

VASBO 2018



SCHOOL NUTRITION PROGRAMS

Updates and Hot Topics



OVERVIEW

- Regulatory updates
- USDA hiring standards
- Program revenue
- Use of program funds
- Reviews
- Key Performance Indicators



REGULATORY UPDATES

STATE BREAKFAST INCENTIVE



- Funds appropriated for FY18
- Additional \$0.22/meal above baseline (SY 2003-2004)
- SY 2017-2018
 - 54,114,685 meals served
 - 51% increase above baseline
 - 9% increase from 2016-17
 - Total reimbursement \$5,722,234

Reference: Memo No. 005-18

REGULATORY UPDATES

STATE FUNDING FOR ALTERNATIVE BREAKFAST MODELS

- \$1.074 million appropriated for FY19
- Additional \$0.05/meal for elementary
- Additional \$0.10/meal for middle and high
- Evaluation - low response rate; more data needed

Reference: Memo No. 200-18



REGULATORY UPDATES

UNPAID MEAL CHARGES

LEGISLATION

2 CFR Part 200 Section 143 of HHFKA

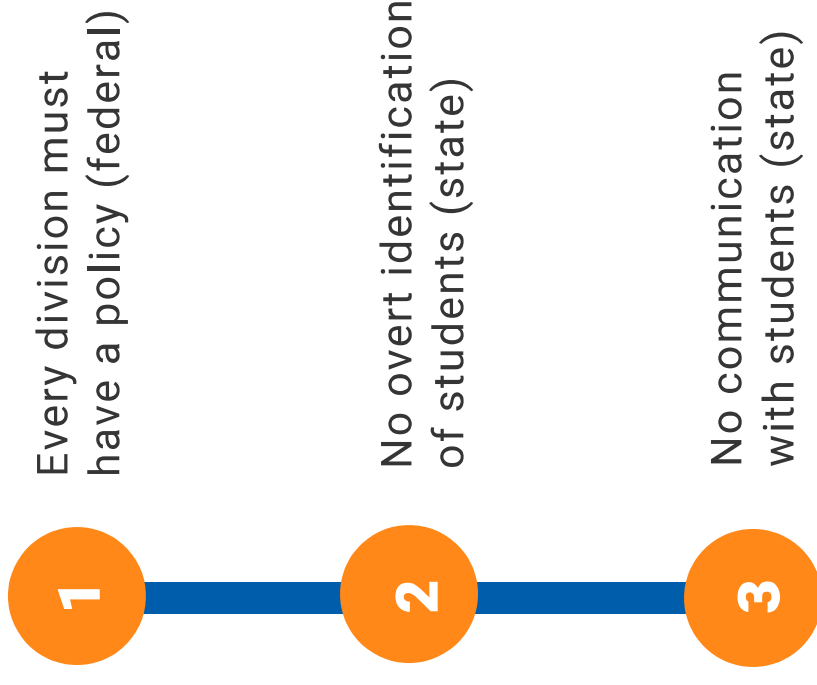
- Policy in place by July 1, 2017
- Policy communicated to families by start of SY 2017-2018

Code of Virginia §22.1-79.7

- SFAs may not ID students with school meal debt with chores, wristbands, or hand stamps
- SFAs may not communicate with students about meal debt

Reference: Memo Nos. 070-17 & 201-18

OVERVIEW



USDA HIRING STANDARDS

FOR SNP DIRECTORS

Hiring Standards for New School Nutrition Program Directors

New directors — those hired on or after July 1, 2015 — are subject to the new education requirements below. Existing directors will be grandfathered in their current positions as well as in the Student Enrollment category where they currently are working. (School Nutrition Program Directors are the individuals responsible for the operation of school nutrition programs for all schools under the local educational agency (LEA).)

| Minimum Requirements for Directors | Student Enrollment 2,499 or less | Student Enrollment 2,500-9,999 | Student Enrollment 10,000 or more |
|---|---|---|---|
| Minimum Education Standards | Bachelor's degree, or equivalent educational experience, with academic major in specific areas.* OR Bachelor's degree in any academic major, and State-recognized certificate for school nutrition directors; | Bachelor's degree, or equivalent educational experience, with academic major in specific areas.* OR Bachelor's degree in any academic major, and State-recognized certificate for school nutrition directors; | Bachelor's degree, or equivalent educational experience, with academic major in specific areas.* OR Bachelor's degree in any academic major, and State-recognized certificate for school nutrition directors; |
| See the final rule for additional preferred educational standards for new directors | OR Bachelor's degree in any academic major, and at least 1 year of relevant school nutrition programs experience; | OR Bachelor's degree in any academic major and at least 2 years of relevant school nutrition programs experience; | OR Bachelor's degree in any academic major and at least 5 years experience in management of school nutrition programs. |
| | OR Associate's degree or equivalent educational experience, with academic major in specific areas,* and at least 1 year of relevant school nutrition programs experience; | OR Associate's degree or equivalent educational experience, with academic major in specific areas,* and at least 2 years of relevant school nutrition programs experience. | * Specific majors/areas of concentration: food and nutrition, food service management, dietetics, family and consumer sciences, nutrition education, culinary arts, business, or a related field. |
| | OR High school diploma (or GED) and at least 3 years of relevant experience in school nutrition programs. (For an LEA with less than 500 students, the State agency may approve a candidate who meets the educational standards but has less than the required 3 years experience.) | | |

Minimum Prior Training Standards
At least 8 hours of food safety training is required either not more than 5 years prior to their starting date or completed within 30 days of the employee's start date.

Hiring Standards for New State Directors

| | State Director of School Nutrition Programs | State Director of Distributing Agencies |
|-----------------------------------|---|---|
| Education | Bachelor's degree with an academic major in areas including food and nutrition, food service management, dietetics, family and consumer sciences, nutrition education, culinary arts, business, or a related field. | Bachelor's degree with any major. |
| Knowledge & Experience | Extensive relevant knowledge and experience in areas such as institutional food service operations, management, business, and/or nutrition education. | |
| Skills & Abilities | Additional abilities and skills needed to lead, manage, and supervise people to support the mission of school nutrition programs. | |

Education standards

Experience standards

More education/
experience required
for larger divisions

PROGRAM REVENUE

SNP AND CNP PROGRAMS



School Breakfast Program

\$95,151,660.98

National School Lunch Program

\$253,633,006.10

Special Milk Program

\$187,880.02

Summer Food Service Program

\$9,825,950.31

Child & Adult Care Food Program

\$2,014,797.82

Fresh Fruit & Vegetable Program

\$3,664,699.60



USE OF PROGRAM FUNDS

DETERMINING ALLOWABLE COSTS

2 CFR 200 Subpart E and Appendix VII to Part 200

- Indirect Cost Proposals apply where State and local governments incur costs for Federal assistance programs.
- Must make careful considerations in determining cost types

-VDOE provides IC rate for LEAs
-Use direct cost base

DIRECT COSTS

- Specific to a program or other cost objective
- Examples:
 - Food
 - SNP staff wages and salaries
 - SNP supplies

INDIRECT COSTS

- Benefit multiple programs, functions, or other cost objectives
- Examples:
 - Fringe benefits
 - Accounting
 - Payroll
 - Utilities

USE OF PROGRAM FUNDS

7 CFR 210.14 and 220.7 - SFAs operating nonprofit food services must adhere to the following requirements. Allocable costs must be:

1

ADEQUATELY DOCUMENTED

The record of a SMP's operation must be able to stand on its own.

2

TREATED CONSISTENTLY

Must conduct transactions using Federal funds in the same way transactions using non-Federal funds are conducted

USE OF PROGRAM FUNDS

The General Fund determines the amount billed by applying the indirect cost rate to the SNP's direct cost base. School divisions have two options to recover indirect costs:

1

Direct General Fund to rely on its own allotments

2

Billing program offices that claim Federal reimbursement

USDA Guidance Manual:
<https://www.fns.usda.gov/indirect-cost-guidance>

USE OF PROGRAM FUNDS

EXCESS BALANCE

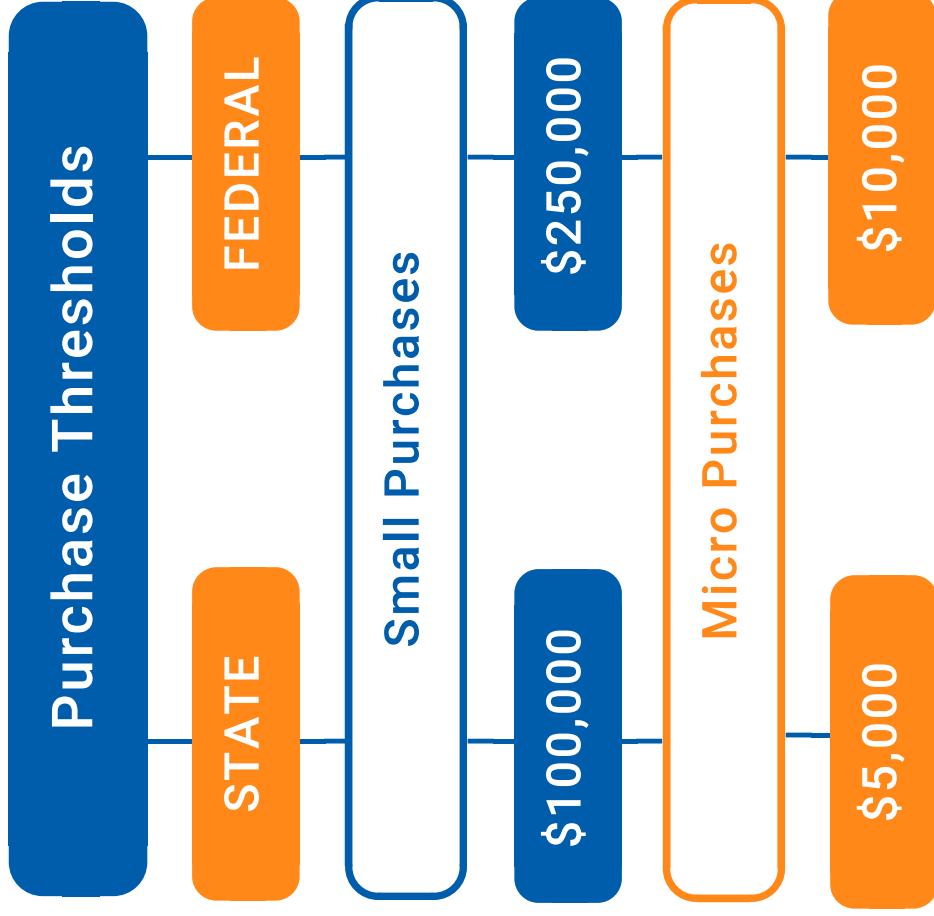
USDA requires SFAs with more than three months operating expenditures to submit a spending plan to VDOE. SFAs may plan to:

- Lower paid lunch price
- Improve food quality
- Make other improvements to school meal operations



REVIEWS

- **Administrative reviews**
- **Procurement reviews**
 - Code of conduct
 - Written procedures
 - Federal vs. State purchasing thresholds
 - Buy American Provision



KEY PERFORMANCE INDICATORS



INSIGHT

provide insight into organization performance.

STANDARDS

can be used to establish standards for organization performance.

PROGRESS

quantify progress or improvement made towards goals.

OPPORTUNITIES

are useful for identifying opportunities for improvement.

KEY PERFORMANCE INDICATORS

KPI CATEGORIES

MEAL COUNT & PARTICIPATION

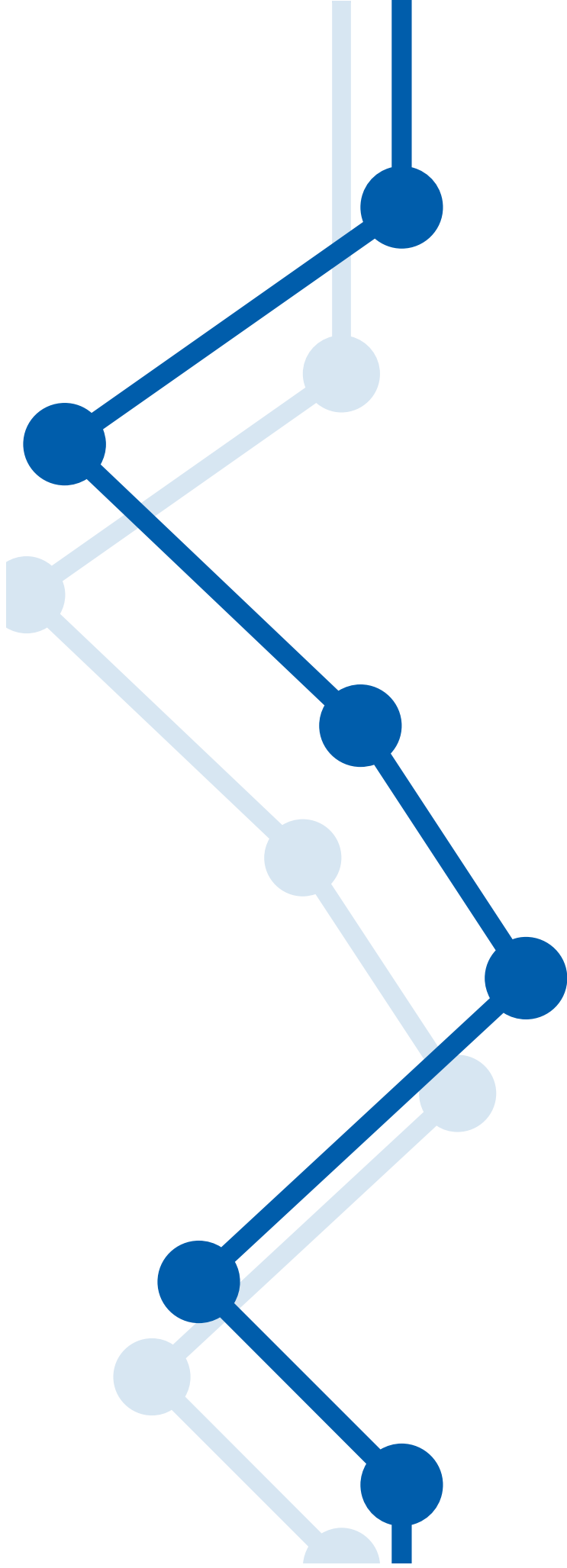
- Meal Equivalents (MEQ)
- Average Daily Participation (ADP)

FINANCIAL & INVENTORY MGMT.

- Revenues
- Expenditures
- Revenue per MEQ
- Cost per MEQ
- Cost as a percentage of revenue
- Break-Even Point (BEP)
- Inventory Turnover Rate

PRODUCTIVITY & LABOR

- Meals per Labor Hour (MPLH)
- Staff Turnover Rate
- Absenteeism Rate



CALCULATING KPIS

- Assess efficacy and efficiency of programs
- Forecast food purchasing and labor requirements
- Identify discrepancies or errors in accounting
- Determine financial feasibility of new initiatives

THE VALUE OF KPIS

BENCHMARKING

TREND ANALYSIS

DEVELOPING ACTION PLANS

COMMUNICATING WITH KEY STAKEHOLDERS



THANK YOU!

Photos: Seven Hills School Garden

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