

# Resource Management

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# Introductions

Mike Gogerty, Speaker

- *Principal Consultant, Illinois State Board of Education,  
Nutrition Division*



**Illinois**  
**State Board of**  
**Education**

Cindy Dykas, Moderator

- *Business Manager, CSBO, Worth SD 127*

# Resource Management Team

- The Team
  - Mark Haller, Nutrition Director
  - Dean Held, Nutrition Supervisor
  - Mike Gogerty, Principal Consultant
  - Christina Smith, Principal Consultant
  - Toby Turek, Principal Consultant

# Resource Management Overview

- 3 Year Cycles (FY 14-16), (FY 17-19), (FY 20-22)
  - FY 2014-16 – Crowe Horwath, Ringold Financial Management Services, and ISBE
  - School Year 2017-18 – FY 18 Reviews and FY 17 backlog
- Areas of Resource Management
  - Maintenance of Nonprofit School Food Service Account
  - Paid Lunch Equity
  - Revenue From Nonprogram Foods
  - Indirect Cost

# Expectations of Each Cycle

- Align with Administrative Review (AR) monitors
  - Staffing per region
- Send out survey request to determine risk
- Schedule review whether on site or off site and request documentation
- Conduct review and enter results in WINS with AR Monitor

# Maintenance of Nonprofit School Food Service Account

# Maintenance of Nonprofit School Food Service Account

- One of the major responsibilities in deciding to be a part of the Child Nutrition Programs is the management of the accounting.
  - Maximize Benefits to Students
  - Use account funds only for the program
  - Comply with Federal Regulations
- Strong accounting sets the tone for the review.
  - Private vs. public districts
  - What goes into the AFR accounts
    - Non Federal funds to support paid lunches
    - Non program food revenue

# Maintenance of Nonprofit School Food Service Account

- Revenues received by the nonprofit school food service are to be used ONLY for the operation of the food services program and its improvement.
  - Revenues may be used for food, equipment, and personnel used to operate the meals program
  - Revenues cannot be used to purchase land or buildings, or add to the existing property of a building without consent from the National USDA offices.



# Maintenance of Nonprofit School Food Service Account

- Documentation Requested
  - Completed Annual Financial Report (AFR)
  - General Ledger for Food Services
  - 10% Sample of Invoices
  - Payroll

# Maintenance of Nonprofit School Food Service Account

- The Annual Financial Report is used to look at the revenues and expenditures of the overall account.
- Net Cash Resources Requirements in 7 CFR 210.14
  - Nonprofit vs. For Profit status
  - 3 months operating expenses
- Allowable Expenses
  - 10% Sampling of Invoices or 1 month

# Revenues

FOOD SERVICE		
Sales to Pupils - Lunch	1611	226,018
Sales to Pupils - Breakfast	1612	9,084
Sales to Pupils - A la Carte	1613	61,716
Sales to Pupils - Other (Describe & Itemize)	1614	21,570
Sales to Adults	1620	
Other Food Service (Describe & Itemize)	1690	97,606
<b>Total Food Service</b>		<b>415,994</b>
FOOD SERVICE		
Breakfast Start-Up Expansion	4200	
National School Lunch Program	4210	1,973,947
Special Milk Program	4215	10,313
School Breakfast Program	4220	610,606
Summer Food Service Program	4225	
Child Adult Care Food Program	4226	
Fresh Fruits & Vegetables	4240	202,947
Food Service - Other (Describe & Itemize)	4299	
<b>Total Food Service</b>		<b>2,797,813</b>

# Expenses

SUPPORT SERVICES - BUSINESS										
Direction of Business Support Services	2510									0
Fiscal Services	2520	295,094	53,269	13,272	1,739		890			364,264
Operation & Maintenance of Plant Services	2540	518,694	112,895	19,059	1,082,090	38,176				1,770,914
Bus/Transportation Services	2550			11,657						11,657
Food Services	2560	1,033,278	276,073	36,743	1,549,331	6,104	1,728			2,903,257
Internal Services	2570	00,077	7,417		4,443					77,957
<b>Total Support Services - Business</b>	<b>2500</b>	<b>1,913,143</b>	<b>449,654</b>	<b>83,731</b>	<b>2,637,603</b>	<b>44,280</b>	<b>2,618</b>	<b>0</b>	<b>0</b>	<b>5,131,029</b>

# Maintenance of Nonprofit School Food Service Account

- Net Cash Resources
  - 3 month's operating expenses
  - Operating Expenses / 9 (months in standard school year) / 3 = Nonprofit Threshold
- Capital Equipment Threshold
  - Purchase of Equipment over \$5,000
  - Pre Approved List
- Invoices
  - Allowable purchases or not

# Approved Equipment List

beverage dispenser  
blast chiller  
blixer  
cold cereal dispenser  
combination oven  
convection oven  
dishwasher  
eating table  
exhaust hood  
food mixer  
food processor  
food slicer  
food transport carriers and carts  
freezer – walk-in and reach-in  
griddle  
hot oatmeal dispenser  
hot or cold food buffet, sneeze guard, drains, tray slide

hot or cold serving counter  
ice maker/machine  
meal delivery vehicle  
milk cooler  
POS system  
prep table  
proofers  
proofers/holding cabinet  
range  
refrigerator - walk-in and reach-in  
serving line equipment  
shelving  
slicer  
Steamer/steam table  
tilt skillet  
toaster

# Paid Lunch Equity

# Paid Lunch Equity

- Section 205 of the Healthy, Hunger-Free Kids Act of 2010 requires SFA's participating in the NSLP to provide the same level of support for lunches served to students who are not eligible for free or reduced price lunches as they are for lunches served to students eligible for free lunches.
  - USDA does not want School Food Authorities subsidizing paid lunches with free student reimbursements.
  - USDA expects lunch prices to balance between free and paid students



# Paid Lunch Equity

Claim Rates

Close

## Rates

Category	Meal Rate	Rate	Begin Date	End Date
* School Lunch & Supper Program - Less than 60% Eligible	Free	3.2900	07/01/2017	06/30/2018
* School Lunch & Supper Program - Less than 60% Eligible	Reduced	2.8900	07/01/2017	06/30/2018
* School Lunch & Supper Program - Less than 60% Eligible	Paid	0.3700	07/01/2017	06/30/2018
School Breakfast Program - Non-Severe Need	Free	1.7500	07/01/2017	06/30/2018
School Breakfast Program - Non-Severe Need	Reduced	1.4500	07/01/2017	06/30/2018
School Breakfast Program - Non-Severe Need	Paid	0.3000	07/01/2017	06/30/2018
School Breakfast Program - Severe Need	Free	2.0900	07/01/2017	06/30/2018
School Breakfast Program - Severe Need	Reduced	1.7900	07/01/2017	06/30/2018
School Breakfast Program - Severe Need	Paid	0.3000	07/01/2017	06/30/2018
Illinois Free Breakfast & Lunch	Free	0.0275	07/01/2017	06/30/2018

\*National School Lunch rate includes an extra 6 cents.

# Paid Lunch Equity

- USDA Target Price for Paid Student Lunches
  - Free reimbursement is \$3.37 and paid reimbursement is \$0.37.
  - Target rate has historically been free minus paid reimbursements
  - $\$3.37 - \$0.37 = \$3.00$  for 2019-20 Reimbursement \*
  - Charging \$3.00 or higher will ensure you are not subsidizing
- \* *Without the PLE tool released, that number is not 100% defined.*

# Paid Lunch Equity

- Examples:
- Charging \$2.70 weighted average price for lunches
  - Adding in the \$0.37 from reimbursement, you receive \$3.07 per meal
  - Receiving \$3.37 for the free reimbursement.
- Charging the Target Price
  - Adding \$0.37 to the \$3.00 gives you \$3.37
  - Receiving \$3.37 for the free reimbursement

# Paid Lunch Equity

- IF YOU ARE CHARGING AT OR ABOVE THE TARGET PRICE, NO TOOL NECESSARY
- The Paid Lunch Equity tool and Requirements
  - 2010-11 lunch Prices
  - Review Year PLE Tool
  - Current Lunch Prices
- Your options
  - Raise Lunch
  - Contribute Non Federal funds

# The Tool

SY 2010-2011 Weighted Average Price Calculator			
Enter current prices and number of lunches sold at each price using October 2010 data.			
Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2010-11 Weighted Average Price
1,712	\$ 2.60	\$ 4,451.20	
4,125	\$ 2.35	\$ 9,693.75	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
<b>5,837</b>		<b>\$ 14,144.95</b>	<b>\$ 2.42</b> is the SY2010-2011 weighted average price

# The Tool

**Complete if you do NOT know your SY 2016-2017 Unrounded Price Requirement**

***Annual Unrounded Requirement Finder***

Enter the SY 2010-11 Weighted Average Price below  
 \*\* The weighted average price for SY 2010-11 is the weighted average of all paid lunch prices charged in the SFA

SY 2010-11 Weighted Average Price	Unrounded Price Requirements	
	Price 1: SY 2015-2016 Requirement price to the nearest cent	Price 2: SY 2016-2017 Requirement price to the nearest cent
\$ 2.42	\$ 2.70	\$ 2.78

[If you do not know your SY2010-2011 Weighted Average Price  
CLICK HERE](#)

# The Tool

Step 1	
<b>Enter the SY 2016-17 Unrounded Price Requirement in the box below</b>	<b>SY 2017-18 Weighted Average Price Requirement</b>
<i>This can be found in Section 1: Box A of the SY 2016-2017 REPORT from the SY 2016-17 tool or you may find it below (Price 2)</i>	<b>Requirement price to the nearest cent</b>
\$ <b>2.78</b>	\$ <b>2.86</b>
<i>Note: Above prices are based on adjusting SY 2016-2017 price requirement by the 2% rate increase plus the Consumer Price Index (2.64%)</i>	

# The Tool

SY 2017-18 Weighted Average Price Requirement	
Requirement price to the nearest cent	Optional price requirement <b>ROUNDED DOWN</b> to nearest 5 cent
\$ 2.86	\$ 2.85
<i>Note: Above prices are based on adjusting SY 2016-2017 price requirement by the 2% rate increase plus the Consumer Price Index (2.64%)</i>	

SY 2016-17 Weighted Average Price Calculator			
Enter the paid prices and number of paid lunches sold at each price for October 2016.			
Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2016-17 Weighted Average Price
2,615	\$ 2.80	\$ 7,322.00	
941	\$ 2.55	\$ 2,399.55	
919	\$ 2.55	\$ 2,343.45	
1,028	\$ 2.55	\$ 2,621.40	
1,175	\$ 2.55	\$ 2,996.25	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
<b>6,678</b>		<b>\$ 17,682.65</b>	

*Note: SY 2016-17 Weighted Average Price equal to or above \$2.86 are compliant for SY 2017-18. \$2.86 is the difference between the Free and Paid reimbursement rates for SY 2016-17.*

<b>Total Price Increase for SY 2017-18</b>	\$ 0.20
<b>Required price increase for SY 2017-18 (with 10 cent cap)</b>	\$ 2.75
<b>Remaining debt carried forward to SY 2018-19</b>	\$ 0.10
<b>Remaining credit carried forward to SY 2018-19</b>	\$ -



# The Tool

Non-Federal Source Contribution Calculator for SY 2017-18		
Enter the total paid lunch count (for all prices).		
** Annual Non-Federal Source funds for SY2017-2018 are estimated based on the ACTUAL lunch count entered below		
Enter annual # of Paid Lunches for SY2015-16**	TOTAL Price Increase for SY 2017-18	TOTAL SY 2017-18 Annual Non-Federal Source Contribution
65,046	\$ 0.20	\$ 13,009.20
<i>Note: Total price increase for SY 2017-2018 is based on the difference between the weighted average price entered above and SY 2017-2018 rounded DOWN requirement.</i>		

Enter total amount of Non-Federal Source Funds Contributed for SY 2011-12 through SY 2016-17	Annual Non-Federal Source Contribution Requirement for SY 2017-18
\$ -	\$ 13,009.20

Price Increase Requirement for SY 2017-18 (with 10 cent cap)	SY 2017-18 Annual Non-Federal Source Contribution (with 10 cent cap)
\$ 0.10	\$ 6,504.60

# Paid Lunch Equity – Recap

- USDA does not want paid lunches to be subsidized by free reimbursement
- Charge at or above Target Price and you will not have to do the tool
- If below target price on your tool, only **REQUIRED** to raise \$0.10 for compliance
- You may raise the \$0.10 for compliance, raise to target, or contribute non Federal funds

# Revenue From Nonprogram Foods

# Revenue From Nonprogram Foods

- The Healthy Hunger Free Kids Act requires that School Food Authorities (SFAs) charge prices for Non Program Foods at or above cost to purchase the non program foods.
- Non Program Foods are any foods that are not reimbursed to the program

# Revenue From Nonprogram Foods

- Non Reimbursable Foods
  - Vending Machines
  - A la Carte Items
    - Second Meals/entrees
    - Snacks
- Adult Meals
- Catered Meals
  - Generally to other programs within district that do not prepare their own food
  - Events within the district that Food Services purchases the food

# Revenue From Nonprogram Foods

- Tools to determine compliance for self operation and Food Service Management (FSMC)
  - Self Operation
    - Revenue from Nonprogram Foods Tool
    - 5 Day Tool
    - Other
      - Spreadsheet covering cost, sales, production, and profits
- Food Service Management Companies
  - Contract with FSMC
  - Original Bid Summary FSMC responded to.

# Revenue From Nonprogram Foods Self Operating Tools

USDA FOOD AND NUTRITION SERVICE

<b>Nonprogram Revenue Calculator</b>		
Enter the cost for reimbursable meal, cost of nonprogram food and total revenue		
<a href="#">Cost for Reimbursable Meal Food</a>	\$	203,630
<a href="#">Cost of Nonprogram Food</a>	\$	76,111
<a href="#">Total Food Costs</a>	\$	279,741
<a href="#">Total Nonprogram Food Revenue</a>	\$	126,131
<a href="#">Total Revenue</a>	\$	266,728
Minimum portion of revenue from nonprogram funds		27%
Minimum Revenue Required from the Sale of Nonprogram Foods	\$	72,571
Additional Revenue Needed to Comply	\$	-

# Revenue From Nonprogram Foods

## Self Operating Tools

Short Description	FINAL COST	RETAIL	# SOLD	COST 15-16	SALES 15-16	PROFIT
BAKERY ITEM	\$ 0.20	\$ 0.25	19133	\$ 3,826.60	\$ 4,783.25	\$ 956.65
BAGEL/CREAM CHE	\$ 0.79	\$ 0.75	387	\$ 305.73	\$ 290.25	\$ (15.48)
BIS & GRAVY	\$ 0.42	\$ 1.25	379	\$ 159.18	\$ 473.75	\$ 314.57
BREAKFAST PIZZA	\$ 0.34	\$ 1.25	312	\$ 106.08	\$ 390.00	\$ 283.92
BREAKFAST SAND	\$ 1.35	\$ 1.25	1121	\$ 1,513.35	\$ 1,401.25	\$ (112.10)
BAKED POTATO	\$ 0.97	\$ 1.50	149	\$ 144.53	\$ 223.50	\$ 78.97
BREADSTICK/BOSCO	\$ 0.27		664	\$ 179.28	\$ -	\$ (179.28)
CHEESEBURGER	\$ 0.17	\$ 1.25	551	\$ 93.67	\$ 688.75	\$ 595.08
COTT. CHEESE	\$ 0.34	\$ 0.50	313	\$ 106.42	\$ 156.50	\$ 50.08
CORN DOG/MINI	\$ 0.57	\$ 1.50	968	\$ 551.76	\$ 1,452.00	\$ 900.24
CEREAL BOWL/BAR	\$ 0.26	\$ 0.75	526	\$ 136.76	\$ 394.50	\$ 257.74
CEREAL BAR	\$ 0.39	\$ 0.75	270	\$ 105.30	\$ 202.50	\$ 97.20
CHEESE BOWL	\$ 0.21	\$ 0.50	560	\$ 117.60	\$ 280.00	\$ 162.40
CHEF SALAD	\$ 0.67	\$ 1.75	504	\$ 337.68	\$ 882.00	\$ 544.32
CHIPS	\$ 0.38	\$ 0.50	18494	\$ 7,027.72	\$ 9,247.00	\$ 2,219.28
CHEESE STICK	\$ 0.24	\$ 0.50	1137	\$ 272.88	\$ 568.50	\$ 295.62
CHICKEN ALFREDO	\$ 1.05	\$ 1.50	48	\$ 50.40	\$ 72.00	\$ 21.60
CHICKEN NOODLES	\$ 0.79	\$ 1.50	55	\$ 43.45	\$ 82.50	\$ 39.05
CHICKEN SAND	\$ 0.56	\$ 1.50	1507	\$ 843.92	\$ 2,260.50	\$ 1,416.58
CHICKEN WINGS HOT/BBQ	\$ 0.44	\$ 1.50	439	\$ 195.21	\$ 658.50	\$ 463.29
CHICKEN NUGGETS	\$ 0.38	\$ 1.50	2473	\$ 939.74	\$ 3,709.50	\$ 2,769.76
CINNAMON ROLL	\$ 0.31	\$ 1.00	426	\$ 132.06	\$ 426.00	\$ 293.94
CRACKERS	\$ 0.36	\$ 0.50	512	\$ 184.32	\$ 256.00	\$ 71.68
DONUT GLAZED	\$ 0.47	\$ 1.00	2868	\$ 1,347.96	\$ 2,868.00	\$ 1,520.04
DELI SANDWICH	\$ 0.78	\$ 1.50	4957	\$ 3,882.28	\$ 7,435.50	\$ 3,553.22
EGG OMELET	\$ 0.32	\$ 1.25	106	\$ 33.92	\$ 132.50	\$ 98.58
FR. FRIES	\$ 0.17	\$ 0.75	256	\$ 43.52	\$ 192.00	\$ 148.48

FRUIT CUP/FRESH	\$ 0.46	\$ 0.50	6396	\$ 2,933.85	\$ 3,198.00	\$ 264.15
FRUIT SNACK/FRUIT ROLL UP	\$ 0.25	\$ 0.50	4466	\$ 1,116.50	\$ 2,233.00	\$ 1,116.50
GATORADE	\$ 1.06	\$ 1.50	4134	\$ 4,382.04	\$ 6,201.00	\$ 1,818.96
GRANOLA BAR	\$ 0.26	\$ 0.50	5115	\$ 1,329.90	\$ 2,557.50	\$ 1,227.60
HAMBURGER	\$ 0.58	\$ 1.00	428	\$ 248.24	\$ 428.00	\$ 179.76
HASH BROWN CASS	\$ 0.52	\$ 1.25	244	\$ 126.88	\$ 305.00	\$ 178.12
HASH BROWN PATY	\$ 0.36	\$ 0.50	131	\$ 47.16	\$ 65.50	\$ 18.34
HOT DOG	\$ 0.70	\$ 1.00	432	\$ 302.40	\$ 432.00	\$ 129.60
ICE CREAM	\$ 0.47	\$ 0.50	1116	\$ 524.52	\$ 558.00	\$ 33.48
ZZE DRINK/SWITCH	\$ 0.52	\$ 1.00	4321	\$ 2,246.92	\$ 4,321.00	\$ 2,074.08
JOHNNY RIB	\$ 0.68	\$ 1.50	608	\$ 413.44	\$ 912.00	\$ 498.56
LARGE JUICE	\$ 1.06	\$ 1.25	2807	\$ 2,975.42	\$ 3,508.75	\$ 533.33
LARGE MILK	\$ 0.76	\$ 1.00	5564	\$ 4,228.64	\$ 5,564.00	\$ 1,335.36
MAC & CHEESE	\$ 0.71	\$ 1.50	44	\$ 31.24	\$ 66.00	\$ 34.76
LARGE MUFFIN	\$ 0.71	\$ 1.00	121	\$ 85.91	\$ 121.00	\$ 35.09
MILK	\$ 0.25	\$ 0.30	16892	\$ 4,223.00	\$ 5,067.60	\$ 844.60
SMALL MUFFIN	\$ 0.30	\$ 0.50	420	\$ 126.00	\$ 210.00	\$ 84.00
MASHED POTATOES	\$ 0.12	\$ 0.75	172	\$ 20.64	\$ 129.00	\$ 108.36
NACHOS	\$ 0.48	\$ 1.00	592	\$ 284.16	\$ 592.00	\$ 307.84
ORANGE CHICKEN	\$ 0.79	\$ 1.50	117	\$ 92.43	\$ 175.50	\$ 83.07
OATMEAL CREME PIE	\$ 0.12	\$ 0.50	2257	\$ 270.84	\$ 1,128.50	\$ 857.66
PROPEL	\$ 0.96	\$ 1.50	3972	\$ 3,813.12	\$ 5,958.00	\$ 2,144.88
FRENCH TOAST STICKS	\$ 0.29	\$ 1.25	226	\$ 65.54	\$ 282.50	\$ 216.96
PBJ SAND	\$ 0.53	\$ 1.00	3379	\$ 1,790.87	\$ 3,379.00	\$ 1,588.13
POPCORN CHICKEN	\$ 0.38	\$ 1.50	11	\$ 4.18	\$ 16.50	\$ 12.32
PIZZA SLICE	\$ 0.77	\$ 1.50	6702	\$ 5,160.54	\$ 10,053.00	\$ 4,892.46
PACKAGED COOKIE	\$ 0.26	\$ 0.75	3034	\$ 788.84	\$ 2,275.50	\$ 1,486.66
PRETZEL	\$ 0.27	\$ 1.00	223	\$ 60.21	\$ 223.00	\$ 162.79



# Revenue From Nonprogram Foods Self Operating Tools

POP TART	\$ 0.31	\$ 0.75	1495	\$ 463.45	\$ 1,121.25	\$ 657.80
PUDDING CUP	\$ 1.06	\$ 0.50	244	\$ 258.64	\$ 122.00	\$ (136.64)
PANCKE WRP SAUS	\$ 0.40	\$ 1.25	242	\$ 96.80	\$ 302.50	\$ 205.70
QUESADILLA	\$ 0.46	\$ 1.50	39	\$ 17.94	\$ 58.50	\$ 40.56
SAUSAGE PATTY	\$ 0.26	\$ 0.50	66	\$ 17.16	\$ 33.00	\$ 15.84
SCRMBL EGG BAKE	\$ 0.32	\$ 1.25	108	\$ 34.56	\$ 135.00	\$ 100.44
SMALL JUICE	\$ 0.11	\$ 0.30	337	\$ 37.07	\$ 101.10	\$ 64.03
SOUP	\$ 0.96	\$ 1.50	816	\$ 783.36	\$ 1,224.00	\$ 440.64
SPAGHETTI & MEA	\$ 0.82	\$ 1.50	23	\$ 18.86	\$ 34.50	\$ 15.64
SALISBURY STEAK	\$ 0.68	\$ 1.50	26	\$ 17.68	\$ 39.00	\$ 21.32
BOTTLED TEA	\$ 1.10	\$ 1.50	1437	\$ 1,580.70	\$ 2,155.50	\$ 574.80
HARD SHELL TACO (2)	\$ 0.71	\$ 1.50		\$ -	\$ -	\$ -
SOFT SHELL TACO (2)	\$ 0.63	\$ 1.50	295	\$ 185.85	\$ 442.50	\$ 256.65
VITA SPKL WATER	\$ 0.89	\$ 1.50	3893	\$ 3,464.77	\$ 5,839.50	\$ 2,374.73
VEG. BOWL	\$ 0.44	\$ 0.50	548	\$ 241.12	\$ 274.00	\$ 32.88
WATER	\$ 0.44	\$ 0.75	17264	\$ 7,596.16	\$ 12,948.00	\$ 5,351.84
WAFFLE STICKS	\$ 0.35	\$ 1.25	112	\$ 39.20	\$ 140.00	\$ 100.80
WL NACHOS	\$ 0.74	\$ 1.50	637	\$ 471.38	\$ 955.50	\$ 484.12
WALKING TACO	\$ 0.50	\$ 1.50	26	\$ 13.00	\$ 39.00	\$ 26.00
YOGURT	\$ 0.28	\$ 0.50	1090	\$ 305.20	\$ 545.00	\$ 239.80
YOGURT PARFAIT	\$ 0.70	\$ 1.00	134	\$ 93.80	\$ 134.00	\$ 40.20
				\$ 76,111.45	\$ 126,131.45	\$ 50,020.00



# Revenue From Nonprogram Foods With Food Service Management Company

# Revenue From Nonprogram Foods With Food Service Management Company

PER MEAL RATES AND FEES MUST BE QUOTED AS IF  
NO USDA FOODS WILL BE RECEIVED

	Projected Annual Units	Rate Per Unit	Estimated Total**
1. Reimbursable Breakfasts (with milk)	1. 66,864	1. _____	1. _____
2. Reimbursable Lunches* (with milk)	2. 260,568	2. _____	2. _____
3. Management Fee Per School Meal (breakfasts and lunches)	3. 327,432	3. _____	3. _____
4. A la Carte Equivalents Fee*	4. 63,130	4. _____	4. _____
5. A la Carte Management Fee	5. XXXXXXXX	5. _____	5. _____
6. Reimbursable After-School Snacks	6. XXXXXXXX	6. _____	6. _____
7. Special Milk	7. XXXXXXXX	7. _____	7. _____
8. Summer Breakfast	8. 6,522	8. _____	8. _____
9. Summer Lunch	9. 100	9. _____	9. _____

Total Estimated Amount of Bid\*\* \$ \_\_\_\_\_

\*Bid rates must be the same

# Revenue From Nonprogram Foods With Food Service Management Company

- For the purposes of this Contract, a la carte shall be inclusive of all foods and beverages sold to students that do not constitute a component of a reimbursable meal plus all foods and beverages sold to adults during any and all meal services provided within the scope of this Contract. The FSMC and SFA shall determine a la carte meal equivalents by dividing all a la carte revenue 1) by a factor ten percent (10%) greater than the reimbursable lunch per meal rate, or 2) by the a la carte equivalency factor which is determined by taking the sum of the Federal and State free lunch reimbursement rates plus the value of USDA entitlement and bonus donated foods, Planned Assistance Level (PAL), established in July 2015, whichever factor is higher. **For 2), the a la carte equivalency factor to be utilized for the initial 2016–2017 Contract Term is 3.3025.**

# Revenue From Nonprogram Foods With Food Service Management Company

- A la Carte Equivalency Factor must be higher than the A la Carte Equivalency Fee
- Formula used
  - Total Dollars in A la Carte Sales/ Factor = Equivalent Meals x Fee = Charges to SFA
  - Invoice will show Equivalent Meals, Fee, and total charges

# Revenue From Nonprogram Foods

## Adult Meals

- FNS Instruction 782-5 Rev. 1 Pricing of Adult Meals
- Federal Requirement is Planned Assistant Level addition (2018-19 is \$0.35)
- 2019-20 requires adding in \$0.06 for Illinois (\$0.40)
- ISBE Suggested addition \$0.50

# Revenue From Nonprogram Foods

## Adult Meals

- Nonpricing Programs, CEP
  - Free Reimbursement + PAL = Minimum price to charge adults
  - $\$3.37 + \$0.40 = \$3.77$  (Federal Regulation + IL Free)
  - $\$3.37 + \$0.50 = \$3.87$  (ISBE Suggestion)
- Pricing Programs (District sets lunch prices per PLE Tool)
  - Highest paid student price + PAL & IL Free = Minimum price charged to adults
  - $\$3.00 + \$0.40 = \$3.40$
  - $\$3.00 + \$0.50 = \$3.50$



# Revenue From Nonprogram Foods

## Adult Meals

- FNS Instruction 782-5 Rev. 1
  - “Meals served to adults who are directly involved in the operation and administration of the school nutrition programs may, at the discretion of the SFA, be furnished at no charge.”
    - Cost are still incurred by the district
    - Use Discretion

# Indirect Costs

# Indirect Costs

- Indirect Cost is a function used so that the School Food Services may pay a portion of the cost to the district that are shared
- Indirect cost rates are figured from each district AFR from 2 years prior
- Districts or other entities not assigned a rate may use the State Rate
- Nutrition Division is only division that allows for the unrestricted rate
- Only one rate, restricted or unrestricted, may be used across the board

# Indirect Costs

- Ensure that the SFA received indirect cost rate and written agreement with ISBE
- Ensure the correct indirect cost rate is being applied.
- ISBE.net → Nutrition Programs → NSLP  
→ Monitoring and Review Information  
– → Indirect Cost Rates
- Cost must be identified in General Ledger entries

# Indirect Costs

<u>District No.</u>	<u>County</u>	<u>District Name</u>	<u>Restricted Rate</u>	<u>Unrestricted Rate</u>
<i>Zero (0.00%) rates highlighted in Green were calculated as a negative number</i>				
<b>99999999999</b>		<b>State Indirect Cost Rate</b>	<b>3.15%</b>	<b>12.14%</b>
33048276026	Knox	Abingdon-Avon CUSD 276	0.96%	13.05%
01009262026	Cass	A-C Central CUSD 262	7.07%	17.82%
19022004002	Dupage	Addison SD 4	1.84%	10.85%
34049125013	Lake	Adlai E Stevenson HSD 125	3.25%	11.72%
21028091004	Franklin	Akin CCSD 91	9.10%	11.28%
13014063002	Clinton	Albers SD 63	4.27%	17.61%
44063019024	McHenry	Alden Hebron SD 19	0.95%	12.94%
20093017024	Wabash	Allendale CCSD 17	2.20%	17.58%
35050065004	La Salle	Allen-Otter Creek CCSD 65	4.99%	15.22%
07016126002	Cook	Alsip-Hazlgrn-Oaklwn SD 126	14.25%	25.64%
03025010026	Effingham	Altamont CUSD 10	0.18%	9.51%
41057011026	Madison	Alton CUSD 11	1.57%	11.49%
28037225026	Henry	AlWood CUSD 225	2.28%	11.32%

# Indirect Costs

- Direct Costs
  - Wages and Salaries
  - Cost of Food
  - Media/Promotional Materials
  - Capital Expenditures\*

*\*Please see preapproved list or request approval of expenditures of \$5,000*

- Indirect Costs
  - Gas/Electricity
  - Water/Sewage
  - Trash
  - Worker's Compensation

# Indirect Costs

beverage dispenser  
blast chiller  
blixer  
cold cereal dispenser  
combination oven  
convection oven  
dishwasher  
eating table  
exhaust hood  
food mixer  
food processor  
food slicer  
food transport carriers and carts  
freezer – walk-in and reach-in  
griddle  
hot oatmeal dispenser  
hot or cold food buffet, sneeze guard, drains, tray slide

hot or cold serving counter  
ice maker/machine  
meal delivery vehicle  
milk cooler  
POS system  
prep table  
proofers  
proofers/holding cabinet  
range  
refrigerator - walk-in and reach-in  
serving line equipment  
shelving  
slicer  
Steamer/steam table  
tilt skillet  
toaster

# Indirect Costs

- Additional Payroll Possibilities
  - Janitorial and Administration
  - Performance Reviews or timecards



# Contacts

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# *Questions and Answers*

*We thank you for your time!*

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