Manage Withdrawal Process	X			No issues.
Time Management (PINCO vs AVHSD)	X			Chairman honors all PINCO responsibilities/obligations within work schedules.
New Member Orientation	X			PINCO Staff provides support to all new Member District Representative/Staff as requested.
District Accountability	X			PINCO received a positive certification with no findings in its 2017-2018 audit and assisted Member Districts as needed in their Administrative and Procurement Reviews.

Pinco Lead Agency Self-Evaluation 2018-2019

Warehouse Management				
Supervision	X			PINCO Management and Staff receive on-going support from LA and Governing District.
Hiring	X			LA adheres to all Governing District Policy re: Personnel recruitment.
Overtime/Extra Time	X			No overtime experienced in 2018-2019.
Salary Transparency	X			No issues.
Training	X			PINCO Management and Staff met all training requirements.
Evaluate Employees	X			LA follows all Governing District procedures/timelines in presenting evaluations.
Commodity Management	X			Service Center continues to be a model for CDE and other RA's in commodity management.
Inventory	X			Member Districts have up-to-date information with inventory/pounds at all times.
Record Keeping/Internal Controls	X			All SOP's followed per USDA & California Department of Public Health requirements.
EPDS- End Product Data Sheet				RA- Receiving Agency
JPA- Joint Powers Agreement				RD- Registered Dietician
LA- Lead Agency				SOP- Standard Operating Procedure
LACOE- LA County Office of Education				TLS- Total Lunches Served
PD- Professional Development (per USDA)				BVS- Best Value Scoring
*Dollars saved determined by vendors giving early payment discount				

**PARTNERS IN NUTRITION CO-OPERATIVE
2018-2019
YEAR IN REVIEW**

PINCO Member Districts have continued to maximize its use of USDA Foods through active entitlement use throughout 2018-2019. In addition to meeting its fiscal and contractual obligations, PINCO provided support for thirteen Member Districts scheduled for Administrative &/or Procurement Review(s) in 2018-2019. PINCO provided Member Districts all documentation and any information needed in compliance of USDA Foods management, storage and procurement of said products. In addition to furnishing paper reporting as part of the Review process, PINCO also facilitated inspections of the Service Center and outside storage facilities with no issues reported.

Over the past year, PINCO and its Sub-committees worked closely with the Lead Agency in a variety of operational studies and activities. This increased engagement has raised awareness and appreciation for the behind-the-scenes work performed by PINCO and its Staff. Below are a few highlights for PINCO and its Member Districts over the past year:

Facility Agreement- In advance of the term-end of PINCO's warehouse lease agreement with its Landlord, R&R General, the Lead Agency worked with PINCO's Futures Sub-committee to review facility and storage options. The Sub-committee worked with the Lead Agency reviewing detailed analysis of current facility expenses in comparison to proposed alternatives. In the end, PINCO negotiated a ten year lease extension with an additional ten year option beginning July, 2019 at the current base rent and "cap" terms. Additional extension language provides facilitation through R&R General for any Member-Approved tenant improvements avoiding responsibility under public work contract guidance. In 2018-2019, R&R General facilitated the repair and expansion of PINCO's driveways and loading docks in this fashion saving Member Districts over \$40,000.00 and ensuring the work met the expectations of the Landlord.

Department of Defense Produce Program (DOD) - In 2018-2019, Member Districts approved the use of USDA entitlement in the DOD Produce Program. DOD allows qualifying agencies to use USDA entitlement dollars to purchase domestically grown fresh produce at the same fair market value rates PINCO works with other USDA commodities (most DOD items come directly from California).

PINCO opened DOD accounts for Member Districts in April with fair-share diversion of its remaining 2018-2019 entitlement balance (\$348,000.00). Early reports from Member Districts have been very positive with the quality of produce and level of customer service/support received from the Vendor.

PINCO Notables in 2018-2019 - Member Districts developed/adopted Policies and procedures in 2018-2019 in the following areas to improve efficiencies and controls involved in the decision making process(es):

- Notification timeline in adherence to J.P.A. financial responsibilities
- Acquisition and use of USDA entitlement
- Approval process for facility projects and repairs
- Sunshine Committee activities

As PINCO Chairman, I could not be more proud of Staff's performance in meeting the needs/expectations of its Member Districts. PINCO's commitment to customer service is, and continues to be a model in K12 USDA Food management and distribution. Everyone at PINCO appreciates Member District's acknowledgement for the work we do in helping them to their work in nourishing our youth the "Right Way" with USDA.