
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 64 percent of all students in Child Care through Grade 12. Breakfast is currently served to 14 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 45.58 percent of its students. Child Nutrition Services are available at all elementary schools, middle schools, high schools, all childcare 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 154 employees. This includes five office staff and four specialists. These sites serve an average of 15,454 lunches per day, which reflects a participation rate of approximately 64 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 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 2018/2019 year.

Over the past nine years, the Food Service Fund cash reserves have been used for capital expenditures. At the end of FY18, the Fund's cash reserves were \$3,653,921.

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 of Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Foster, Homeless, Migrant 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 fourteenth 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 2018/2019 school year, Child Nutrition Services increased the costs of all school meals by ten cents (\$0.10). Once again, to comply with federal mandates, all school meals will increase ten cents (\$0.10) in the 2019/2020 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.

2019/2020 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.

FY20 Food Service Fund Budget

Revenues

Source	Budget FY19	Budget FY20	Increase/ (Decrease)/ from Prior Year
Pupil Sales	\$4,571,961	\$5,047,625	\$ 475,664
Adult Sales	83,534	83,189	(345)
Other State Revenue	52,476	40,376	(12,100)
Federal Reimbursement	6,345,167	6,164,992	(180,175)
Commodities	905,468	1,020,985	115,517
Other Local Sources	75,840	84,530	8,690
Cash from Fund Balance	85,896	192,269	106,373
Transfer In	-	-	-
Total	\$12,120,342	\$12,633,966	\$ 513,624

Expenditures

Use	FTE FY19	FTE FY20	Budget FY19	Budget FY20	Increase/ (Decrease)/ from Prior Year
Administration	1.00	1.00	\$ 105,120	\$ 112,730	\$ 7,610
Clerical	4.00	4.00	129,120	143,094	13,974
Custodial	11.09	11.09	435,320	443,395	8,075
Specialists	3.00	4.00	151,803	204,837	53,034
Child Nutrition Workers	101.74	97.68	2,296,202	2,443,036	146,834
Education Assistants	45.35	36.34	878,516	941,444	62,928
Classified Other Hourly	-	-	2,500	27,164	24,664
Other Temporary Pay	-	-	47,107	48,050	943
Overtime	-	-	6,000	13,500	7,500
Benefits			1,315,721	1,271,215	(44,506)
Purchased Services			445,820	514,084	68,264
Supplies and Materials			5,832,836	5,967,990	135,154
Dues and Fees			168,710	176,055	7,345
Equipment			170,000	170,000	-
Technology			80,000	80,000	-
Facility			80,000	80,000	-
Total Expenditures Before Depreciation	166.18	154.11	\$12,144,775	\$12,636,594	\$ 491,819
Non-Cash Depreciation Expense			320,525	327,372	6,847
Less Cash for Equip, Tech, & Facility			330,000	330,000	-
Total Food Service Fund			\$12,795,300	\$12,633,966	\$ 498,666

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 63 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 70 percent. High school participation averages 45 percent. During 2010/2011, Child Nutrition Services implemented a system for parents/guardians to deposit money electronically into their student's meal account. Approximately 40 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 154 employees. This includes office and specialist staff. Staff is hired with production expectations of 19 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 FY19	Budget FY20	Increase/ (Decrease) From Prior Year
Pupil Sales	\$ 4,565,000	\$ 5,040,664	\$ 475,664
Adult Sales	83,169	82,824	(345)
Other State Revenue	52,476	40,376	(12,100)
Federal Reimbursement	5,221,591	5,041,416	(180,175)
Commodities	905,468	1,020,985	115,517
Other Local Sources	75,840	84,530	8,690
Cash from Fund Balance	-	-	-
Total	\$ 10,903,544	\$ 11,310,795	\$ 407,251

School Lunch Program - Expenditures

Use	Budget FY19	Budget FY20	Increase/ (Decrease) From Prior Year
Administrative	\$ 105,120	\$ 112,730	\$ 7,610
Clerical	129,120	143,094	13,974
Custodial	435,320	443,395	8,075
Specialists	151,803	204,837	53,034
Child Nutrition Workers	2,225,680	2,372,514	146,834
Education Assistants	698,616	761,544	62,928
Classified Other Hourly	2,500	22,000	19,500
Other Temporary Pay	12,516	13,459	943
Overtime	6,000	13,500	7,500
Benefits	1,231,323	1,186,817	(44,506)
Purchased Services	442,528	510,792	68,264
Supplies and Materials	5,108,445	5,243,599	135,154
Dues and Fees	168,710	176,055	7,345
Equipment	-	-	-
Technology	-	-	-
Facility	-	-	-
Total Prior to Depreciation	\$ 10,717,681	\$ 11,204,336	\$ 486,655
Depreciation	320,525	327,372	6,847
Total Lunch Budget	\$ 11,038,206	\$ 11,531,708	\$ 493,502

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 3,306 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.

Breakfast in the Classroom Program was implemented at Cleveland Elementary 2018/2019, Hawthorne and Lowell Elementary 2017/2018 and Terry Redlin Elementary 2016/2017 school year. The program has been successful and participation has increased at all sites.

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 FY19	Budget FY20	Increase/ (Decrease) from Prior Year
Pupil Sales	\$ 8,717	\$ 6,961	\$ (1,756)
Adult Sales	-	-	-
Federal Reimbursement	954,172	1,034,039	79,867
Cash from Fund Balance	-	-	-
Total	\$ 962,889	\$ 1,041,000	\$ 78,111

School Breakfast Program Budget - Expenditures

Use	Budget FY19	Budget FY20	Increase/ (Decrease) from Prior Year
Child Nutrition Workers	\$ 73,602	\$ 70,522	\$ (3,080)
Education Assistants	175,407	179,900	4,493
Benefits	80,183	81,268	1,085
Supplies & Materials	593,061	686,380	93,319
Purchased Services	-	-	-
Total Prior Depreciation	\$ 922,253	\$ 1,018,070	\$ 95,817
Depreciation	-	-	-
Total Breakfast Program	\$ 922,253	\$ 1,018,070	\$ 95,817

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 six 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 FY19	Budget FY20	Increase/ (Decrease) From Prior Year
Adult Sales	\$ 460	\$ 365	\$ (95)
Federal Reimbursement	92,003	89,537	(2,466)
Commodities	-	-	-
Total	\$ 92,463	\$ 89,902	\$ (2,561)

Summer Lunch Program Budget - Expenditures

Use	Budget FY19	Budget FY20	Increase/ (Decrease) From Prior Year
Classified Other Hourly	\$ -	\$ 5,164	\$ 5,164
Other Temporary Pay	36,331	\$34,591	(1,740)
Benefits	2,576	3,130	554
Purchased Services	6,877	3,292	(3,585)
Supplies & Materials	38,549	38,011	(538)
Total	\$ 84,333	\$ 84,188	\$ (145)

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	FY20	FY21	FY22	FY23	FY24
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	60,000	60,000	60,000	60,000	60,000
Truck for Specialist	30,000				
New Lifts on Trucks	35,000				
Tables/Tops	74,000	20,000	20,000	20,000	20,000
Hot Lines/Cold Lines/Sneeze Guards		20,000	20,000	20,000	20,000
Oven/Steamer	86,000	-	-	-	-
Lift with Totes	30,000				
Garbage Disposal	4,000	-	-	-	-
Dishmachines				40,000	-
Hot/Cold Carts	30,000	30,000	30,000	30,000	30,000
Equipment Improvements	17,000	-			
Total Equip. Expenditures/Reserves	\$526,000	\$290,000	\$290,000	\$330,000	\$290,000

Technology Replacement Fund	FY20	FY21	FY22	FY23	FY24
Beginning Balance	\$142,000	\$222,000	\$302,000	\$382,000	\$462,000
Additional Budget Reserve	80,000	80,000	80,000	80,000	80,000
Hardware Expenditures	-	-	-	-	-
Software Expenditures	-	-	-	-	-
Technology Replacement Fund Total	\$222,000	\$302,000	\$382,000	\$462,000	\$542,000

Facility Fund	FY20	FY21	FY22	FY23	FY24
Beginning Balance	\$735,006	\$815,006	\$895,006	\$975,006	\$1,055,006
Additional Budget Reserve	80,000	80,000	80,000	80,000	80,000
Facility Fund Total	\$815,006	\$895,006	\$975,006	\$1,055,006	\$1,135,006

Food Service Fund	FY20	FY21	FY22	FY23	FY24
Starting Cash Balance	\$4,412,594	\$4,615,872	\$4,638,635	\$4,212,926	\$3,264,845
+ Budgeted Revenues	12,531,833	12,782,470	13,038,119	13,298,882	13,564,859
- Budgeted Expenditures	12,331,015	13,009,221	13,724,728	14,479,588	15,275,966
+ Noncash Depreciation	368,460	379,514	390,899	402,626	414,705
- Cash for Capitalized Items/Reserve	366,000	130,000	130,000	170,000	130,000
Ending Cash Balance	\$4,615,872	\$4,638,635	\$4,212,926	\$3,264,845	\$1,838,444
Ending Cash Balance less Reserves	\$3,578,866	\$3,441,629	\$2,855,920	\$1,747,839	\$161,438