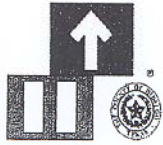


**2011 TD of A
BUDGET**

VI. PROGRAM OPERATIONS

A. 2. 2010 Texas Department of Agriculture Budget



Hidalgo County Head Start Program

Policy Council Agenda

DATE: August 18, 2010

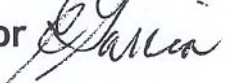
SUBJECT: Discussion/Approval of 2011 Texas Department of Agriculture Budget

RATIONALE/NEED: As part of providing comprehensive services to our families, these funds are utilized to provide meals for all 3,690 children enrolled in our Program.

RECOMMENDATION: Administration recommends approval.

COST: Based on Reimbursement Rates

RELATED INFORMATION INCLUDES: Memorandum and Budget Information

INITIATED BY: Edmundo Garcia, Assistant Program Director 

REVIEWED BY: Teresa Flores, Executive Director

EXECUTIVE DIRECTOR'S APPROVAL: 



Hidalgo County Head Start

MEMORANDUM

"Children first..."

Date: August 8, 2010
To: Hidalgo County Policy Council
From: Teresa Flores, Executive Director *Teresa Flores*
Subject: 2011 Budget (Texas Department of Agriculture)

The Hidalgo County Head Start Program will submit an Application for FY2011 (10/1/2010 to 9/30/2011) to the Texas Department of Agriculture for reimbursement under the Child and Adult Care Food Program in the amount of **\$2,785,055.18**. This amount represents a slight increase of **\$136,240.13** over last year's budget due to an increase in the reimbursement rate of .087, for an effective rate in 2011 of \$5.1625.

The most significant changes when comparing the 2010 budget to the proposed 2011 budget are mostly reflected in the following line items.

- **Salaries \$77,330.45.** The increase in this line item is due to the additional COLA (Cost Of Living Adjustment) in 2010. In addition, 33% of the custodians' salaries are now funded with this budget, representing an additional 3% over last year's budget. Salaries will remain at the same level for 2011, until the next COLA increase is awarded and authorized.
- **Fringe Benefits (\$38,820.66).** The decrease in this line item is due to health insurance premiums budgeted at the discounted rate for 2010. Rates for 2011 are budgeted at the undiscounted rate. If rates are discounted after the submittal of the budget, administration will make the appropriate recommendation to the Policy Council.
- **FOOD \$84,882.00.** Increase due to additional children enrolled under the Head Start Expansion Grant.
- **Equipment (\$27,414.57).** The reduction in this line item indicates that any equipment needed under this budget was purchased in 2010. No additional equipment is anticipated at this time.
- **Office Supplies \$1,412.91.** Expenses in the category reflect the need for additional funds.
- **Utilities \$38,850.00.** This is a reclassification of expenses from the supplies and equipment line item to the utilities line item, in order implement TDA's recommendation.

Texas Department of Agriculture (TDA) Budget Analysis

Description	2009-2010	2010-2011	Difference	Comments/Notes
Salaries/Fringes				
Salaries	809,167.84	886,498.29	77,330.45	TDA is paying 33 % of the custodians salaries
Fringes/Pension Adm Costs	361,987.66	323,167.00	(38,820.66)	TDA is paying 33 % of the custodians salaries
* Total Salaries/Fringes	1,171,155.50	1,209,665.29	38,509.79	
Food	1,203,518.40	1,288,400.40	84,882.00	
Supplies and Equipment				
Equipment	27,414.57	-	(27,414.57)	
Non-Food Supplies	151,678.90	151,678.90	-	
Office Supplies	6,000.00	7,412.91	1,412.91	Fully staffed department and anticipate more supplies
Purchased Services				
Equipment Maintenance	30,000.00	30,000.00	-	
Vehicle Maintenance	13,000.00	13,000.00	-	
Vehicle Fuel	23,946.88	23,946.88	-	
Utilities	-	38,850.00	38,850.00	These costs were absorbed from the non-food supplies line item
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	1,575,389.89	97,730.34	
Total Budget	2,648,815.05	2,785,055.18	136,240.13	Rate per meal increased from \$5.075 to \$5.1625 and added 120 children

Reimbursement Formula:

172 Service Days x 3,690 Children x 85% ADA x \$5.1625 Reimbursement Rate = \$2,785,055.18

Reimbursement Rate is Calculated as follows:

Breakfast	1.48
Lunch	2.74
Snack	0.74
Cash-in-Lieu of Commodities:	0.2025
Reimbursement Rate	5.1625