

Self-Analysis of Food Service Business & Financial Management Practices

(Complete Annually)

All questions are designed for “yes” answers. A negative response indicates a need for corrective action or further discussion between the business official and the food service director.

A. Purchasing, Receiving & Storage

Every school that operates a food service program needs to implement procedures that control all food and supplies entering and leaving storage areas on or off school premises. Purchasing practices should incorporate economic and accountability controls. Inventories provide an important check and balance control. All personnel should be aware of the school’s procedures regarding the receipt, storage and inventory of food and supply items. The following questions are applicable to all food service operations.

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- | Yes | No | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Are purchases made in accordance with state/federal purchasing and competitive bidding regulations, as applicable? |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Are invoices compared to bid sheets/specifications for price accuracy? |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Are purchase orders and/or invoices checked against deliveries for quantity, quality, damage and substitutions? Are all problems resolved? |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Are daily delivery slips compared to monthly invoices for accuracy? |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Are storage areas for food and supplies locked at all times especially during the day when staff or students could have access to them? |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Is access to all storage keys restricted to only authorized personnel (e.g. food service manager and business official)? |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. Are monthly inventories maintained for purchased food and supplies? |
| <input type="checkbox"/> | <input type="checkbox"/> | 8. If using a perpetual inventory (daily record of items taken from storage), are periodic physical inventories taken to identify possible discrepancies? |
| <input type="checkbox"/> | <input type="checkbox"/> | 9. Is the value of the inventory computed at least bi-annually? |
| <input type="checkbox"/> | <input type="checkbox"/> | 10. Are all goods and supplies rotated on a first in, first out basis? |
| <input type="checkbox"/> | <input type="checkbox"/> | 11. Are storage areas monitored on an ongoing basis, so that proper storage practices and temperatures are maintained, especially during weekends and school breaks? |

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B. Menus & Food Production

Sound purchasing, storage and receiving practices go hand-in-hand with controlling food production costs. The following questions address the controls needed to prevent overspending, overproduction of food items, and use of food items for other than program purposes.

Yes **No**

- 1. Are recipe and menu costs computed in order to stay within the food budget?
 - 2. Is portion control implemented before and during meal service in each building?
 - 3. Are food production and participation records analyzed daily to control under-production and/or over-production?
 - 4. Are production records compared daily to receipts, sales and leftovers?
 - 5. Have policies been established to use, store or discard leftovers in each building/serving site?
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C. Cash Sales & Receipts

Tight controls are needed to protect cash, ensure the accurate accounting of all transactions (student meals, student and adult a la carte sales), and to provide a clear audit trail from the point of sale to the deposit slip and cashier's report. The following questions incorporate controls that should be implemented at each school building where cash transactions take place.

Yes **No**

- 1. Is money secure before, during and after meal service?
- 2. Is traffic flow past the cashier orderly and reasonably paced to prevent unnecessary distractions and confusion?
- 3. Are employees trained to receive cash properly?
- 4. Are cashiers rotated frequently? If only one cashier is used, does the manager periodically act as a substitute? Are receipts monitored to verify that they are similar regardless of who cashiers?
- 5. If no cash register is used (e.g. cash box), are a la carte items and trays counted before and after the service to reconcile sales with receipts?
- 6. Are all transactions separately and immediately recorded on a computer, register, tic sheet, count sheet or tape?

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C. Cash Sales & Receipts, continued

Yes **No**

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 7. Are point-of-service records (cash register tapes, printouts, coded tickets, tic sheets) accurate and do they support data indicated on the cashier's report? |
| <input type="checkbox"/> | <input type="checkbox"/> | 8. Are all transactions identified by source (i.e. student reimbursable meals, a la carte, adult meals)? |
| <input type="checkbox"/> | <input type="checkbox"/> | 9. Is money recorded by denomination on the cashier's report? |
| <input type="checkbox"/> | <input type="checkbox"/> | 10. Are policies/procedures established for cash overages and shortages? |
| <input type="checkbox"/> | <input type="checkbox"/> | 11. Are cashier's reports completed in ink and signed by each cashier? |
| <input type="checkbox"/> | <input type="checkbox"/> | 12. Is money/cashier's report given to designated personnel for review within 30 minutes after the service? |
| <input type="checkbox"/> | <input type="checkbox"/> | 13. Is all money collected and centrally counted for deposit? |
| <input type="checkbox"/> | <input type="checkbox"/> | 14. Are cashier's reports compared with bank deposit slips for accuracy? |
| <input type="checkbox"/> | <input type="checkbox"/> | 15. Are persons responsible for transporting large sums of money bonded? |
| <input type="checkbox"/> | <input type="checkbox"/> | 16. If a petty cash fund is used: Are receipts kept to document all transactions? Is the fund audited/balanced frequently? |
| <input type="checkbox"/> | <input type="checkbox"/> | 17. Are copies of cashier reports, monthly statements, etc., retained both in the sponsor's office and the food service manager's office? |
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D. District Level Controls

School business administrators, in conjunction with school food service administrators, need to know the strengths and weaknesses of the food service program in order to make necessary changes. The controls referenced in the questions listed below help to ensure the fiscal integrity of the food service program through frequent checks and balances.

- | Yes | No | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Are the KSDE Monthly and Annual Financial Status Summaries completed within 90 days following the end of the claim month? |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Are monthly expenses and revenues compared with prior months and annual totals? Can deviations be explained? |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Are frequent internal audits conducted to ensure the accuracy of reported information (revenue totals reflect cash sales; accurate claims for reimbursement and expenses reflect only allowable costs)? |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Are average costs and revenues per lunch calculated periodically? |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Are meals per labor hour within acceptable guidelines? |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Are daily work schedules used to optimize staffing? |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. Are non program food (student and adult) items priced to cover all costs? |
| <input type="checkbox"/> | <input type="checkbox"/> | 8. Do all adults make payment for all meals received through the program? |
| <input type="checkbox"/> | <input type="checkbox"/> | 9. Is the Food Service Fund reimbursed for all nonfood service gratis meals and low priced adult meals? |
| <input type="checkbox"/> | <input type="checkbox"/> | 10. If meal tickets are used, are they pre-numbered to provide for usage controls?
Are meal counts compared against ticket usage? |
| <input type="checkbox"/> | <input type="checkbox"/> | 11. Are the procedures used to verify information on Applications for Child Nutrition Program Benefits sufficiently documented, completed, and kept on file according to federal guidelines? |
| <input type="checkbox"/> | <input type="checkbox"/> | 12. Are computer accountability systems backed up daily? |

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E. Catering/Outside Use of Cafeteria Facilities

If the sponsor provides catering services for school related functions, such as of board of education luncheons and sports banquets, procedures must be established to ensure the separation of these services from the Child Nutrition Program's operation. In addition, controls need to be established when outside organizations such as a booster club or local PTO group, uses cafeteria facilities for outside fundraising activities (i.e. spaghetti dinner, pancake breakfasts or refreshments made available during bazaars, etc.).

Yes No

1. When catering school-related functions:

 a. Is the cost of all food and supplies used for these functions billed to the function's sponsor?

 b. Is all labor required for the function charged to the function's sponsor?

2. When outside organizations/groups use school cafeteria facilities and equipment, are the following controls in place?

 a. Is a school food service employee, who is independent of the outside group, assigned to monitor the operation of equipment and ensure that school food service supplies are not used?

 b. Are fees charged to cover costs of possible clean up and equipment wear and tear?

 c. Is the sponsor's inventory and equipment secured during non-working hours?

Signature _____

Title _____

Date Completed _____

Once completed, this survey should be kept on file at the school/district office to be used as a reference and resource.

Adapted from *Self-Analysis of Business Practices Relating to School Food Service*,
The State Department/University of the State of New York, Albany, N.Y.