

How Is the Financial Health of Your School Food Service?

The following worksheets are designed to help you assess the financial health of your school food service. They are designed to be used on a district or individual feeding sites.

To get started you will need a pencil, calculator, blank paper, a block of uninterrupted time and a current profit and loss statement. Ideally, the profit and loss statement would be by the month and year to date for both the food services department and individual kitchens. If all that is available is an annual financial report, start there. Other documents that may be helpful are:

- ☐ Enrollment by elementary, middle school, high school
- ☐ Reimbursement Claims or a document containing the following information:
This information needs to be broken out by grade level - elementary, middle and high school for the year
 - The number of students **eligible** for **free** meals
 - The number of students **eligible** for **reduced** meals
 - Total number of students **claimed** for **free lunch** meals
 - The number of students **claimed** for **reduced lunch** meals
 - The number of students **claimed** for **paid lunch** meals
 - The number of students **claimed** for **free breakfast** meals
 - The number of students **claimed** for **reduced breakfast** meals
 - The number of students **claimed** for **paid breakfast** meals
- ☐ Do you qualify for severe need breakfast reimbursements? Do you qualify for severe need lunch reimbursements?
- ☐ Meal prices
- ☐ The number of serving days in the school year.
- ☐ The number of contract days in the food service contract
- ☐ The number of hours assigned to each position being charged to food services
- ☐ Wage rate paid to each position which is charged to food services
- ☐ Total Benefits cost by position, which can be a percent of wages paid

This may seem like extra work for the finance personnel; however, foodservice is a business working within and for education. Analysis of the profit and loss statement must occur on a monthly basis in order to make timely and effective management decisions..

Step one: Determine what percentage of the total revenue does each line on the profit and loss statement represent. Both the revenue and the expenses are figured as a percent of total revenue. This is done because it is the revenue that pays the expenses. See Profit and Loss Statement Worksheet.