

Financial Analysis of Implementing New Programs

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Show Me The Money!

- Net Cash Resources (NCR)

Cafeteria Fund Balance - 3 Month Operating Expenditures
= Net Cash Resource

- Budget, budget, budget
- Borrow from the General Fund



Program Types

- Universal Breakfast/Breakfast in the Classroom
- Summer Seamless Option/Summer Food Service Program
- Snack/Supper Program through CACFP or NSLP



Financial Analysis

- **Free & Reduced Percentage of Enrollment**
- **Average Daily Participation (ADP)**
 - For free, reduced, and paid
- **Current Reimbursement Rates**
- **Food Cost Per Meal**
- **Additional Expenses Per Meal**
 - Labor, supplies, equipment, etc.

Average Daily Participation (ADP)

Calculating Your ADP Based on
Qualified Meal Benefit Status

$$\frac{\text{\# of Monthly Reimbursable Meals Served
(Free, Reduced, Paid)}}{\text{\# of Days in the Month}} = \text{ADP}$$

Average Daily Percentage of Participation (ADPP)

$$\frac{\text{ADP} \\ \text{(Free, Reduced, Paid)}}{\text{Enrollment} \\ \text{(Free, Reduced, Paid)}} = \text{ADPP}$$



Current Reimbursement Rates

**ESPECIALLY NEEDY BRKFST	
REIMBURSEMENT RATES:	
FEDERAL PAID	0.28
FEDERAL REDUCED	1.63
FEDERAL FREE	1.93
STATE R + F	.2195

CACFP SNACK	
REIMBURSEMENT RATES:	
FEDERAL PAID	0.07
FEDERAL REDUCED	0.41
FEDERAL FREE	0.82
STATE R + F	0.00

LUNCH	
REIMBURSEMENT RATES:	
FEDERAL PAID	0.36
FEDERAL REDUCED	2.66
FEDERAL FREE	3.06
STATE R + F	.2195

CACFP SUPPER	
REIMBURSEMENT RATES:	
FEDERAL PAID	0.28
FEDERAL REDUCED	2.58
FEDERAL FREE	2.98
CASH-IN- LIEU	.2475

Food Cost Per Meal

2013-2014 Food Cost Per Meal-Lunch	
Milk	0.21
Entrée	0.63
Veggie	0.39
Side Salad	0.10
Fruit	0.14
Total	1.47

2013-2014 Food Cost Per Meal-Breakfast	
Milk	0.21
Graham	0.15
Entrée	0.30
Fruit	0.14
Total	0.81

Labor Cost Per Meal

- Determine the # of hours needed to run the program
 - Meals Per Labor Hour (MPLH)
- Calculate hours on highest rate of pay (excluding site manager) and include benefits

Start Up Costs Per Meal

- **Every new program will require start up costs**
- **Start up costs can be determined based on the type of program**

Miscellaneous Costs Per Meal

- **Miscellaneous costs will include any supplies needed on an annual basis**
- **Miscellaneous costs may vary based on the type of program**

Annual Costs Breakdown

Annual Expenses Breakdown

Item	13% Participation	50% Participation	70% Participation
Food	\$18,427.50	\$72,171.00	\$101,039.40
Labor	\$5,073.75	\$20,295.00	\$28,413.00
Trash Bags	\$0.00	\$855.36	\$855.36
Rosters	\$0.00	\$648.00	\$648.00
Sanitizing Wipes	\$0.00	\$1,246.68	\$1,246.68
Sub Total:	\$23,501.25	\$95,216.04	\$132,202.44
One Time Expense			
Cleaner	\$0.00	\$779.95	\$779.95
Garbage Cans	\$0.00	\$1,674.00	\$1,674.00
Clip Boards	\$0.00	\$26.64	\$26.64
Insulated Bags (Donated)	\$0.00	\$0.00	\$0.00
Platform Truck	\$0.00	\$620.00	\$620.00
Rain Gear	\$0.00	\$60.00	\$60.00
Sub Total:	\$0.00	\$3,160.59	\$3,160.59
Total:	\$23,501.25	\$97,129.95	\$134,116.35

Food Cost Per Meal	
Milk	0.21
Graham	0.15
Entrée	0.30
Fruit	0.15
0.81	

Pulling Everything Together

- **Average Daily Participation**
- **Current Reimbursement Rates**
- **Food & Labor Cost per Meal**
- **Start Up Cost per Meal**
- **Miscellaneous Cost per Meal**

Pulling Everything Together

Elementary Daily Breakfast Analysis

% of Part.	Average Daily Breakfast Served				Daily Food Cost	Daily Labor	Daily Misc. Exp.	Cash Received		Reimbursement			Total Daily Profit	Annual Profit/Loss
	Free	Reduced	Paid	Total Served				Reduced	Paid	Free	Reduced	Paid		
13%	106	14	10	130	\$ 105.30	\$ 28.19	\$ - 3.50	\$ 7.50	\$ 214.07	\$ 24.07	\$ 2.70	\$ 118.35	\$ 21,303.45	
49%	245	69	172	485	\$ 392.93	\$ 112.75	\$ 32.84	\$ -	\$ -	\$ 493.79	\$ 118.80	\$ 46.31	\$ 120.38	\$ 21,667.57
70%	349	99	245	693	\$ 561.33	\$ 157.85	\$ 32.84	\$ -	\$ -	\$ 705.41	\$ 169.71	\$ 66.15	\$ 189.26	\$ 34,066.65

Enrollment:	Free:	Reduced:	Paid:
990	499	141	350

Class Total:
36

Breakfast Meal Prices		**ESPECIALLY NEEDY	
REIMBURSEMENT RATES:			
Reduced	0.25	FEDERAL PAID	0.27
Paid	0.75	FEDERAL REDUCED	1.50
		FEDERAL FREE	1.80
		STATE R + F	.2195

Questions?



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