

OFFICE OF CHIEF OPERATIONS OFFICER
Summary of State Board of Education Agenda Items
Consent Agenda
June 17, 2021

OFFICE OF CHILD NUTRITION

- Q. Approval of Statewide Purchasing Program's FY21 Financial Statement and FY22 fee structure

Scope of Project: Under the State Food Purchasing Program Miss. Admin. Code 7-3:17.8, State Board Policy Chapter 17, Rule 17.8, Purchasing System, Food Purchasing System for Public Schools, fees for participants in the Statewide Purchasing Program shall be assessed in amounts as necessary to cover the cost of operation for the fiscal year. Any excess fees collected shall be utilized to cover a portion of the cost in the next year. An annual report of the revenue and expenditures shall be made to the State Board of Education, and the Board shall approve the fee structure for each fiscal year.

Based upon the projected operational cost for FY22, the Statewide Purchasing Program's financial statement for school year FY21 indicates an insufficient balance to cover the projected operating expenses therefore, the Office of Child Nutrition projects a fee will be assessed from participating organizations for the next school year. The fee for participation will be calculated at \$.006891 per meal equivalent. Through participation in this program schools have the opportunity to purchase food and non-food products at lower costs.

Recommendation: Approval

Back-up material attached

**Office of Child Nutrition
Statewide Purchasing Program
Budget for SY 2021 – 2022**

	Expense	Revenue
Balance brought forward July 1, 2021		\$267,512.94
Salaries - MDE Staff	\$144,834.95	
Travel - MDE Staff	\$10,000.00	
Travel - PMC	\$6,000.00	
Contractual - (New Purchasing Website Solution)	\$385,000.00	
Admin., Postage, Bid Ads etc.	\$4,000.00	
Projected Expenses	\$549,834.95	
Low Fund Balance (2.4 months of projected expenses)	\$91,657.49	
Participant Annual Fee		\$373,979.50
Total	\$641,492.44	\$641,492.44
SURPLUS \ SHORTFALL		\$0.00

Participant Annual Fee Calculation	
Revenue Requirement	\$373,979.50
Total statewide lunch meals (Using non-covid year sy2019)	54,270,716
Rate to charge per prior year lunch meal	\$ 0.006891



**Office of Child Nutrition
Statewide Purchasing Program
Financial Statement for SY 2020 – 2021**

	Budget	Expense	Revenue
Balance brought forward 7/1/2020			\$80,642.77
Salaries - MDE Staff	\$184,183.84	\$145,541.36	
Travel - MDE Staff	\$15,000.00	\$0.00	
Contractual - PMC, GCR	\$83,000.00	\$2,488.31	
Commodities	\$0.00	\$0.00	
Miscellaneous	\$15,217.00	\$0.00	
Other	\$74,350.21	\$0.00	
Participant fees collected			\$334,899.84
Total	\$371,751.05	\$148,029.67	\$415,542.61
Ending Balance	\$267,512.94		