City Council

Audit Sub-Committee Meeting

~Final~

36 Court Street
Springfield, MA 01103
http://www.springfieldcityhall.com

Justin Hurst (Chair)

February 5, 2026 **5:01 PM** **City Hall - Room 200**

Call To Order

5:00 PM Meeting called to order on February 5, 2025, in Hybrid Room 200, 36 Court Street, Springfield, MA 01103.

Roll Call

In Person
Justin Hurst
Jose Delgado
Tracye Whitfield

Virtual
Yong No
Zaida Govan
Tim Gray
Maria Perez
Nathan Madeira
Pat Roach

Attendee Name	Title	Status	Arrived
Brian Santaniello	City Councilor At Large	Excused	
Gerry Martin	City Councilor — Ward 7	Excused	
Maria Perez	City Councilor — Ward 1	Virtual	
Malo Brown	City Councilor — Ward 4	Excused	
Zaida Govan	City Councilor — Ward 8	Virtual	
Kateri Walsh	City Councilor At Large	Excused	

Justin Hurst	City Councilor At Large	Present	
Victor Davila	City Councilor — Ward 6	Excused	
Michael Fenton	City Councilor — Ward 2	Excused	
Jose Delgado	City Councilor At Large	Present	
Lavar Click-Bruce	City Councilor — Ward 5	Excused	
Melvin Edwards	City Councilor — Ward 3	Excused	
Tracye Whitfield	City Councilor At Large	Present	

Public Portion

1. Presentation and discussion of the Food Service Management at Springfield Public Schools.

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2. Presentation of Fiscal Year 2027 Office of Internal Audit Goals

Minutes:

Background

Springfield Public Schools (SPS) food services have been managed by Sodexo since 2006 under a cost-reimbursement contract. The program serves approximately 30,000 students at 71 sites and operates from the Culinary and Nutrition Center at 75 Cadwell Street.

FY24 revenue was approximately $35 million, primarily from federal and state reimbursements. The FY25 contract value is approximately $30 million, including a $1.5 million management fee. Major expenses include labor (~$14 million) and food (~$8.6 million). The program operates through a revolving fund without direct local taxpayer appropriation.

Audit Scope

Yong No (Audit Director) presented findings from a FY19–FY25 compliance review focused on contractual and financial adherence. Food safety and nutrition standards were excluded, as these are regulated by federal and state agencies.

Key Findings

1. Management Fee and Salaries – Potential overlap between management fees ($5.2M over four years) and reimbursed Sodexo salaries (~$489,000 annually).

Action: Clarify contract language in upcoming RFP. District and Sodexo differ in interpretation.

2. $300,000 Culinary Center Contribution – Required funds not received.
   Action: Sodexo is repaying; oversight controls strengthened.

3. Management Fee Overcharge – Approx. $50,000 over four years due to calculation errors.
   Action: Sodexo acknowledged error; approximately $38,000 returned.

4. Use of City Vehicles – Sodexo used six city vehicles and fuel services (FY25 cost ~$23,000), contrary to contract terms.
   Action: Contract and indemnification language to be amended.

5. Insurance Compliance – Umbrella coverage below contract requirement; documentation discrepancies identified.
   Action: District to require full compliance.

6. CORI Checks – Contract assigns responsibility to Sodexo; district has been conducting checks.
   Action: Responsibilities to be clarified and aligned.

Council and Participant Comments

- Councilor Hurst (Chair) emphasized strengthening oversight before the June 30, 2026 contract expiration.
- Councilor Delgado requested clearer language distinguishing management fees and reimbursed salaries.
- Councilor Govan discussed liability exposure related to vehicles and insurance.
- Councilor Perez requested earlier distribution of audit reports.
- Yong No noted reports are issued after presentation and acknowledged the request.
- Tim Gray confirmed the revolving fund structure and noted district-conducted CORI checks incur no program cost.
- Liz O'Gilvie highlighted the importance of the Community Eligibility Provision (CEP), referenced potential federal funding scrutiny, and emphasized competitive bidding and local food sourcing considerations.

Next Steps

- Schedule follow-up meeting to discuss FY27 audit goals.
- Revise RFP language to address management fees, vehicle use, insurance, and CORI responsibilities.
- Sodexo to complete repayment of identified funds.
- Committee to receive audit materials earlier for future meetings.

The meeting concluded following discussion of audit findings and contract considerations ahead of the June 30, 2026 expiration date.

[MIN_SIGNATURES]