



Resource Management Fact Sheet

Resource Management (RM) looks at the overall financial health of the food services account.

Whether the School Food Authority (SFA) has a deficit or profit, a review will be conducted based on previous review outcomes, Resource Management survey results, and/or overall need. All SFAs will have a review at least once per two cycles. This portion of the Administrative Review will be conducted by a member of the Financial Management staff. The RM review includes 4 sections; Maintenance of Nonprofit School Foodservice Account, Paid lunch Equity, Revenue from Nonprogram Foods, and Indirect Cost.

Maintenance of Non-Profit Food Service Account

- Maintenance of Nonprofit School Foodservice Account looks at whether the School Food Authority (SFA) is running at a profit or a deficit. While looking at the Annual Financial Report (AFR) for public schools, the General Ledger of the food services will be viewed for all SFAs. During this portion of the review, the Financial Management staff will also look at payroll and a portion of invoices throughout the review year to verify allowability of expenses. The profit/loss will help to determine where assistance can be made to help the SFA to be financially successful.

Revenue from Nonprogram Foods

- Revenue from Nonprogram Foods looks into food sales that are not part of the reimbursable meals; a la carte, adult meal pricing, catering, and additional foods paid for out of the Nonprofit School Foodservice Account.

Paid Lunch Equity

- Paid Lunch Equity looks at the prices charged to student who do not qualify for free or reduced priced meals. A tool is provided from the USDA through ISBE to help determine what prices should be charged based on individual districts historical charging. The tool is driven by the target rate set by the USDA, which is based on reimbursement rates granted the previous year.

Indirect Cost Rate

- Indirect Cost is the practice of sharing expenditures for building or district wide usage. Under this section, it will be determined which expenses can be deemed as indirect or direct billing to the Food Services from the overall School Food Authority. The Indirect Cost Rate for each district is provided by ISBE.

For all questions concerning Resource Management, please contact ISBE at cnp@isbe.net.