
FOOD SERVICE FUND

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FOOD SERVICE FUND

CHILD NUTRITION SERVICES

The Sioux Falls School District participates in all the federal Child Nutrition programs. These are the National School Lunch Program, Breakfast Program, Summer Food Service Program, After School Snack Program and Child Care Lunch and Snack Programs. Child Nutrition Services currently serves lunch to 65 percent of all students in Child Care through Grade 12. Breakfast is currently served to 12 percent of the students in kindergarten through 12th grade. Child Nutrition Services participates in these programs so the District is able to offer nutritious and economically priced meals to all District students. The District currently provides free-or reduced-priced meals to 42.69 percent of its students. Child Nutrition Services are available at all 24 elementary sites, five middle schools, three high schools, New Tech High, the Career and Technical Education Academy, all child care programs, and special education programs at Axtell Park. Both breakfast and lunch are available.

The Sioux Falls School District supports participation in these nutrition programs because being hungry hinders children trying to learn concepts being taught to them. All District schools are Team Nutrition Schools and strive to implement the goals of the HealthierUS School Challenge and the District's Supplemental Food Policy at all sites to assure a healthy food and nutrition environment for all students.

Meals are prepared at the Food Service Center and all secondary schools by approximately 150 employees. This includes four office staff and three specialists. These sites serve an average of 14,414 lunches per day, which reflects a participation rate of approximately 65 percent of the students across the District.

Child Nutrition Services is responsible for all expenses directly related to the Food Service Program. The program budget also covers some indirect costs, such as custodial and education

assistants' salaries and utilities. Revenues are generated from student cash sales, federal reimbursement, commodities and interest earned on savings. The Child Nutrition Services' budget is based on previous years' expenditures, revenues and actual year-to-date budget data for the 2013/ 2014 year.

Child Nutrition Services has successfully met several benchmarks set for the department. It has implemented the supplemental food policy, implemented additional dietary guidelines and education for students, parents and staff about healthy food choices. Child Nutrition Services holds Happy Healthy U events for the students, parents, staff, and community to sample foods to be used in the program next year and learn from guest chefs about nutrition, implementation and successful menu changes.

Over the past seven years, the Food Service Fund cash reserves have been used for capital expenditures. At the end of FY13, the Fund's cash reserves were \$2,935,758.

The District's menus were certified in November 2012 as meeting the new federal guidelines. This entitled the Food Service Fund to receive six (6) cents additional reimbursement for every kindergarten through 12th grade lunch served. This will add approximately \$150,000 to the program annually. A required validation review for certified menus was held in early 2013. Child Nutrition Services received a commendation for its implementation of certified menus and no corrective action was required.

The validation of meals documents portions served per age group and the calorie content for each grade group. To accomplish these goals, Child Nutrition uses the following criteria:

1. Child Nutrition is serving skim, 1 percent and skim chocolate.
2. Child Nutrition is serving all whole grain breads in both breakfast and lunch.
3. Child Nutrition is purchasing low fat meats, using more dried beans, legumes and low-fat cheeses in its menus.

4. Child Nutrition is offering a variety of fresh and frozen fruits and vegetables daily at all schools. Child Nutrition staff is encouraging students to eat fruits and vegetables at least three times per week at elementary schools and daily at secondary schools.

The challenge of obtaining the 30 percent of calories from fat, increasing whole grains and offering more fruits and vegetables are the national directives to all food service programs. As Child Nutrition Services strives to reach these goals, staff finds a direct impact on food cost. As food costs increase so does the pressure to increase school lunch prices.

The District is in the ninth year of implementation of the District Supplemental Food Policy. It has impacted the secondary schools in what students can purchase for extra items. Selections are meeting the Supplemental Food Policy guidelines.

Child Nutrition Services has been vigilant in keeping costs to a minimum and has implemented procedures to continue to keep costs down; however, costs for food, equipment, utilities, gas, salaries and benefits continue to increase. To comply with federal mandates during the 2013/ 14 school year, Child Nutrition Services increased the costs of all school meals by ten cents (\$0.10). And once again in 2014/ 15, to comply with federal mandates, meal costs will increase ten cents (\$0.10).

The Sioux Falls School District will continue to provide nutritious meals at a reasonable price to students and will provide more healthy choices such as whole grains, fresh fruits, lower fat meats, and lower sodium foods.

2014/2015 OBJECTIVES

- Will monitor effect of the Supplemental Food Policy on the Food Service Program and student wellness
- Will continue to work on implementation of lunch regulations – whole grains, beans, legumes, dark orange/ red and green vegetables.
- Will continue to explore culturally diverse meals at all sites

FY15 Food Service Fund Budget

Revenues

Source	Budget FY14	Budget FY15	Increase/ (Decrease)/ from Prior Year
Pupil Sales	\$3,905,852	\$4,116,000	\$210,148
Adult Sales	103,210	101,160	(2,050)
Other State Revenue	72,000	85,000	13,000
Federal Reimbursement	5,460,649	5,811,547	350,898
Commodities	650,000	675,000	25,000
Other Local Sources	2,200	2,500	300
Total	\$10,193,911	\$10,791,207	\$597,296

Expenditures

Use	FTE FY14	FTE FY15	Budget FY14	Budget FY15	Increase/ (Decrease)/ from Prior Year
Administration	1.00	1.00	\$90,138	\$92,842	\$2,704
Clerical	3.00	3.00	73,871	76,087	2,216
Custodial	10.46	10.91	361,433	394,920	33,487
Specialists	3.00	3.00	137,849	141,985	4,136
Child Nutrition Workers	96.11	96.11	1,864,649	2,049,818	185,169
Education Assistants	44.26	43.88	711,618	732,966	21,348
Classified Other Hourly	-	-	10,000	7,500	(2,500)
Other Temporary Pay	-	-	92,302	86,425	(5,877)
Overtime	-	-	7,075	8,500	1,425
Benefits			1,021,512	1,161,763	140,251
Purchased Services			384,059	390,607	6,548
Supplies and Materials			4,617,337	4,980,703	363,366
Dues and Fees			56,000	68,000	12,000
Equipment			280,000	160,000	(120,000)
Technology			80,000	25,000	(55,000)
Facility			-	80,000	80,000
Total Expenditures Before Depreciation	157.83	157.90	\$9,787,843	\$10,457,116	\$669,273
Non-Cash Depreciation Expense			275,846	396,021	120,175
Less Cash for Equipment & Technology			360,000	265,000	(95,000)
Total Food Service Fund	157.83	157.90	\$9,703,689	\$10,588,137	\$884,448

FOOD SERVICE FUND

Program: Lunch

The School Lunch Program, as part of the National School Lunch Program, includes school lunches, meals and snacks for Head Start, snacks for Early Childhood, lunch and snacks for the Scarbrough Day Care Center at Southeast Technical Institute, special education programs throughout the District, East Dakota Educational Cooperative, South Dakota School for the Deaf and limited catering for special District events.

Approximately 65 percent of the K-12 students in the District purchase lunch on any given school day. Participation rates are based on attendance. The elementary and middle school participation level is 67 percent. High school participation averages 60 percent. Secondary sales have increased with the use of the automated ticket system. During 2010/ 2011, Child Nutrition Services implemented a new system for parents/ guardians to deposit money electronically into their student's meal account. Approximately 50 percent of students' families take advantage of electronic deposits. Free and reduced price meal applications can also be completed on line.

The School Lunch Program operates with approximately 150 employees. This includes office and specialist staff. Staff is hired with production expectations of 16 meals per man-hour at the elementary level. The number of man-hours worked in a production location increases or decreases depending on the number of meals expected to be produced by that location.

Other employees include education assistants working lunch duty, custodial personnel in all buildings, and student helpers at Roosevelt, Washington and Lincoln High Schools.

Groceries are bid once a year and are delivered by vendors as needed to nine preparation sites. Milk and bread items are bid once a year on separate bids. Small equipment and paper product bids are let in June. Produce is quoted every week.

SCHOOL LUNCH PROGRAM

School Lunch Program - Revenues

Source	Budget FY14	Budget FY15	Increase/ (Decrease) From Prior Year
Pupil Sales	\$3,880,852	\$4,116,000	\$235,148
Adult Sales	102,210	100,160	(2,050)
Other State Revenue	72,000	85,000	13,000
Federal Reimbursement	4,634,788	4,941,000	306,212
Commodities	650,000	675,000	25,000
Other Local Sources	2,200	2,500	300
Cash from Fund Balance	-	-	-
Total	\$9,342,050	\$9,919,660	\$577,610

School Lunch Program - Expenditures

Use	Budget FY14	Budget FY15	Increase/ (Decrease) From Prior Year
Administrative	\$ 90,138	\$ 92,842	\$ 2,704
Clerical	73,871	76,087	2,216
Custodial	361,433	394,920	33,487
Specialists	137,849	141,985	4,136
Child Nutrition Workers	1,804,079	1,987,431	183,352
Education Assistants	582,321	599,791	17,470
Classified Other Hourly	10,000	7,500	(2,500)
Other Temporary Pay	34,122	26,500	(7,622)
Overtime	7,075	8,500	1,425
Benefits	958,501	1,093,387	134,886
Purchased Services	383,467	389,647	6,180
Supplies and Materials	4,267,405	4,632,500	365,095
Dues and Fees	56,000	68,000	12,000
Equipment	280,000	160,000	(120,000)
Technology	80,000	25,000	(55,000)
Facility	-	80,000	80,000
Total Prior to Depreciation	\$ 9,126,261	\$ 9,784,090	\$ 657,829
Depreciation	275,846	396,021	120,175
Total Lunch Budget	\$ 9,402,107	\$ 10,180,111	\$ 778,004

FOOD SERVICE PROGRAM

Program: Breakfast

The School Board approved the Breakfast Program in 1992 to meet a need of the school children of the District. The program helps assure that children are alert and ready to learn when the school day begins. About 2,640 breakfasts are served each day that school is in session. Principals and teachers have been very supportive and continually encourage students to participate in the Breakfast Program.

The District supports the Breakfast Program because national research shows hungry children have difficulty concentrating. The amount of federal reimbursement has been increased because twelve elementary sites are participating in the severe need program. This additional reimbursement has made the program self-sufficient. By maintaining the program, children are in school, on time, well fed, and ready to learn.

The following table shows the revenue and cost of the meals served by the District in the Breakfast Program.

School Breakfast Program Budget

School Breakfast Program Budget - Revenues

Source	Budget FY14	Budget FY15	Increase/ (Decrease) from Prior Year
Pupil Sales	\$ 25,000	\$ -	\$ (25,000)
Adult Sales	-	-	-
Federal Reimbursement	740,000	775,000	35,000
Cash from Fund Balance	-	-	-
Total	\$ 765,000	\$ 775,000	\$ 10,000

School Breakfast Program Budget - Expenditures

Use	Budget FY14	Budget FY15	Increase/ (Decrease) from Prior Year
Child Nutrition Workers	\$ 60,570	\$ 62,387	\$ 1,817
Education Assistants	129,297	133,175	3,878
Benefits	58,799	64,085	5,286
Supplies & Materials	326,055	316,832	(9,223)
Purchased Services	-	-	-
Total Prior Depreciation	\$ 574,721	\$ 576,479	\$ 1,758
Depreciation	-	-	-
Total Breakfast Program	\$ 574,721	\$ 576,479	\$ 1,758

FOOD SERVICE FUND

Program: Summer Lunch

This program operates on a break-even basis and is funded almost entirely by the federal government. The District is planning to operate its Summer Lunch Program at six sites this summer. A site must serve 50 percent or more free and reduced meals to students during the school year to be eligible to be a part of the Summer Program.

Summer Lunch Program Budget

Summer Lunch Program Budget - Revenues

Source	Budget FY14	Budget FY15	Increase/ (Decrease) From Prior Year
Adult Sales	\$ 1,000	\$ 1,000	\$ -
Federal Reimbursement	85,861	95,547	9,686
Commodities	-	-	-
Total	\$ 86,861	\$ 96,547	\$ 9,686

Summer Lunch Program Budget - Expenditures

Use	Budget FY14	Budget FY15	Increase/ (Decrease) From Prior Year
Other Temporary Pay	\$ 58,180	\$ 59,925	\$ 1,745
Benefits	4,212	4,291	79
Purchased Services	592	960	368
Supplies & Materials	23,877	31,371	7,494
Total	\$ 86,861	\$ 96,547	\$ 9,686

FOOD SERVICE FUND

Capital Equipment Plan

To assist the administration and School Board with planning the Supervisor of Child Nutrition Services has developed a capital equipment schedule. The equipment will be placed on the District's bid cycle to enable the District to receive the best price savings on the equipment.

Item	FY15	FY16	FY17	FY18	FY19
Technology Replacement Reserve	\$ 25,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
Facility Fund Reserve	80,000	80,000	80,000	80,000	80,000
Delivery Truck Replacement	60,000	60,000	60,000	60,000	60,000
Tables/Tops	-	20,000	20,000	20,000	20,000
Hot Lines/Cold Lines/Sneeze Guards	20,000	40,000	-	-	40,000
Pickup Truck	40,000	-	-	-	-
Oven/Steamer	-	-	-	-	-
Milk Coolers	10,000	40,000	-	40,000	-
Dishmachines	-	-	40,000	-	40,000
Hot/Cold Carts	10,000	10,000	10,000	10,000	10,000
Total Equip. Expenditures/Reserves	\$245,000	\$330,000	\$290,000	\$290,000	\$330,000

Technology Replacement Fund	FY15	FY16	FY17	FY18	FY19
Beginning Balance	\$137,000	\$137,000	\$ 82,000	\$ 27,000	\$ 87,000
Additional Budget Reserve	25,000	80,000	80,000	80,000	80,000
Hardware Expenditures	(15,000)	(35,000)	(35,000)	(10,000)	(15,000)
Software Expenditures	(10,000)	(100,000)	(100,000)	(10,000)	(10,000)
Technology Replacement Fund Total	\$137,000	\$ 82,000	\$ 27,000	\$ 87,000	\$142,000

Facility Fund	FY15	FY16	FY17	FY18	FY19
Beginning Balance	\$ 958,178	\$ 635,006	\$ 315,006	\$ 395,006	\$ 475,006
Additional Budget Reserve	80,000	80,000	80,000	80,000	80,000
Expenditures					
- New Middle School	(403,172)	-	-	-	-
- Roosevelt	-	(200,000)	-	-	-
- Washington	-	(200,000)	-	-	-
Facility Fund Total	\$ 635,006	\$ 315,006	\$ 395,006	\$ 475,006	\$ 555,006

Food Service Fund	FY15	FY16	FY17	FY18	FY19
Starting Cash Balance	\$2,935,758	\$2,946,677	\$2,809,861	\$3,077,445	\$3,419,330
+Budgeted Revenues	10,791,207	11,330,767	11,897,306	12,492,171	13,116,780
-Budgeted Expenditures	10,588,137	11,170,485	11,784,861	12,433,029	13,116,845
+Noncash Depreciation	396,021	407,902	420,139	432,743	445,725
-Cash for Capitalized Items/Reserve	588,172	705,000	265,000	150,000	195,000
Ending Cash Balance	\$2,946,677	\$2,809,861	\$3,077,445	\$3,419,330	\$3,669,990
Ending Cash Balance less Reserves	\$2,174,671	\$2,412,855	\$2,655,439	\$2,857,324	\$2,972,984