

HOLMDEL TOWNSHIP SCHOOL DISTRICT INVESTIGATIVE REPORT
SALE AND CONSUMPTION OF UNAUTHORIZED BEVERAGES AT THE SATZ MIDDLE SCHOOL AND HOLMDEL HIGH SCHOOL
JANUARY 29, 2013

I. SUMMARY

On Friday, November 30, 2012, the school nurse at the Satz Middle School notified the school's principal that she had treated several students who became ill shortly after the first lunch period. After a quick assessment, the school's administrative staff determined that the treated children had consumed a beverage called Marley's Mellow Mood. Satz Principal Art Howard instructed District's food service director to immediately stop selling the drink, and Superintendent Barbara Duncan extended that order to include sales in both the Satz and High School cafeterias.

A two-month investigation by the school's administrative staff and school's food service vendor, Chartwells, identified the following salient facts around the incident and its aftermath:

- On October 17, 2012, the food service director assigned to the Holmdel School District presented to her manager a new beverage product Marley's Mellow Mood, which she wished to sell in the schools. Her manager determined Marley's Mellow Mood was not appropriate for students and denied her request.
- The food service director ignored her manager's instructions, neglected to put it through the Holmdel "new product approval process" that has been in place for several years and began providing the product to high school students (without any incidents reported) on October 18, 2012. On November 30, 2012, she began selling Marley's Mellow Mood at the middle school resulting in several students having an adverse reaction to the beverage.
- Satz students were allowed to purchase multiple servings of Marley's Mellow Mood. School lunch monitors attempted to intervene by encouraging students not to drink the beverage quickly.
- Chartwells' District Manager and the district's food service consultant have toured all of the schools in the district to ensure that all products being served have been Board approved. During this review, two additional unapproved beverages (BLK Water and Hint Water) were identified and removed from the schools.

Chartwells promptly removed the director from her position and replaced her with another director Craig Lanzner. While Chartwells determined that the former director had made an egregious error in judgment, it found no indication of criminal activity and does not plan to pursue legal action against her. She was dismissed from the company after an eight year assignment at Holmdel and 16 year tenure at Chartwells.

Chartwells contacted the parents/guardians of the middle school students who had an adverse reaction to the beverage and offered assistance with any medical costs incurred as a result. As of January 28, 2013, no parent or guardian of middle school students has contacted Chartwells. A second letter was sent via Certified Mail on January 29, 2013 to ensure everyone has been notified. In addition, any student who did not report to the school nurse and whose health was affected by this incident, was asked to contact the school principal as soon as possible so that Chartwells can be notified for restitution of medical expenses.

All middle school students who purchased Marley's products received refunds totaling \$126.50. All high school students who purchased the Marley's products and BLK Water had their purchases refunded to their food service accounts, totaling \$1,276.50.

All middle and high school students who purchased Hint brand flavored waters will have the amount of the purchase refunded to their food service accounts no later than February 20, 2013. The refund will total \$1,093.79.

Chartwells is refunding the Holmdel School District the total amount of all credits/refunds made to student accounts. The refunds will have no financial impact on the Holmdel School District. Chartwells will notify students and parents when their accounts have been refunded.

II. ACTION STEPS

The District has adopted the following action steps to prevent future incidents involving the sale of unauthorized foods or beverages.

- Effective immediately, the district's food service consultant will perform three unannounced product audits per school each month to ensure all products being sold have been Board approved and the results of the audits will be communicated to the district accordingly. In addition, building administration will exercise increased awareness when visiting the cafeteria.
- No food service vendors are permitted to visit Holmdel School District – this includes current approved vendors. Vendors who "cold call" on the district will not be permitted in the buildings and will not be able to meet with the food service director. The food service director must abide by a new order review process which requires him to have purchases approved by Chartwells' district manager in advance.
- The distributor of Marley's beverages was not an approved Chartwells distributor for School Dining Services. It has made a commitment to not solicit any Chartwells operations, and it has been removed from Chartwells' purchasing system.
- Chartwells' district manager and new director have reviewed the product approval process with the consultant and district and are clear on the previously established process.
- Chartwells has an Open Communication Policy which allows all Chartwells' associates to report anonymously any issues or possible policy violations to a hot line number or directly to the district manager or to the regional vice president. Chartwells' district manager and food service director met with the food service staff and reviewed this policy. This policy is posted in all Chartwells locations and is visible to the entire food service staff.
- Some parents expressed concern about the communication process from the district regarding this incident. These concerns were subsequently addressed.

III. CHRONOLOGY OF THE MARLEY'S BEVERAGE INCIDENT

- On Friday afternoon, November 30, 2012, the school nurse informed the Satz principal that students were feeling ill, and it was potentially due to a beverage they drank in the cafeteria.
- The Satz principal immediately went to the cafeteria and informed the food service director of the incident and advised her to discontinue selling the beverage, and he would advise further upon communication with the superintendent.
- The superintendent instructed the Satz principal to have the food service director pull this beverage from the Satz and High School cafeterias and to provide updates as to the status of the students.
- The Satz administration notified the staff to monitor their students and send anyone who displayed symptoms of illness to the nurse's office. In addition, they inquired of the students in the nurse's office if they were aware of any other students who consumed the beverage.
- The school nurse contacted the Department of Health and provided all the information regarding this incident. The Department requested that the school gather and retain the empty cans to be analyzed by the Department. The Department representative arrived at the school in the early evening and collected the cans for analysis.
- The Satz principal utilized the Alert Now system and emailed all parents that several students had gone to the nurse's office reporting symptoms of illness and recommended the parents to bring their children to their personal physician if they experienced any symptoms of illness.
- The Satz administration and school nurse started communicating with the parents of the students who were in the nurse's office along with other parents who had questions resulting from the email notification sent via Alert Now.
- Throughout this process, the Satz administration provided the superintendent with appropriate updates.
- The superintendent and business administrator contacted the district's food service consultant and the food service director and requested they investigate this matter and provide an immediate update.
- On Sunday, December 2, 2012 the Satz assistant principal called all the parents of the students who experienced symptoms of illness to check on their status. In addition, on Monday, December 3, 2012 and Tuesday, December 4, 2012 the school nurse followed up with each of the families impacted to check on their status. By Wednesday, December 5, all students returned back to school.
- On Monday, December 3, 2012 the superintendent and business administrator met with Chartwells' district manager and requested an immediate investigation into this matter by Chartwells.
- The superintendent released the following statement to the school district utilizing the E-Alert system and district website:

On Friday, November 30, I was notified by Mr. Howard, Principal of Satz Middle School, that a number of students had fallen ill. The administration and the nurse dealt with the health emergency. After questioning students, they identified Marley's Mellow Mood drink as the common substance consumed by the children. Parents were notified and the substance was immediately removed from sale in the High School and Satz.

We called for an immediate and thorough investigation by Chartwells. Chartwells cooperated with our request, reacted quickly and identified the issues at hand. We were informed that Marley's was a new product that did not go through the approval process required for all new products.

Please see Chartwells' statement:

The safety and welfare of the students of Holmdel Schools and all of the schools we serve is Chartwells number one priority. As we are conducting our investigation, here are some facts that we have identified regarding the situation:

- Marley's Mellow Mood Drinks and Teas are an unauthorized purchase of a beverage product not approved for sale in schools managed by Chartwells
- The product in question has been removed from schools completely and will not be available
- The on-site Manager has been removed pending our further investigation

We sincerely regret that this product was sold and that students had an adverse reaction to it. Chartwells takes great pride and care in partnering with our school communities to provide the best school dining experience possible and we take this situation very seriously. As stated, we are in the process of conducting a full investigation on this situation and will continue to report to the school district regarding our findings.

Nancy Quinn
Vice President
Mid Atlantic Region
Chartwells School Dining Services

- On Wednesday, December 5, 2012 the superintendent and business administrator spoke with the President and CEO of Marley's Beverage Company. The President and CEO expressed deep regret regarding the entire incident.
- On December 19, 2012, at the board meeting, the Superintendent and Chartwells Regional Vice president read the following statements regarding this matter:

On Friday afternoon, November 30, 2012, I received an urgent call from Art Howard, Principal of Satz Middle School. He informed me that several children had gotten sick after lunch and were being sent to the nurse. He, Lisa Marino and Nurse Denton believed that the cause may be a beverage that they consumed during lunch. However, at that time, they were not ruling out any other possibilities.

Students were seen and treated by the school nurse. The parents of the affected children were called and some students were sent home.

The beverage, Marley's Mellow Mood, was identified as the cause of the children's reactions and the remaining cans were immediately pulled from distribution at Satz and the High School. The Health

Department was notified, along with Chartwells, our food service provider and an immediate investigation was initiated.

At this time, I'd like to introduce Nancy Quinn, Regional Vice President of Chartwells and Jim Gillespie, District Manager of Chartwells. They are here to address the Board and the public on this issue.

Nancy Quinn, Regional Vice President read the following statement;
Chartwells takes great pride and care in partnering with our school communities to provide the best school dining experience possible and we take the situation at Holmdel Schools very seriously. We have concluded our investigation of Marley's Mellow Mood Beverages at Holmdel Schools and have determined the following.

Here are the facts that we have identified regarding the situation:

- The director at Holmdel school district was solicited by a beverage distributor of Marley's Mellow Mood Beverages and placed an order, although these beverages are not authorized or approved for sale by Chartwells at any of our school locations. This was an isolated incident; Holmdel Schools was the only Chartwells location that accessed this product.
- After being told not to sell the product, the director proceeded with sales at the high school and on Friday, November 30, 2012 the product was also sold at the middle school.
- Several students at Satz Middle School had an adverse reaction to the beverage and were ill
- Both the Administration as well as Chartwells reacted immediately on Friday and removed all other product from being sold.
- On Monday, December 3rd, the school dining director was removed from the school district and replaced with a new director.
- Chartwells district manager and new director have reviewed Holmdel's previously established product approval process along with the nutrition policy with the district and will strictly abide by it.
- Chartwells has implemented an order review process to ensure a mistake of this nature cannot be made again.
- Chartwells is communicating with the parents/guardians of those students who had a reaction to drinking the product.

The safety and welfare of the students of Holmdel Schools and all of the schools we serve continues to be Chartwells number one priority and we sincerely regret that this situation occurred.

- On January 9, 2013, at the board meeting, the business administrator reported out that Chartwells and the administration would be attending the High School parent group meeting (on January 14) and Satz parent group meeting (on January 23) to discuss this matter and then finalize the investigation.
- On January 12, 2013, the High School PTSO President notified the high school parents that the superintendent and Chartwells' district manager and new food service director would be attending the January 14th parent group meeting to address the Marley's incident and answer questions.
- On January 14, 2013, the superintendent, district food service consultant, Chartwells' district manager and new food service director met with and addressed the High School parent group regarding the Marley's incident.
- On January 16 and 22, 2013, the Satz school notified the Satz parents via Alert Now that the superintendent, business administrator and Chartwells' district manager and new food service director

would be attending the January 23rd parent group meeting to address the Marley's incident and answer questions.

- On January 22, 2013, the superintendent notified the Satz parents via Alert Now that the superintendent, business administrator and Chartwells' district manager and new food service director would be attending the January 23rd parent group meeting to address the Marley's incident and answer questions.
- On January 23, 2013, the superintendent, business administrator, district food service consultant, Chartwells' district manager and new food service director met with and addressed the Satz parent group regarding the Marley's incident and discussed other food service matters.
- On January 24, 2013, the superintendent, business administrator, district food service consultant and Chartwells' district manager met with the Budget and Finance Committee to report the results of the investigation regarding the Marley's incident.
- On January 29, 2013, the superintendent notified the High School and Satz parents via Alert Now that the results of the investigation would be presented at the January 30th board meeting and posted on the district website in the Budget and Finance notes as well as the Superintendent's Report.
- On January 30, 2013, at the board meeting, the business administrator reported out the results of the investigation regarding the Marley's incident.