



Hidalgo County Head Start Program

Policy Council Agenda

DATE: August 19, 2009

SUBJECT: Discussion/Approval to Submit the Child and Adult Care Food Program - Child Care Centers Application for Fiscal Year 2009-2010

RATIONALE/NEED: As part of providing comprehensive services to our families, these funds are utilized to provide meals for all 3,570 children enrolled in our program.

RECOMMENDATION: Administration recommends approval.

COST: Based on New Reimbursement Rates

RELATED INFORMATION INCLUDES:

INITIATED BY: SanJuanita Rangel, Child Nutrition Director *SR*

REVIEWED BY: Edmundo Garcia, Assistant Program Director *EG*

EXECUTIVE DIRECTOR'S APPROVAL: *Teresa Flores*



Hidalgo County Head Start Program Memorandum

Date: August 12, 2009

To: Hidalgo County Head Start Policy Council

Through: Teresa Flores, Executive Director *Teresa Flores*

From: Edmundo Garcia, Assistant Program Director

Subject: Budget for Nutrition Services

C. C. Nora Muñoz, Assistant Program Director
San Juanita Rangel, Director of Nutrition
Elma Keller, Finance Director

Attached for your review and approval is the Annual Update Application for the Child and Adult Care Food Program, to the Texas Department of Agriculture.

This application for \$2,648,815.05 will fund the Hidalgo County Head Start Nutrition Program for fiscal 2009-2010 on a reimbursement basis. The new reimbursement rate for 2009-2010 includes an overall rate increase of 3.68%.

The reimbursement rates compare as follow.

Meals	2009-2010	2008-2009
Breakfast	\$1.46	\$1.40
Lunch	\$2.68	\$2.57
Snack	\$0.74	\$0.71
Cash-in Lieu of Commodities	\$0.195	\$0.2075
Total Reimbursement Rate	\$5.075	\$4.8875

This application will provide sufficient funding to cover all costs associated with meal preparation and delivery as outlined in the attached Budget Analysis.

The Finance Director along with the Nutrition Director, under my direction, have reviewed and prepared the appropriate costs estimates and reimbursements outline in this budget.

M. Garcia

Texas Department of Agriculture (TDA)

Budget Analysis

Description	2009-2010	2008-2009	Difference	Comments/Notes
Salaries/Fringes				
Salaries	809,167.84	746,220.80	62,947.04	TDA is paying 25 % of the custodians salaries and ARRA for 1 year.
Fringes/Pension Adm Costs	361,987.66	350,433.50	11,554.16	TDA is paying 25 % of the custodians salaries and ARRA for 1 year.
* Total Salaries/Fringes	1,171,155.50	1,096,654.30	74,501.20	
Food	1,200,197.32	1,200,197.32	-	
Supplies and Equipment				
Equipment	27,414.55	-	27,414.55	To replace outdated ovens that are constantly in need of repair.
Non-Food Supplies	155,000.00	155,000.00	-	
Office Supplies	6,000.00	6,000.00	-	
Purchased Services				
Equipment Maintenance	30,000.00	30,000.00	-	
Vehicle Maintenance	13,000.00	13,000.00	-	
Vehicle Fuel	23,946.88	28,000.00	(4,053.12)	Coop with Hidalgo County on fuel purchases.
Telephone	7,000.00	7,000.00	-	
Media Costs	1,000.00	1,000.00	-	
Organization Costs				
Local Travel	7,425.80	7,425.80	-	
T & TA	6,675.00	6,675.00	-	
* Total Operating Expenses	1,477,659.55	1,454,298.12	23,361.43	
Total Budget	2,648,815.05	2,550,952.42	97,862.63	

Reimbursement Formula:

172 Service Days x 3,570 Children x 85% ADA x \$5.075 Reimbursement Rate = \$2,648,815.05

Reimbursement Rate is Calculated as follows:

Breakfast	1.46
Lunch	2.68
Snack	0.74
Cash-in-Lieu of Commodities:	0.195
Reimbursement Rate	5.075

Section I – Contractor Information

1. Complete all of the following information:

Name of Contracting Organization Hidalgo County Head Start Program		Texas ID No. (14 digits) 17460007176039	Contract No. 75 – G7012	Program No. TX – 1080006
Mailing Address (Street or P.O. Box, City, State, ZIP) P.O. Box 0117 Edinburg, TX 78540-0117				County Name Hidalgo
Street Address (if different) 1/4 Mile West of 10 th Street on Hwy 107 Edinburg, TX				
Contact Person Ms. Teresa Flores, Executive Director	E-mail Address (required) tflores@hchsp.org	Fax No. (incl. Area Code) 956-380-2588	Telephone No. (incl. Area Code) 956-383-0706	
Type of Contracting Organization <input checked="" type="checkbox"/> Government Agency <input type="checkbox"/> Educational Institution <input type="checkbox"/> For-Profit Organization <input type="checkbox"/> Nonprofit Organization/Secular <input type="checkbox"/> Nonprofit Organization/Faith-Based <input type="checkbox"/> Other				

Section II – Budget

Complete the budget forms. Program costs must be necessary, reasonable and allowable.

Contracting Organizations participating in the CACFP must operate a nonprofit food service that primarily benefits enrolled children and must maintain records documenting the administration and operation of the nonprofit food service. The budget is composed of the amounts from the cost categories listed below. The amounts entered cannot be considered unless the respective amounts are justified and explained on the attached budget justification pages.

Budget (1A) – Nonprofit Food Service Administration – Budget Justification — This section is used to provide detailed information for each administrative position that has nonprofit food service responsibilities and is paid from the nonprofit food service account.

Note 1: You must maintain a written compensation policy for each position. This policy, which is usually part of a larger set of personnel policies, establishes the way employees earn compensation. It must address 1) rates of pay; 2) work hours, including breaks and meal periods; and 3) payment schedules.

Note 2: You must maintain daily time reports to establish the portion of administrative labor that is paid from the nonprofit food service account.

Administrative labor includes planning, organizing and managing the nonprofit food service. Labor costs include base salary, employment taxes, fringe benefits, overtime pay, holiday pay, compensatory leave, incentive payments and severance pay. **Only document the employer's share in column 3.**

Position (such as director, monitor, clerical, training, etc.) and CACFP Duties (such as planning, tiering determination, enrollment, etc.)	1. No. of Personnel in this Position	2. Annual Base Salary	3. Additional Labor Costs and Benefits (include only the employer's share)	4. Total Base Salary and Benefits (2+3)	5. No. of Hours Worked Daily	6. No. of Hours Spent in Food Service Duties	7. Portion of Total Salary and Benefits Paid from the Food Service Account Annually
Position: Nutrition Director CACFP duties: Oversees Child Nutrition Program.	1	52,373.72	12,864.23	65,237.95	8	8	65,237.95
Position: Nutr. Coordinator CACFP duties: Monitors centers and assist Director as needed.	2	70,081.92	25,861.56	95,943.48	8	8	95,943.48
Position: Clerk CACFP duties: Prepares monthly TDA claim reports.	1	18,193.88	7,446.73	25,640.61	8	8	25,640.61
Position: Secretary CACFP duties: Maintains accts payable records.	1	20,468.16	7,807.20	28,275.36	8	8	28,275.36
Total Administration Labor Costs							215,097.40

Section II – Budget (continued)

Budget (1B) – Nonprofit Food Service Operation – Budget Justification — This section is used to provide detailed information for each **operations** position that has nonprofit food service responsibilities and is paid from the nonprofit food service account.

- Note 1:** You must maintain a written compensation policy for each position. This policy, which is usually part of a larger set of personnel policies, establishes the way employees earn compensation. It must address 1) rates of pay; 2) work hours, including breaks and meal periods; and 3) payment schedules.
- Note 2:** You must maintain daily time reports to establish the portion of administrative labor that is paid from the nonprofit food service account.
- Note 3:** Sponsoring organizations only - Do not include labor costs of your sponsored facilities.

Operating labor includes the preparation and service of meals to participants. Labor costs include base salary, employment taxes, fringe benefits, overtime pay, holiday pay, compensatory leave, incentive payments and severance pay. **Only document the employer's share in column 3.**

Position (such as cook, caregiver, janitor, etc.) and CACFP Duties (such as meal preparation, serving meals, cleanup, etc.)	1. No. of Personnel in this Position	2. Annual Base Salary	3. Additional Labor Costs and Benefits (include only the employer's share)	4. Total Base Salary and Benefits (2+3)	5. No. of Hours Worked Daily	6. No. of Hours Spent in Food Service Duties	7. Portion of Total Salary and Benefits Paid from the Food Service Account Annually
Position: Head Cook CACFP duties: Supervise and evaluate personnel assigned to the kitchens, responsible for food operation procedures.	2	51,490.48	21,421.93	72,912.41	8	8	72,912.41
Position: Assistant Cook CACFP duties: Assist in receiving, storing, and meal preparation. Ensure proper amounts of food for respective centers.	2	37,359.36	18,047.42	55,406.78	8	8	55,406.78
Position: Kitchen Helper CACFP duties: Assist in meal preparation, and maintains safety and sanitation requirements.	10	183,396.56	89,425.10	272,821.66	8	8	272,821.66
Position: Food Driver Position: Custodian CACFP duties: Transport meals to assigned centers, maintains vehicles and assist kitchen staff as necessary.	7 57	129,183.36 246,620.40	64,740.66 114,372.83	193,924.02 360,993.23	8 8	8 2	193,924.02 360,993.23
Position: Custodian CACFP duties: Assist TDA to distribute meal service and responsible for clean up at the center level.							
Total Operation Labor Costs							956,058.10

Section II – Budget (continued)

Budget (1C) – Nonprofit Food Service Program Requirement – Budget Justification – Contracting Organizations participating in the CACFP must account for the cost of operating a nonprofit food service through the consistent use of generally accepted accounting principles. Allowable costs must be necessary, reasonable, authorized and current. The cost must be properly disclosed and must be allocated so that only the allowable share of the cost is assigned to the program. The organization must specifically identify each cost item in the budget and, where necessary, must explain how each cost was calculated. **Include only those expenses paid from the nonprofit food service account. Write N/A if the cost is not paid from the nonprofit food service account.**

Cost Category	A. Annual Cost for Nonprofit Food Service ADMINISTRATION	B. Annual Cost for Nonprofit Food Service OPERATION
2. Food – This category includes only the net cost of food used and the net cost of delivered meals, not the cost of all food purchased.		
Hidalgo County Head Start Program schedule provides 172 service days @1.96 per day for 3,570 children @ 100% CACFP		1,200,197.32
(Formula: 172 days X \$1.96 per day X 3,570 children)		
Total Food Costs	2A. N/A	2B. 1,200,197.32
3. Facilities and Space – This category includes rent, utilities and other space costs.		
Total Facilities and Space Costs	3A.	3B.
4. Supplies and Equipment – This category includes durable supplies, expendable material and supplies and equipment.		
Office Supplies (3 Staff X \$166.67 per month X 12 months @ 100% CACFP	6,000.00	
Non-Food Supplies (2 Kitchens X \$8,611.12 X 9 months)		155,000.00
Equipment (3 Double Convection Ovens X \$9,138.19)		27,414.55
Total Supplies and Equipment Costs	4A. 6,000.00	4B. 182,414.55
5. Purchased Services – This category includes security services, maintenance and janitorial services		
Vehicle Maintenance (9 transport vehicles X \$160.50 X 9 months)		13,000.00
Equipment Maintenance(42 centers-1 in each ctr) + 2 Kitchens + 1 Administration (45 sites X \$74.08 X 9 months)		30,000.00
Total Purchased Services Costs	5A.	5B. 43,000.00
6. Financial Costs – This category includes accounting, audits and bonding costs.		
Total Financial Costs	6A.	6B.

Cost Category	A. Annual Cost for Nonprofit Food Service ADMINISTRATION	B. Annual Cost for Nonprofit Food Service OPERATION
7. Media Costs – This category includes advertising and public relations, communications, publications, printing and reproduction costs.		
Printing - \$83.34 X 12 months @ 100% CACFP	1,000.00	
Telephone - Radios - 7 Drivers, 2 Kitchens, 1 Director, 2 Food Monitors (12 staff members X \$64.82 X 9 months)		7,000.00
Total Media Costs	7A. 1,000.00	7B. 7,000.00
8. Contracting Organization Costs – This category includes training, travel, administrative appeal costs, legal expenses and other professional services, meetings and conferences, membership, subscriptions and other professional organization activities.		
Local Travel(1 Director+2 Coordinators) - 3 staff X \$275.03 X 9 months	7,425.80	
Professional Training (1 Director) \$2,837.50 X 2 Trainings/Year - Continuing Education Licensure	5,675.00	
Region One ESC - Coop Membership (Yearly) - Child Nutrition Program - South Texas Coop Annual Fee for cost effective food service related products and services	1,000.00	
Total Contracting Organization Costs	8A. 14,100.80	8B.
9. Other Costs – This category includes any other costs associated with the nonprofit food service.		
Vehicle Fuel - 7 Transport Vehicles X \$380.11 X 9 months To transport food from the production kitchens to the 42 centers		23,946.88
Total Other Costs	9A.	9B. 23,946.88

11. Summary of Projected Annual Nonprofit Food Service Costs

Cost Category	A. Annual Costs for Nonprofit Food Service ADMINISTRATION	B. Annual Costs for Nonprofit Food Service OPERATION
1. Labor Costs – Salaries, Wages, Taxes and Benefits	(From Page 1, Column 7) 215,097.40	(From Page 2, Column 7) 956,058.10
2. Food	N/A	(From Page 3, Column 2B) 1,200,197.32
3. Facilities and Space	(From Page 3, Column 3A)	(From Page 3, Column 3B)
4. Supplies and Equipment	(From Page 3, Column 4A) 6,000.00	From Page 3, Column 4B) 182,414.55
5. Purchased Services	(From Page 3, Column 5A)	(From Page 3, Column 5B) 43,000.00
6. Financial Costs	(From Page 3, Column 6A)	(From Page 3, Column 6B)
7. Media Costs	(From Page 4, Column 7A) 1,000.00	(From Page 4, Column 7B) 7,000.00
8. Contracting Organization Costs	(From Page 4, Column 8A) 14,100.80	(From Page 4, Column 8B)
9. Other Costs	(From Page 4, Column 9A)	(From Page 4, Column 8B) 23,946.88
10. Unaffiliated Facility Costs	N/A	(From Page 5, Column 10A + 10B)
Total Costs for Nonprofit Food Service	A. 236,198.20	B. 2,412,616.85

12. Summary of Nonprofit Food Service Income

Reimbursements under the CACFP subsidize the nonprofit food service operation but may not be sufficient to cover all nonprofit food service expenses. Any funds specifically designated as nonprofit food service account funds are restricted and may not be used to fund any other costs in your organization.

1. Enter the total annual costs of nonprofit food service (total of Columns A+B above)	2,648,815.05
2. Enter the projected annual CACFP reimbursement for the Program Year.	2,648,815.05
3. Enter the total of other income to the nonprofit food service.....	
4. Enter the total of lines 2 and 3.	2,648,815.05

Section III – Training Certification

1. Contracting Organizations certify that all training requirements have been adhered to for:

- New Sponsoring Organization staff who perform key activities (this applies to Sponsoring Organizations only);
- Current Sponsoring Organization staff who perform key activities (this applies to Sponsoring Organizations only);
- Monitors who conduct facility reviews (this applies to Sponsoring Organizations only);
- New center staff before program participation (this applies to Sponsoring Organizations and Independent Centers); and
- Current staff of participating centers (this applies to Sponsoring Organizations and Independent Centers).

2. Do you certify that all federal and state training requirements have been met? Yes No

If no, attach a detailed written explanation.

Certification

I certify that the information on this form is true and correct to the best of my knowledge, and that I will immediately report to the Texas Department of Agriculture any changes that occur to information submitted in my original or renewal application. I also certify that reimbursement will be claimed only for approved meals served to eligible persons during the hours they are in attendance at approved centers/facilities. I understand that deliberate misrepresentation or withholding of information may result in prosecution under applicable state and federal statutes. I understand that the submittal of false information in this document will result in the denial of my application and termination of my agreement to participate in the CACFP. I also understand that my organization and all individuals providing false information in this document will be placed on the National Disqualified List (NDL) and will be subject to any other applicable civil or criminal penalties.

Teresa Flores

Signature – Official of Contracting Organization

8-12-09

Date

Teresa Flores
Printed Name – Signing Official

Executive Director
Title – Contracting Organization Official

This document becomes public record and is subject to disclosure. With a few exceptions, you have the right to request and be informed about the information that the Texas Department of Agriculture obtains about you. You are entitled to receive and review the information upon request. You also have the right to ask TDA to correct information that is determined to be incorrect (Government Code, Sections 552.021, 552.023, 559.004). To find out about your information and your right to request corrections, please contact Food and Nutrition Field Operations Office.

For TDA Use Only

Signature –TDA Representative

Date

Title –TDA Representative