
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 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 46.75 percent of its students. Child Nutrition Services are available at all elementary schools, middle schools, 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 147 employees. This includes five office staff and three specialists. These sites serve an average of 15,041 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 Food Service budget also covers some supplementary 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 the previous year's expenditures and revenues and actual year-to-date budget data for the 2017/2018 year.

Over the past eight years, the Food Service Fund cash reserves have been used for capital expenditures. At the end of FY17, the Fund's cash reserves were \$2,622,832.

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 eight 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 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 thirteenth 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 fundraisers 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 2017/2018 school year, Child Nutrition Services increased the costs of all school meals by five cents (\$0.05). Once again, to comply with federal mandates, all school meals will increase ten cents (\$0.10) in the 2018/2019 school year.

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.

2016/2017 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.

FY18 Food Service Fund Budget

Revenues

Source	Budget FY18	Budget FY19	Increase/ (Decrease)/ from Prior Year
Pupil Sales	\$ 4,302,728	\$ 4,573,717	\$ 270,989
Adult Sales	71,111	83,629	12,518
Other State Revenue	64,085	52,476	(11,609)
Federal Reimbursement	5,968,075	6,267,766	299,691
Commodities	881,470	905,468	23,998
Other Local Sources	87,971	75,840	(12,131)
Cash from Fund Balance	175,007	-	(175,007)
Transfer In	-	-	-
Total	\$11,550,447	\$11,958,896	\$ 408,449

Expenditures

Use	FTE FY18	FTE FY19	Budget FY18	Budget FY19	Increase/ (Decrease)/ from Prior Year
Administration	1.00	1.00	\$ 103,059	\$ 105,120	\$ 2,061
Clerical	3.50	4.00	99,071	129,120	30,049
Custodial	11.09	11.09	434,400	435,320	920
Specialists	3.00	3.00	148,305	151,803	3,498
Child Nutrition Workers	97.96	101.74	2,196,557	2,299,282	102,725
Education Assistants	45.20	45.35	840,487	874,023	33,536
Classified Other Hourly	-	-	1,500	2,500	1,000
Other Temporary Pay	-	-	47,193	48,847	1,654
Overtime	-	-	5,500	6,000	500
Benefits			1,202,948	1,314,082	111,134
Purchased Services			423,069	449,405	26,336
Supplies and Materials			5,513,989	5,740,055	226,066
Dues and Fees			160,912	168,710	7,798
Equipment			310,000	-	(310,000)
Technology			80,000	-	(80,000)
Facility			80,000	-	(80,000)
Total Expenditures Before Depreciation	161.75	166.18	\$11,646,990	\$11,724,267	\$ 77,277
Non-Cash Depreciation Expense			373,457	320,525	(52,932)
Less Cash for Equip, Tech, & Facility			470,000	-	(470,000)
Total Food Service Fund	161.75	166.18	\$11,550,447	\$12,044,792	\$ 494,345

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 Tech, special education programs throughout the District, Teachwell Solutions, 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 71 percent. High school participation averages 47 percent. During 2010/2011, Child Nutrition Services implemented a system for parents/guardians to deposit money electronically into their student's meal account. Approximately 36 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 147 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 Washington and New Tech High Schools.

USDA Procurement Regulations for all items purchased with federal reimbursement have been tightened. Items bid include food, bread, milk, produce, Fresh Fruit and Vegetable Program, special diets, ala carte, all equipment, all services and all paper products.

SCHOOL LUNCH PROGRAM

School Lunch Program - Revenues

Source	Budget FY18	Budget FY19	Increase/ (Decrease) From Prior Year
Pupil Sales	\$ 4,170,084	\$ 4,565,000	\$ 394,916
Adult Sales	70,197	83,169	12,972
Other State Revenue	64,085	52,476	(11,609)
Federal Reimbursement	5,037,129	5,221,591	184,462
Commodities	881,470	905,468	23,998
Other Local Sources	87,971	75,840	(12,131)
Cash from Fund Balance	208,037	-	(208,037)
Total	\$ 10,518,973	\$ 10,903,544	\$ 384,571

School Lunch Program - Expenditures

Use	Budget FY18	Budget FY19	Increase/ (Decrease) From Prior Year
Administrative	\$ 103,059	\$ 105,120	\$ 2,061
Clerical	99,071	129,120	30,049
Custodial	434,400	435,320	920
Specialists	148,305	151,803	3,498
Child Nutrition Workers	2,124,398	2,225,680	101,282
Education Assistants	684,918	698,616	13,698
Classified Other Hourly	1,500	2,500	1,000
Other Temporary Pay	11,910	12,516	606
Overtime	5,500	6,000	500
Benefits	1,130,061	1,231,323	101,262
Purchased Services	421,316	442,528	21,212
Supplies and Materials	4,918,230	5,108,445	190,215
Dues and Fees	160,912	168,710	7,798
Equipment	310,000	-	(310,000)
Technology	80,000	-	(80,000)
Facility	80,000	-	(80,000)
Total Prior to Depreciation	\$ 10,713,580	\$ 10,717,681	\$4,101
Depreciation	373,457	320,525	(52,932)
Total Lunch Budget	\$ 11,087,037	\$ 11,038,206	\$(48,831)

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. The District serves 3,127 breakfasts 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 29 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.

A pilot Breakfast in the Classroom Program was implemented at Bridges at Horace Mann for the 2018/2019 school year. This program was implemented at Hawthorne and Lowell Elementary during the 2017/2018 school year which increased participation by 80 percent. Terry Redlin Elementary was the first elementary school to pilot this Program during the 2016/2017 school year and their participation has doubled.

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 FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Pupil Sales	\$ 132,644	\$ 8,717	\$ (123,927)
Federal Reimbursement	849,210	954,172	104,962
Total Revenues	\$ 981,854	\$ 962,889	\$ (18,965)

School Breakfast Program Budget - Expenditures

Use	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Child Nutrition Workers	\$ 72,159	\$ 73,602	\$ 1,443
Education Assistants	155,569	175,407	19,838
Benefits	70,378	80,183	9,805
Supplies & Materials	564,229	593,061	28,832
Total Expenditures	\$ 862,335	\$ 922,253	\$ 59,918

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 will operate its Summer Lunch Program at eight sites during the summer break. 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 FY18	Budget FY19	Increase/ (Decrease) From Prior Year
Adult Sales	\$ 914	\$ 460	\$ (454)
Federal Reimbursement	81,736	92,003	10,267
Commodities	-	-	-
Total	\$ 82,650	\$ 92,463	\$9,813

Summer Lunch Program Budget - Expenditures

Use	Budget FY18	Budget FY19	Increase/ (Decrease) From Prior Year
Other Temporary Pay	\$ 35,283	\$ 36,331	\$ 1,048
Benefits	2,509	2,576	67
Purchased Services	1,753	6,877	5,124
Supplies & Materials	31,530	38,549	7,019
Total	\$ 71,075	\$ 84,333	\$ 13,258

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	FY19	FY20	FY21	FY22	FY22
Technology Replacement Reserve	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
Facility Fund Reserve	80,000	80,000	80,000	80,000	80,000
Delivery Truck Replacement	75,000	60,000	60,000	60,000	60,000
Tables/Tops	40,000	20,000	20,000	20,000	20,000
Hot Lines/Cold Lines/Sneeze Guards	-	40,000	20,000	20,000	20,000
Oven/Steamer	30,000	-	-	-	-
Garbage Disposal	1,000	-	-	-	-
Dishmachines		40,000	-		40,000
Hot/Cold Carts	16,000	10,000	-	-	-
Equipment Improvements	10,000	-	-		
Total Equip. Expenditures/Reserves	\$332,000	\$330,000	\$260,000	\$260,000	\$300,000

Technology Replacement Fund	FY19	FY20	FY21	FY22	FY22
Beginning Balance	\$ 87,000	\$142,000	\$222,000	\$302,000	\$382,000
Additional Budget Reserve	80,000	80,000	80,000	80,000	80,000
Hardware Expenditures	(15,000)	-	-	-	-
Software Expenditures	(10,000)	-	-	-	-
Technology Replacement Fund Total	\$142,000	\$222,000	\$302,000	\$382,000	\$462,000

Facility Fund	FY19	FY20	FY21	FY22	FY22
Beginning Balance	\$655,006	\$735,006	\$815,006	\$895,006	\$ 975,006
Additional Budget Reserve	80,000	80,000	80,000	80,000	80,000
Facility Fund Total	\$735,006	\$815,006	\$895,006	\$975,006	\$1,055,006

Food Service Fund	FY19	FY20	FY21	FY22	FY22
Starting Cash Balance	\$ 3,653,921	\$ 4,462,953	\$ 4,914,100	\$ 5,020,288	\$ 4,679,606
+ Budgeted Revenues	12,286,111	12,531,833	12,782,470	13,038,119	13,298,882
- Budgeted Expenditures	11,688,166	12,331,015	13,009,221	13,724,728	14,479,588
+ Noncash Depreciation	408,087	420,329	432,939	445,927	459,305
- Cash for Capitalized Items/Reserve	197,000	170,000	100,000	100,000	140,000
Ending Cash Balance	\$ 4,462,953	\$ 4,914,100	\$ 5,020,288	\$ 4,679,606	\$ 3,818,205
Ending Cash Balance less Reserves	\$ 3,585,947	\$ 3,877,094	\$ 3,823,282	\$ 3,322,600	\$ 2,301,199