

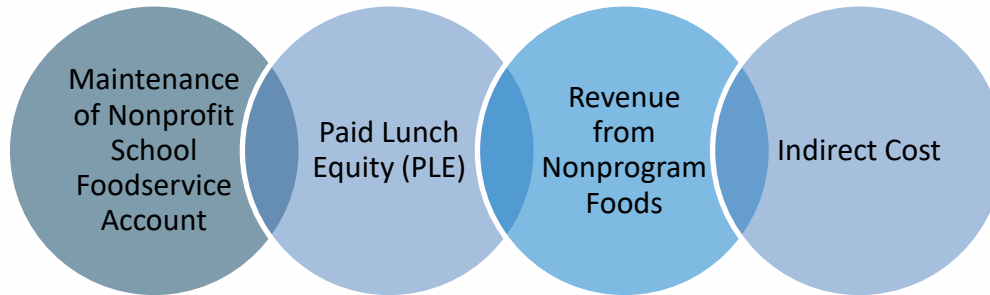


Resource Management

Illinois State Board of Education



Four Areas of RM



RM – Key Process Issues

Turnover

Food Service Staff ~ Director ~ District Office

Lack of Communication

District office to foods Services Department

Lack of Collaboration

Resource Management and reviews require this

Collaboration Continued

Food Service Directors need to know all expectations/expenses

Maintenance of Nonprofit School Foodservice Account



Nonprofit School Foodservice Account

Overall look of
financials;
revenues vs.
expenses to
determine
profit or loss

- Annual Financial Reports and General Ledgers

Profit or loss
How much

- Large Deficit
- Over Net Cash Resource

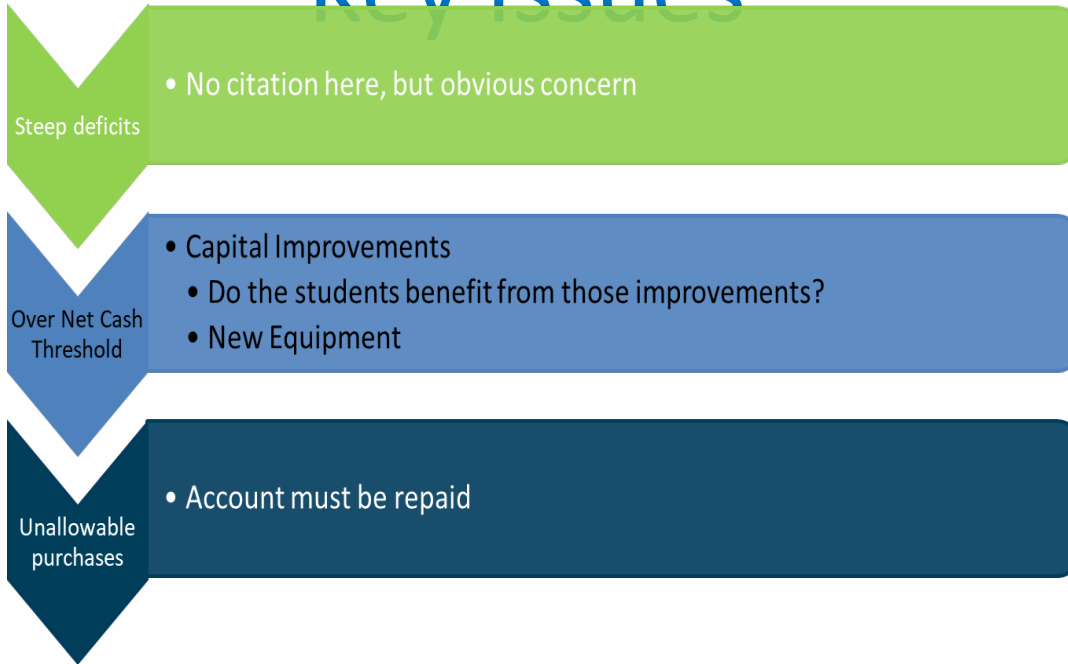
Purchases
review
through 10%
of invoices

- Allowability of purchases



Nonprofit..Account

Key Issues



Nonprofit..Account

Key Issues

Steep Deficits

68%

Nonprofit..Account Key
Issues
Over Net Cash Resources

4%

Nonprofit... Account Key Issues

Unallowable Expenses

- ▶ All purchases require the question the following questions:
 - ▶ Is this purchase necessary for the operation of the meals program?
 - ▶ Is this purchase to the benefit of the students' meals?
 - ▶ Does this purchase require justification?
- ▶ Unallowable purchases **MUST** be repaid from local funds
- ▶ ISBE website provides a preapproved equipment list
 - ▶ These purchases still must be used for the meals program
 - ▶ Procurement practices must be followed
- ▶ Fraud in purchasing will require repayment
 - ▶ Allowable purchases used outside of the program
 - ▶ The success of the food program is **NOT** to be used as an extra account for the School Food Authority.

Paid Lunch Equity

PLE

Paid Lunch Equity (PLE)



Purpose of PLE is to increase paid lunch prices to align the total compensation of all free, reduced, and paid students.



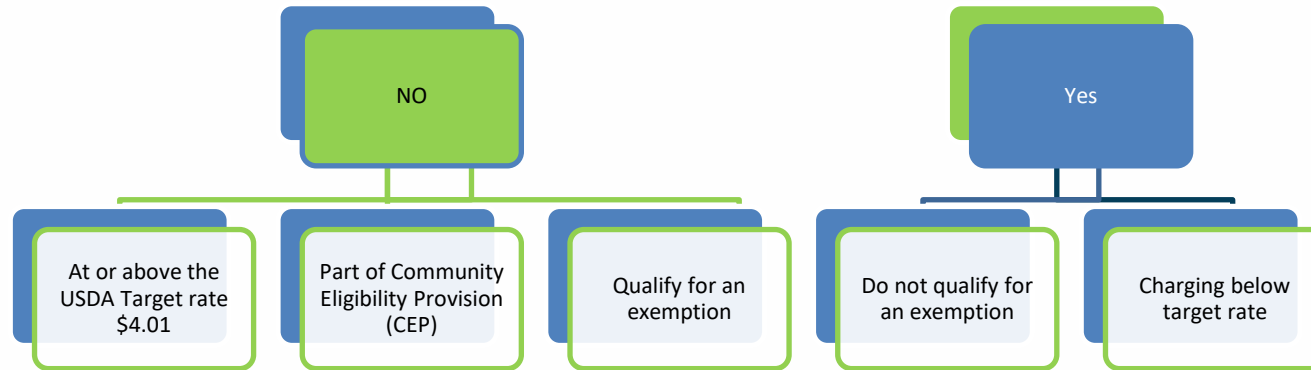
USDA Target rate for 2025-26 program year:
\$4.01



Maximum to charge Reduced students:

- Lunch: \$0.40
- Breakfast: \$0.30

Is PLE Required?



PLE Exemption

School Food Authority (District/School Name):	Agreement/RCDT# (00-000-000-00):
Contact Person:	Contact Phone:
City:	Contact Email:

1. Provide the balance in the nonprofit food service account as of June 30, 2024

Balance as of June 30, 2024

*****This Paid Lunch Equity Exemption may NOT be used as a corrective action plan to previous citations under the Paid Lunch Equity requirements. *****

PLE Exemption

Greetings,

Thank you for submitting the PLE Exemption form to the Resource Management staff in our Nutrition Division. This message is to inform you that your exemption has been granted based on the information provided. Please retain this message for your documentation and future reviews. This documentation will be necessary to determine compliance for not raising Paid Lunch Prices for the 2025-26 school year.

If you have any questions, please feel free to reach out to the Resource Management staff at 800-545-7892 or 217-782-2491

The PLE Tool – Requirement Calculator

Unrounded Price Requirement for SY 2024-25	Weighted Average Price Requirement for SY 2025-26
Found in Section 1, Block A of the PLE Report from SY 2024-25 or in cell B31 of the Annual Unrounded Requirement Finder	Requirement to the nearest cent
\$ 3.85	\$4.01

A. Requirement to the nearest cent: This unrounded price will be entered into the SY 2025-26 tool to determine the SY 2025-26 weighted average price requirements	\$3.85
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Weighted Average Price for SY 2010-11
Enter the weighted average price of all paid lunches charged in the SFA for SY 2010-11.
\$ 2.25

2021-2022	\$ 3.18
2022-2023	\$ 3.31
2023-2024	\$ 3.56
2024-2025	\$ 3.85

PLE Tool – Price Raise Calculator

SY 2025-26 Weighted Average Price Requirement	
Requirement to the nearest cent	Requirement ROUNDED DOWN to the nearest 5 cents
\$4.01	\$ 4.00

Shortfall or Credit
Enter any shortfall or credit carried forward from SY 2024-25
\$ -

Number of Paid Lunches	Paid Lunch Prices	Monthly Revenue	Weighted Average Price for SY 2024-25
2,051	\$ 2.80	\$ 5,742.80	
1,772	\$ 2.90	\$ 5,138.80	
2,557	\$ 3.00	\$ 7,671.00	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
6,380		\$ 18,552.60	\$ 2.91

PLE Tool – Price Raise Calculator

Total Price Increase for SY 2025-26 (Based on the requirement rounded down to the nearest 5 cents)	
\$	1.09
Required Weighted Average Price for SY 2025-26 (Increase with the 10 cents cap)	
\$	3.01
Remaining Shortfall to Meet the Total Price Increase for SY 2025-26 (Based on establishing the price with the 10 cents cap)	
\$	0.99
Credit From the Total Price Increase for SY 2025-26 (Based on a greater price in SY 24-25 and/or credit from the previous year)	
\$	-

Total Price Increase for SY 2025-26 (Based on the requirement rounded down to the nearest 5 cents)	
\$	(0.25)
Required Weighted Average Price for SY 2025-26 (Increase with the 10 cents cap)	
No price increase necessary	

PLE Tool Non-Federal Calculator

SY 2025-26 Weighted Average Price Requirement		Weighted Average Price for SY 24-25
Requirement to the nearest cent	Requirement ROUNDED DOWN to the nearest 5 cents	Enter the current weighted average paid lunch price.
\$4.01	\$ 4.00	\$ 2.85

Non-Federal Source Contribution Calculator for SY 2025-26		
Enter the total paid lunch count (for all prices).		
Annual Number of Paid Lunches for SY 2023-24	Total Price Increase for SY 2025-26 (Based on the requirement rounded down to the nearest 5 cents)	Total Revenue from Non-Federal Sources for SY 2025-26
46,449	\$ 1.15	\$ 53,416.35

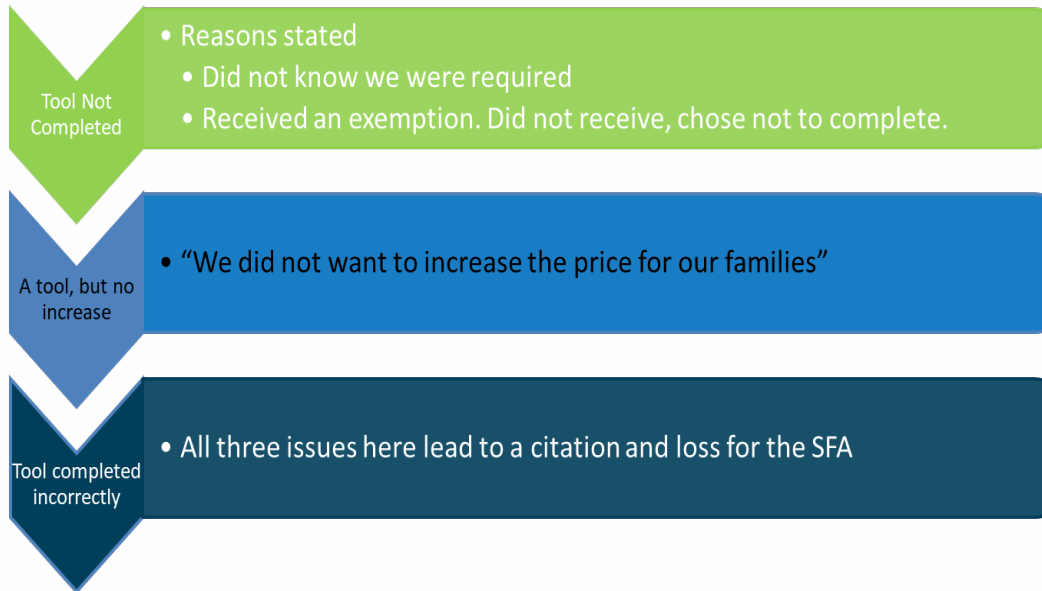
Required Amount of Revenue from non-Federal Sources for SY 2025-26 (with the 10 cents cap)
\$ 4,644.90

Board Approval must be shown in Board Minutes

Paid Lunch Equity Options

1. You qualify for the PLE exemption and can sit with prices for 2025-26 as they are in current school year.
- OR
1. You do NOT qualify for the PLE Exemption. To sit with prices at the current level for the 2025-26 school year, the district with board approval will have to contribute non-federal funds.
2. Raise lunch prices, we only require a \$0.10 increase for compliance.
3. Increase lunch prices to the USDA target rate. However, with this option, with the 2026-27 tool, you will likely be expected to increase again.
4. Contribute non-federal funds to compensate for the \$0.10 increase.

Paid Lunch Equity – Key Issues



Revenue from Nonprogram Foods



Revenue from Nonprogram Foods



Overall look at the revenue NOT tied to the reimbursable meal

- A la carte
- Adult Meals
- Vending/Catering

Tools to determine Compliance

- Revenue from Nonprogram Foods Calculator
- 5 Day Tool
- Locally generated Spreadsheets

Expectations of review and key issues

Nonprogram Foods Key Issues



Low A La Carte pricing

Requirement – To not run negative on total sales

Recommend - 40% mark up of cost



Adult meal prices still too low

FNS Instruction 782-5 Rev. 1. states adult meals must include Entitlement and Bonus

Lunch AND Breakfast must be marked up \$0.50



Vending machines expensed to food service, but revenue to another account

Food service program purchasing food for other events and not being reimbursed

STAFF MEALS catered by the district, district MUST PAY BACK

Indirect Cost

Indirect Cost

Function to charge the Food Services account for shared expenses

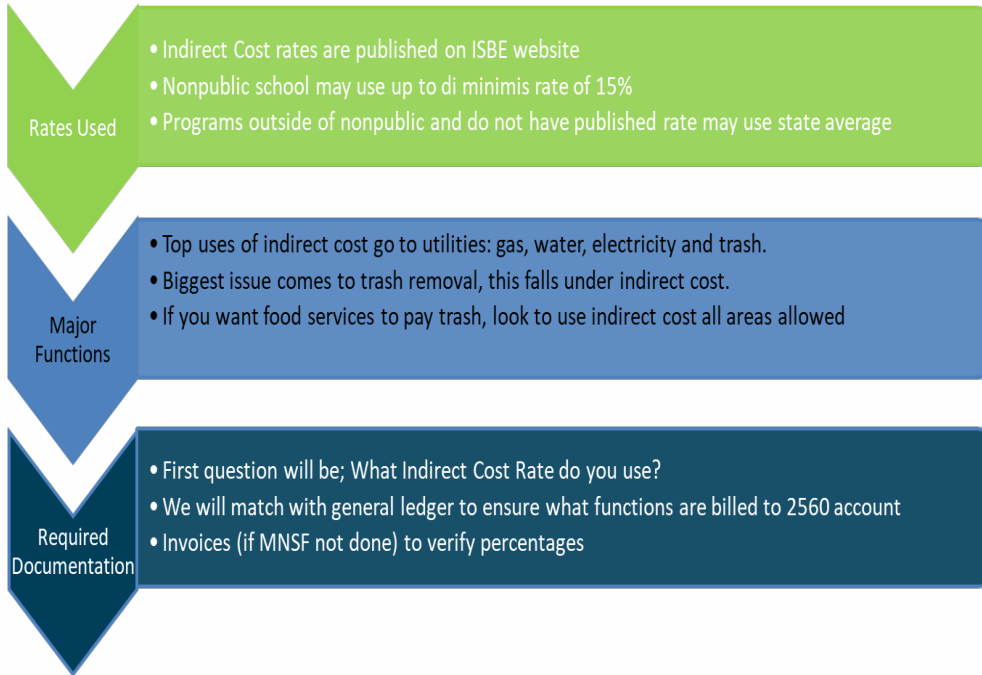
Tools to determine Compliance

- Indirect Cost Rates are published on ISBE website

Expectations of review and key issues



Indirect Cost



Biggest Recommendations

- Food Costs
 - Self operated programs should consider joining a food cooperative. 9 self operated run food cooperatives in Illinois
 - Maintain proper production records with limited over production (6-10 meals overproduced per site)
 - Ensure lack of theft within your kitchen
- Labor Costs
 - Look into Meals per Labor Hour
 - 8-20 meals per labor hour, dependent on production levels
- Commodity Usage

Any
Questions

Resource Management



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800-545-7892