<table>
<thead>
<tr>
<th>Category</th>
<th>Contact</th>
<th>Role/Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Information</td>
<td>Robbie Scott</td>
<td>Education Specialist, CNP Directory, Organizational Chart, Food &amp; Nutrition Resource List, Technical Assistance Request Form, Job Tasks Timeline Calendar, Free &amp; Reduced Application Information, Accessing Materials</td>
</tr>
<tr>
<td>SDE Accounting Functions</td>
<td>LaKecia Love</td>
<td>Education Specialist, Setting Meal Prices, PLE, Reimbursement Rates, Severe Need, Safety Net, Cost Centers</td>
</tr>
<tr>
<td>Meal Accountability</td>
<td>Devin Williamson</td>
<td>Nutritionist, Counting &amp; Claiming, POS Systems, School Review Forms - Breakfast, Lunch, Snack</td>
</tr>
<tr>
<td>Meal Pattern</td>
<td>Chad Langston</td>
<td>Senior Nutritionist, Reimbursable Meals/Afterschool Snacks/Fundraisers/Smart Snacks</td>
</tr>
<tr>
<td>Food Production</td>
<td>Sharon Allison</td>
<td>Education Specialist, Food Buying Guide, CN Labels, Standardized Recipes, Menu Planner</td>
</tr>
<tr>
<td>Production Records/Record Keeping</td>
<td></td>
<td></td>
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<tr>
<td>HACCP</td>
<td></td>
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</tr>
<tr>
<td>Wellness</td>
<td>Julie Autrey</td>
<td>Education Specialist, Summer Programs, Financial Management, Procurement, Equipment Review</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Julie Autrey</td>
<td>Education Specialist, Summer Programs, Financial Management, Procurement, Equipment Review</td>
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<tr>
<td>Summer Programs</td>
<td>Kim Ruggles</td>
<td>Education Specialist, ALSDE, CACFP Section</td>
</tr>
<tr>
<td>Financial Management</td>
<td>Debbie Harris</td>
<td>Auditor, ALSDE, Child Nutrition Program</td>
</tr>
<tr>
<td>Procurement</td>
<td>Joel Evans</td>
<td>Auditor, ALSDE, Child Nutrition Program</td>
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<tr>
<td>Food Distribution/Statewide Procurement</td>
<td>Brantley Tucker</td>
<td>Surplus Commodity Administrator, ALSDE, Child Nutrition Program</td>
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<tr>
<td>Equipment Review</td>
<td>June Barrett</td>
<td>Program Coordinator, ALSDE, Child Nutrition Program</td>
</tr>
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</table>
Click on the link below to access the recorded training:
https://alsde.webex.com/alsde/isr.php?RCID=268a06d7459847f79f5eb9dfe939aaf1
Financial Management in the National School Lunch Program
Financial Management in the National School Lunch Program

- Is the system operating in the “red” or in the “black”?
- Which schools are operating efficiently?
- Which costs are too high?
- Which schools have too much labor?
- What improvements can be made?
Basic Information
Required for Success

• Learn the basis for the system’s financial management system
• Understand the basic Child Nutrition Program (CNP) coding structure
• Interpret the financial printouts
• Perform financial analysis of CNP costs
• Review policies

Sources of Financial Information
• Local Education Accounting (LEA) Accounting Manual
• Child Nutrition Programs Financial Management Manual
CASH-BASIS ACCOUNTING recognizes transactions when cash is received or disbursed. The greatest weakness of cash basis accounting is that it does not recognize accounts receivable, accounts payable and other accrued items. It does not match resources used to resources provided.

MODIFIED ACCRUAL-BASIS ACCOUNTING recognizes transactions when they become both measurable and available for use or collection within the reporting fiscal period.

ACCRUAL-BASIS ACCOUNTING recognizes transactions when they occur, regardless of the timing of the related cash transaction.
The Alabama State Department of Education’s Financial Management System is uniform for all schools in Alabama. A 27-digit accounting code is used to identify each transaction and to provide uniformity of accounting and reporting information.

The accounting codes also allow comparisons between school systems.
Fund Types
* USDA programs are designated as Fund Type 12 (Special Revenue Fund).

Account Types
* Assets [1] - what is owned and due to be received
* Liabilities [2] - what is owed
* Fund Equity[3] – operating balance
* Revenues/Sources [4] - what is received
* Expenditures/Uses [5] - what is paid

*United States Department of Agriculture
Alabama State Department Board of Education Accounting System

_ _ / _ / _ _ _ _ / _ _ _ / _ _ _ _ / _ _ _ _ / _ / _ _ _ _ / _ _ _ _

On most reports, you will see a code similar to the example shown above.

EX: 12-1-0110-000-0035-5101-0-0000-0000

On most reports, you will see a code similar to the example shown above.
Alabama State Department Board of Education
Accounting System

Assets
- Cash in Bank 0111
- Change Cash 0115
- Cash Short or (Over) 0118
- Investments (Current) 0121
- Accounts Receivable 0131
- Interfund Receivable 0133
- Intergovernmental Receivable 0134
- Returned Check Receivable 0137
- Inventories-Materials and Supplies 0141
- Inventories- Food 0143
Alabama State Department Board of Education Accounting System

- Salaries/Fringes Payable 0211-0249
- Accounts Payable 0251
- Interfund Payable 0261
- Deferred Revenues 0271
Alabama State Department Board of Education Accounting System

Fund Equity

- Reserved for Encumbrances  0341
- Reserved for Inventories  0342
- Unreserved Fund Balance  0350
- Encumbrance Offset  0358
- Adjustment to Beginning Balance  0360
Revenue
  • Federal Sources USDA
  • School Lunch 5110
  • School Lunch Program-Section 4 5120
  • After School Snack Program 5125
  • School Breakfast Program 5130
  • Severe Need Breakfast Program 5135
  • School Breakfast Program-Start Up Grants 5140
  • USDA Donated Foods (Commodities) 5160
  • CNP Rebates USDA Donated Foods 5161
  • Summer Food Service Program 5170
  • Wellness-Wellness 5191
  • Fresh Fruits and Vegetable Program (FFVP) 5192
  • Healthier US School Challenge 5193
  • Equipment Grant 5194
  • Child and Adult Care 5199
Alabama State Department Board of Education Accounting System

Revenue

- **Food Service Income**
  - Daily Sales - Lunch 6710
  - Daily Sales - Breakfast 6720
  - Daily Sales - A la carte 6730
  - Daily Sales - Other 6740
  - Special Functions 6750
  - Summer Feeding - Vending 6760
  - Other Food Service Income 6790
  - Interest 6810
  - Other Local Source 6990
  - CNP Rebates 8993
  - Food Distribution Reimbursement 8994
  - Operating Transfer In* 9210
  - Sale of Fixed Assets 9310

*Use Special Use Code 0034 for required transfers from Foundation Program for State Mandated Raises and Fringes (Pass-thru)*
Financial Management in the National School Lunch Program

Accounting Code for Expenditures

- Salaries: 053,113,115,141-149,172
- Substitutes: 180
- Fringe Benefits: 210-290
- Purchased Services: 300’s
  - Substitutes: 335
  - Equipment R & M: 341
  - Garbage and Waste: 348
  - Telephone: 361
  - Electricity: 371
  - Water & Sewage: 372
  - Natural Gas: 373
  - Travel-Local: 381
  - Travel-In-State: 382
  - Travel-Out-of-State: 383
  - Food Service Purchased Service: 393
### Materials & Supplies
- Food 461
- Food Service Supplies 463
- Food Processing Supplies 464
- Other Food Supplies 469
- Office Supplies 471
- Other General Supplies 479

### Capital Outlay – Equipment ($5,000 and >)
- Furniture & Fixtures 541
- Non-Instructional Equipment 545
- Computer Hardware 589
- Other Equipment 699

### Non-Capitalized Equipment (Less than $5,000)
- Furniture & Fixtures 492
- Non-Instructional Equipment 493
- Computer Hardware 495
- Other Equipment 499

### Other Fund Uses
- Indirect Costs 910
COST CENTER

The code for each Cost Center is determined by the School System. You should check with the person responsible in your system to obtain the information for your school system.

For example, each school and the Food Service central office is given a different number. The central office may be 0010, one high school may be 0031, another 0032, and the elementary school 0040.

PROGRAM CODE: USE PROGRAM CODE 8420 FOR ALL CNP TRANSACTIONS!

All CNP transactions should be recorded to each school cost center. At a minimum, entries in a CNP central office cost center should be distributed in an equitable manner to each school cafeteria cost center on a quarterly basis.

Refer to the guidance reflected in the accounting manual, the Financial Planning, Budgeting and Reporting System for Alabama Public Schools. The accounting manual and all changes can be found on the SDE website www.alsde.edu.
Appropriation Year

The appropriation year is used to route activities to specific funding years.

Current Year 0
LEA Carryover 1
July-September (Federal) 2
Prior Year State Encumbrances 9
Financial Management in the National School Lunch Program

- All CNP transactions MUST be posted to a Cost Center.

- All Central Office expenditures must be allocated and posted to each school - do not maintain a CNP Central Office Cost Center permanently.

- A la carte must be posted separately from Daily Sales Lunch and Breakfast.
  - A la carte consists of adult meals and all items that are priced and sold separate from the reimbursable meals.
State Mandated Accounting System

CNP Directors should request accounting printouts on a monthly basis so that they can more effectively manage the Program. CNP Directors need reports by Funding Source and by Cost Center to analyze the Program overall operation and on a school-by-school basis.

Computerized printouts from the school system’s central accounting system are the official and required records describing the financial status of the CNP. Some printouts are available only on a fiscal-year basis (Oct.-Sept.). However, there are some printouts available on a school-year basis (July-June). The printouts should be reviewed for the CNP Fund as a whole, as well as by cost centers (each school/site), if available.

Good financial management requires that the CNP director learn to read and interpret the information on the financial summary reports. Some reports from the school system will be more helpful than others.
The most useful printouts for the CNP include:

- **General Ledger Snapshot Analysis Report** - a useful tool to see how the total CNP program is operating for the year-to-date. It reflects totals for cash, revenues, expenditures, and results of operation.

- **Journal Summary Balance Sheet** - reflects assets, liabilities, and fund equity (cash, payables, encumbrances, fund balance) at a specific point in time.

- **Journal Summary Operations Report** - reflects all revenues (by type), all expenditures (by object code), and results of operation (activity) for current month and year-to-date.

Other types of printouts are available depending on your needs. Some examples include: Journal Summary Revenue Report and Journal Summary Expenditure Report. These reports also contain the status of the budgeted amount.

The titles used above are from McAleer software. If your school system has other software programs, the printouts may not be titled the same as the examples described, but the information presented is the same.
# Financial Management in the National School Lunch Program

## Financial Statements

### Accounting Printouts – Trial Balance

<table>
<thead>
<tr>
<th>DESC</th>
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<th>TYPE</th>
<th>DEBIT</th>
<th>CREDIT</th>
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<td>CASH IN BANK (OPERATING ACCT)</td>
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<tr>
<td>CASH SHORT OR (OVER)</td>
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<tr>
<td>INVESTMENTS (CURRENT)</td>
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<td>ACCOUNTS PAYABLE</td>
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<td>DEFERRED REVENUE</td>
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</table>
# Accounting Printouts – Operations Report

**MCAI BUDGETARY ACCOUNTING SYSTEM**  
**JOURNAL SUMMARY OPERATIONS REPORT**  
**CROOKSVILLE CITY BOARD OF EDUCATION**  
**FISCAL YEAR / PERIOD: 2006/07**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>*** CURRENT YEAR ***</th>
<th>*** PRIOR YEAR ***</th>
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<tr>
<td></td>
<td>MONTH</td>
<td>VTD</td>
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<tr>
<td>12-4-9790-000-0000-5101-0-0000-0000</td>
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</tr>
<tr>
<td>OTHER FOOD SERVICE INCOME</td>
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<tr>
<td>INTEREST-CNP</td>
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<td>152,453.27</td>
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<td>OTHER REVENUE - REBATES</td>
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<tr>
<td>INTERFUND OPERAT TRANSFERS IN</td>
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<tr>
<td>INSURANCE LOSS RECOV, CNP-FOOD &amp; NUTRITION</td>
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<td>5,705,161.66</td>
</tr>
</tbody>
</table>

**Class 4 SUBTOTAL**  
1,000,403.56  
5,705,161.66  
**Class 10 SUBTOTAL**  
1,000,403.56  
5,705,161.66  
1,000,400.60  
5,365,462.51
## Accounting Printouts – Journal Summary Revenue

### Coolsville City Board of Education

**Through Fiscal Year / Period:** 2005/06

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<thead>
<tr>
<th>Description</th>
<th>2008</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td><strong>TOTAL BUDGET</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>YTD BUDGET</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>YTD ACTUAL</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>% OF BUDGET</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>VARIANCE</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>MTD ACTUAL</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
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</tbody>
</table>

### INTEREST-CNP
12-4-66:00-000-0000-0101-0-0000-0000

<table>
<thead>
<tr>
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<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td><strong>INTEREST-CNP</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
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<td>0.00</td>
<td>75,845.64</td>
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<tr>
<td><strong>YTD BUDGET</strong></td>
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<td>0.00</td>
<td>75,845.64</td>
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<tr>
<td><strong>YTD ACTUAL</strong></td>
<td>0.00</td>
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<td>75,845.64</td>
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<tr>
<td><strong>% OF BUDGET</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>100.00</td>
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</tr>
<tr>
<td><strong>VARIANCE</strong></td>
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<td><strong>MTD ACTUAL</strong></td>
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### OTHER REVENUE - REBATES
12-4-68:63-000-0000-0101-0-0000-0000

<table>
<thead>
<tr>
<th>Description</th>
<th>2008</th>
<th>2009</th>
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<th>2009</th>
</tr>
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<tbody>
<tr>
<td><strong>OTHER REVENUE - REBATES</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>TOTAL BUDGET</strong></td>
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<td>0.00</td>
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<tr>
<td><strong>YTD BUDGET</strong></td>
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<td>0.00</td>
<td>182,401.27</td>
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<tr>
<td><strong>YTD ACTUAL</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>182,401.27</td>
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<tr>
<td><strong>% OF BUDGET</strong></td>
<td>0.00</td>
<td>0.00</td>
<td>100.00</td>
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<tr>
<td><strong>VARIANCE</strong></td>
<td>0.00</td>
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<td><strong>MTD ACTUAL</strong></td>
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### INTERFUND OPERAT TRANSFERS IN
12-4-62:00-000-0000-0101-0-0000-0000

<table>
<thead>
<tr>
<th>Description</th>
<th>2008</th>
<th>2009</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INTERFUND OPERAT TRANSFERS IN</strong></td>
<td>2008</td>
<td>2009</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td><strong>TOTAL BUDGET</strong></td>
<td>4,502,504.00</td>
<td>2,206,264.00</td>
<td>4,502,504.00</td>
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<tr>
<td><strong>YTD BUDGET</strong></td>
<td>2,206,264.00</td>
<td>4,502,504.00</td>
<td>2,206,264.00</td>
<td>4,502,504.00</td>
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<td><strong>YTD ACTUAL</strong></td>
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<td>5,488,864.66</td>
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<td><strong>% OF BUDGET</strong></td>
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<tr>
<td><strong>VARIANCE</strong></td>
<td>920,001.38</td>
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<td>920,001.38</td>
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</tbody>
</table>
### Accounting Printouts – Journal Summary Expenditure Report

**MCAI BUDGETARY ACCOUNTING SYSTEM**

**Coatsville City Board of Education**

**Thru Fiscal Year / Period: 2005/06**

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2008</th>
<th>2009</th>
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<tbody>
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<td><strong>YTD</strong></td>
<td><strong>YTD</strong></td>
<td><strong>% OF</strong></td>
<td><strong>VARIANCE</strong></td>
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<tr>
<td><strong>CHILD NUTRITION: OTHER ADMINISTRATIVE</strong></td>
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# Accounting Printouts – Budget Analysis Report

**School District:** OGLESVILLE CITY BOARD OF EDUCATION  
**Thru Fiscal Year-Period-Month:** 2008-9-March

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>2008 Budget</th>
<th>2008 Actual</th>
<th>2009 Budget</th>
<th>2009 Actual</th>
<th>% of YTD BUD</th>
<th>% of YTD ACT</th>
<th>YTD Var</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food &amp; Pk-Op DLN2-Brkfast-Prod-S properly</td>
<td>213,850.00</td>
<td>237,889.74</td>
<td>226,346.80</td>
<td>139,248.80</td>
<td>0.00</td>
<td>81.79</td>
<td>85,089.50</td>
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<tr>
<td>SCHOOL BREAKFAST PROGRAM</td>
<td>0.00</td>
<td>31,737.00</td>
<td>0.00</td>
<td>22,000.00</td>
<td>0.00</td>
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<td>-22,000.00</td>
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<tr>
<td>SEVERE NEED BREAKFAST (SN)</td>
<td>43,003.00</td>
<td>5,952.12</td>
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<td>43,837.13</td>
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<tr>
<td>FOOD DONATION PROGRAM</td>
<td>19,910.00</td>
<td>23,192.08</td>
<td>19,910.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>19,910.00</td>
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<tr>
<td>DAILY SALES- LUNCH</td>
<td>38,323.00</td>
<td>41,785.16</td>
<td>38,468.00</td>
<td>46,000.00</td>
<td>0.00</td>
<td>116.83</td>
<td>-7,515.06</td>
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<tr>
<td>DAILY SALES- ON ACCO, CNP-FOOD &amp; NUTRITION</td>
<td>0.00</td>
<td>1,020.90</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>DAILY SALES - BREAKFAST</td>
<td>1,550.00</td>
<td>1,334.37</td>
<td>1,328.00</td>
<td>1,615.20</td>
<td>0.00</td>
<td>137.00</td>
<td>-480.20</td>
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<tr>
<td>DAILY SALES - A LA CARTE</td>
<td>50,478.00</td>
<td>61,731.01</td>
<td>70,973.00</td>
<td>17,707.82</td>
<td>0.00</td>
<td>25.08</td>
<td>53,175.35</td>
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<td>OTHER FOOD SERVICE INCOME</td>
<td>5.00</td>
<td>224.70</td>
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<td>11.15</td>
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<td>INTEREST</td>
<td>1,103.00</td>
<td>2,883.44</td>
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<td>82.82</td>
<td>0.00</td>
<td>81.42</td>
<td>33.18</td>
</tr>
</tbody>
</table>
Examine financial reports to answer the following questions.

- What is the Cash Shortage per cost center?
- What is the amount of revenue earned per cost center from USDA Reimbursement for School Lunch?
- What object of expenditure code did the cost centers use for Federal Medicare?
- How much total rebate did the system receive?
- What is the total Labor Cost for the system?
- What is the amount of Pass Thru received per cost center during the month?
- Is the system operating in the “red” or in the “black”?
- Which schools are operating efficiently?
- Which costs are too high?
- Which schools have too much labor?
- What improvements can be made?
Successful financial management of school foodservice operation requires careful review and analysis of financial data. For financial data to be purposeful and useful, it must be understandable, reliable, relevant, and timely. Understanding and monitoring financial data can help directors and managers determine the profitability and efficiency of a school foodservice operation and identify areas for improvement. The relationship between available revenue and program costs must be evaluated on a regular basis. Programs are expected to be self sufficient. This requires increased accountability.
Meals per Labor Hour

- The Meals Per Labor Hour equals the average number of meals served per labor hour in a school system.
- Meals Per labor hour is calculated by dividing the Annual Meal Equivalents Served by Total Meal Service Labor Hours.
- The Total Meal Service Labor Hours are obtained from pass-thru worksheet (Total Cafeteria Staff Labor Hours). Contract labor hours must be included in the reported Total Cafeteria Staff Labor Hours.
- The school food authority should verify that the data reported is accurate.
- If the number of meals per labor hour is below 16 or greater than 19, verify the Total Cafeteria Staff Labor Hours was reported correctly.
Financial Management in the National School Lunch Program

Meals per Labor Hour

For all per meal calculations and for Meals Per Labor Hour, we must determine Meal Equivalents.

**Meal Equivalents**

1 Lunch = 1 meal equivalent  
3 Breakfasts = 2 meal equivalent  
3 Snacks = 1 meal equivalent  
All a la carte/$3.00 = 1 meal equivalent

*It is critical that the system correctly record any a la carte items as it will affect the number of meal equivalents measured for each school and for the program as a whole!*

A la carte includes:  
All Adult Meals  
All Student a la carte  
All vended, catered, and special functions  
(Any sale of food other than a student reimbursable meal.)
Meals per Labor Hour

To determine the productivity rate (or the meals per labor hour produced by an existing staff), use the following formula:

\[
\text{Output (MEQ)} = \frac{\text{Input (Number of Labor Hours)}}{\text{Productivity Rate (MPLH)}}
\]

<table>
<thead>
<tr>
<th>Annual Meal Equivalents Served</th>
<th>7,826,315</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Meal Service Labor Hours (Cafeteria Staff)</td>
<td>444,444</td>
</tr>
<tr>
<td>Total Meals per Labor Hour</td>
<td>17.61</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Total Meal Service Labor Hours (Cafeteria Staff)</td>
<td>444,444</td>
</tr>
<tr>
<td>Total Meal Service Labor Hours (Contract Labor)</td>
<td>120,000</td>
</tr>
<tr>
<td>Total Meals per Labor Hour</td>
<td>13.87</td>
</tr>
</tbody>
</table>
Revenue from Nonprogram Foods

Food and Nutrition Service (FNS) defines “nonprogram foods” as those foods and beverages sold in a participating school other than reimbursable meals and meal supplements that are purchased using funds from the nonprofit school food service account.

Nonprogram foods include:
• A la carte items
• Adult meals

They also include items purchased with nonprofit school food service account funds such as:
• Vending machines
• School stores
• Catered meals
• Vended meals
It is important to ensure that the revenues from the sale of nonprogram foods generate at least the same proportion of School Food Authority (SFA) revenues as expenses from the purchase of nonprogram foods contribute to the SFA’s food costs.
Local Policies

Charge Meal Policy

Uncollected charged meals are in actuality bad debts. If a system elects to permit charged meals, it is required that a policy addressing the charged meals must be implemented. Uncollected charged meals are not an allowable expenditure for the Child Nutrition Fund. If a system or local school elects to permit charges, then a nonpublic fund source must be established to cover any uncollected charges.

Worthless Checks

The face value of a check returned for insufficient funds (NSF) may not be absorbed as a cost by state, federal or public local funds. An uncollected check is considered a bad debt. Bad debts are not an allowable expenditure for any state, federal or public local funds. Therefore, each system must ensure that a policy is established and implemented to properly address this issue. The policy established system-wide must be enforced in each local school.
Financial Management in the National School Lunch Program

Pass Thru Required Transfer CNP

Pass-Thru Transfers
• Use worksheet provided each year with Budget Instructions
• Prepare a worksheet using payroll data for the current year
• Keep worksheet and documentation and bring forward every year
• Document how information was obtained for formula
• Used for CNP to complete annual labor costs for Financial Profile
• Must include contract employees and permanent substitutes

Pass-Thru can only be withheld
➢ Approval must be requested
➢ Cannot withhold more pass-thru than calculated
Financial Management in the National School Lunch Program

Paid Lunch Equity

Each School Food Authority must evaluate the prices charged for paid lunches in relation to the federal paid and free reimbursement rates.

To do this the SFA must determine:

• the weighted minimum average paid lunch price charged for paid lunches in the previous school year
• the difference between the free lunch per meal reimbursement rate and the paid lunch per meal reimbursement rate in effect for the previous school year; this is also called the “reimbursement difference”

*If an SFA’s weighted minimum average paid lunch price is equal to or greater than the reimbursement difference, the SFA is not required to make any adjustments in lunch prices.

** If an SFA’s weighted minimum average paid lunch price is less than the reimbursement difference, the SFA must increase prices for paid lunches or add financial support from non-federal sources to the school food service account.
YOU'VE GOT THIS!

Debbie Harris
dharris@alsde.edu
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To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: How to File a Complaint, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture
    Office of the Assistant Secretary for Civil Rights
    1400 Independence Avenue, SW
    Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

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