
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 69 percent of all students in Child Care through Grade 12. Breakfast is currently served to 13 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 44.65 percent of its students. Child Nutrition Services are available at all 24 elementary sites, five middle schools, four high schools, all child care programs, and the special 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 Healthier US School Challenge, the District's Supplemental Food Policy and Student Wellness 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 160 employees. This includes five office staff and three specialists. These sites serve an average of 15,824 lunches per day, which reflects a participation rate of approximately 69 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 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 the previous year's expenditures and revenues and actual year-to-date budget data for the 2014-/ 2015 year.

Over the past seven years, the Food Service Fund cash reserves have been used for capital expenditures. At the end of FY14, the Fund's cash reserves were \$2,032,740.

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 District has been approved at nine sites for participation in the Community Eligibility Program. This allows all children in these sites to have free meals. This determination is based on the Direct Certification or Supplemental Nutrition Assistance Program (SNAP) status of families in those programs.

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 tenth 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. In addition, USDA standards for Smart Snacks and Fund raisers have been implemented as of July 1, 2014.

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 2014-15 school year, Child Nutrition Services increased the costs of all school meals by ten cents (\$0.10). And, once again in 2015-16, 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.

2015-2016 OBJECTIVES

- Will monitor effect of the USDA Smart Snacks and State Fund Raising Policy on student wellness. 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.

FY16 Food Service Fund Budget

Revenues

Source	Budget FY15	Budget FY16	Increase/ (Decrease)/ from Prior Year
Pupil Sales	\$ 4,116,000	\$ 4,129,245	\$ 13,245
Adult Sales	101,160	84,121	(17,039)
Other State Revenue	85,000	45,000	(40,000)
Federal Reimbursement	5,811,547	5,698,876	(112,671)
Commodities	675,000	800,000	125,000
Other Local Sources	2,500	4,773	2,273
Cash from Fund Balance	-	250,278	250,278
Transfer In	-	-	-
Total	\$10,791,207	\$11,012,293	\$ 221,086

Expenditures

Use	FTE FY15	FTE FY16	Budget FY15	Budget FY16	Increase/ (Decrease)/ from Prior Year
Administration	1.00	1.00	\$92,842	\$93,388	\$ 546
Clerical	3.00	4.00	76,087	115,000	38,913
Custodial	10.91	10.76	394,920	398,194	3,274
Specialists	3.00	3.00	141,985	139,776	(2,209)
Child Nutrition Workers	96.11	96.11	2,049,818	2,091,752	41,934
Education Assistants	43.88	43.88	732,966	771,963	38,997
Classified Other Hourly	-	-	7,500	10,000	2,500
Other Temporary Pay	-	-	86,425	82,513	(3,912)
Overtime	-	-	8,500	8,257	(243)
Benefits			1,161,763	1,140,001	(21,762)
Purchased Services			390,607	370,452	(20,155)
Supplies and Materials			4,980,703	5,293,808	313,105
Dues and Fees			68,000	80,500	12,500
Equipment			160,000	170,000	10,000
Technology			25,000	80,000	55,000
Facility			403,172	80,000	(323,172)
Total Expenditures Before Depreciation	157.90	158.75	\$10,780,288	\$10,925,604	\$ 145,316
Non-Cash Depreciation Expense			396,021	417,229	21,208
Less Cash for Equip, Tech, & Facility			588,172	330,000	(258,172)
Total Food Service Fund			\$10,588,137	\$11,012,833	\$ 424,696

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, and limited catering for special District events.

Approximately 69 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 76 percent. High school participation averages 51 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 60 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 160 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, Lincoln and New Tech 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 FY15	Budget FY16	Increase/ (Decrease) From Prior Year
Pupil Sales	\$ 4,116,000	\$ 4,029,245	\$ (86,755)
Adult Sales	100,160	81,621	(18,539)
Other State Revenue	85,000	45,000	(40,000)
Federal Reimbursement	4,941,000	4,814,755	(126,245)
Commodities	675,000	800,000	125,000
Other Local Sources	2,500	4,773	2,273
Cash from Fund Balance	-	250,278	250,278
Total	\$ 9,919,660	\$ 10,025,672	\$ 106,012

School Lunch Program - Expenditures

Use	Budget FY15	Budget FY16	Increase/ (Decrease) From Prior Year
Administrative	\$ 92,842	\$ 93,388	\$ 546
Clerical	76,087	115,000	38,913
Custodial	394,920	398,194	3,274
Specialists	141,985	139,776	(2,209)
Child Nutrition Workers	1,987,431	2,028,118	40,687
Education Assistants	599,791	636,134	36,343
Classified Other Hourly	7,500	10,000	2,500
Other Temporary Pay	26,500	18,567	(7,933)
Overtime	8,500	8,257	(243)
Benefits	1,093,387	1,073,609	(19,778)
Purchased Services	389,647	369,502	(20,145)
Supplies and Materials	4,632,500	4,916,833	284,333
Dues and Fees	68,000	80,500	12,500
Equipment	160,000	170,000	10,000
Technology	25,000	80,000	55,000
Facility	403,172	80,000	(323,172)
Total Prior to Depreciation	\$10,107,262	\$10,217,878	\$ 110,616
Depreciation	396,021	417,229	21,208
Total Lunch Budget	\$10,503,283	\$10,635,107	\$ 131,824

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 2,947 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 FY15	Budget FY16	Increase/ (Decrease) from Prior Year
Pupil Sales	\$ -	\$ 100,000	\$100,000
Federal Reimbursement	775,000	785,171	10,171
Cash from Fund Balance	-	-	-
Total	\$ 775,000	\$ 885,171	\$110,171

School Breakfast Program Budget - Expenditures

Use	Budget FY15	Budget FY16	Increase/ (Decrease) from Prior Year
Child Nutrition Workers	\$62,387	\$63,634	\$1,247
Education Assistants	133,175	135,829	2,654
Benefits	64,085	61,813	(2,272)
Supplies & Materials	316,832	345,000	28,168
Purchased Services	-	-	-
Total Prior Depreciation	\$576,479	\$606,276	\$29,797
Depreciation	-	-	-
Total Breakfast Program	\$576,479	\$606,276	\$29,797

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 FY15	Budget FY16	Increase/ (Decrease) From Prior Year
Adult Sales	\$ 1,000	\$ 2,500	\$ 1,500
Federal Reimbursement	95,547	98,950	3,403
Commodities	-	-	-
Total	\$ 96,547	\$ 101,450	\$ 4,903

Summer Lunch Program Budget - Expenditures

Use	Budget FY15	Budget FY16	Increase/ (Decrease) From Prior Year
Other Temporary Pay	\$ 59,925	\$ 63,946	\$ 4,021
Benefits	4,291	4,579	288
Purchased Services	960	950	(10)
Supplies & Materials	31,371	31,975	604
Total	\$ 96,547	\$ 101,450	\$ 4,903

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	FY16	FY17	FY18	FY19	FY20
Technology Replacement Reserve	\$ 80,000	\$ 80,000	\$ 90,000	\$ 80,000	\$ 90,000
Facility Fund Reserve	50,000	55,000	90,000	70,000	100,000
Delivery Truck Replacement	60,000	60,000	60,000	60,000	60,000
Tables/Tops	20,000	20,000	20,000	20,000	20,000
Hot Lines/Cold Lines/Sneeze Guards	40,000	40,000	-	40,000	20,000
Oven/Steamer	-	-	-	-	40,000
Milk Coolers	40,000	-	40,000	-	-
Dish Machines	-	40,000	-	40,000	-
Hot/Cold Carts	10,000	10,000	10,000	10,000	-
Total Equip. Expenditures/Reserves	\$ 300,000	\$ 305,000	\$ 310,000	\$ 320,000	\$ 330,000

Technology Replacement Fund	FY16	FY17	FY18	FY19	FY20
Beginning Balance	\$ 137,000	\$ 82,000	\$ 27,000	\$ 97,000	\$ 152,000
Additional Budget Reserve	80,000	80,000	90,000	80,000	100,000
Hardware Expenditures	(35,000)	(35,000)	(10,000)	(15,000)	-
Software Expenditures	(100,000)	(100,000)	(10,000)	(10,000)	-
Technology Replacement Fund Total	\$ 82,000	\$ 27,000	\$ 97,000	\$ 152,000	\$ 252,000

Facility Fund	FY16	FY17	FY18	FY19	FY20
Beginning Balance	\$ 635,006	\$ 465,006	\$ 520,006	\$ 600,006	\$ 680,006
Additional Budget Reserve	50,000	55,000	80,000	80,000	100,000
Expenditures					-
- Memorial	(200,000)	-	-	-	-
- Roosevelt	(10,000)	-	-	-	-
- Washington	(10,000)	-	-	-	-
Facility Fund Total	\$ 465,006	\$ 520,006	\$ 600,006	\$ 680,006	\$ 780,006

Food Service Fund	FY16	FY17	FY18	FY19	FY20
Starting Cash Balance	\$ 2,946,677	\$ 3,230,317	\$3,476,816	\$ 3,841,404	\$ 4,118,902
+ Budgeted Revenues	10,762,015	11,300,116	11,865,122	12,458,378	12,707,545
- Budgeted Expenditures	10,595,604	11,178,362	11,793,172	12,441,797	13,126,095
+ Noncash Depreciation	417,229	429,746	442,638	455,917	469,595
- Cash for Capitalized Items/Reserve	300,000	305,000	150,000	195,000	140,000
Ending Cash Balance	\$ 3,230,317	\$ 3,476,816	\$ 3,841,404	\$ 4,118,902	\$ 4,029,947
Ending Cash Balance less Reserves	\$ 2,383,311	\$ 2,929,810	\$ 3,144,398	\$3,286,896	\$2,997,941