## Monthly Net Income

<table>
<thead>
<tr>
<th>Income Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Net Income</td>
<td>4,500</td>
</tr>
<tr>
<td>Other Monthly Income</td>
<td>2,500</td>
</tr>
<tr>
<td>Mid Year Bonus</td>
<td></td>
</tr>
<tr>
<td>Year End Bonus</td>
<td></td>
</tr>
</tbody>
</table>

## Planned Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>Month</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>November vacation</td>
<td>November</td>
<td></td>
</tr>
<tr>
<td>Home for the holidays</td>
<td>December</td>
<td></td>
</tr>
<tr>
<td>Gifts for family</td>
<td>December</td>
<td></td>
</tr>
<tr>
<td>Family vacation</td>
<td>July</td>
<td></td>
</tr>
<tr>
<td></td>
<td>January</td>
<td></td>
</tr>
</tbody>
</table>

---

### Total Planned Expenses

<table>
<thead>
<tr>
<th>Month</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>3,005</td>
</tr>
<tr>
<td>June</td>
<td>3,650</td>
</tr>
<tr>
<td>July</td>
<td>3,305</td>
</tr>
<tr>
<td>August</td>
<td>3,000</td>
</tr>
</tbody>
</table>
The Institute of Child Nutrition was authorized by Congress in 1989 and established in 1990 at the University of Mississippi in Oxford and is operated in collaboration with The University of Southern Mississippi in Hattiesburg. The Institute operates under a grant agreement with the United States Department of Agriculture, Food and Nutrition Service.

PURPOSE
Improve the operation of child nutrition programs through research, education and training, and information dissemination.

VISION
Lead the nation in providing research, education, and resources to promote excellence in child nutrition programs.

MISSION
Provide relevant research-based information and services that advance the continuous improvement of child nutrition programs.
Disclaimer

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   Washington, D.C. 20250-9410;
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Key Performance Indicators Mini-Series
for School Nutrition Programs

Instructor’s Manual

PROJECT COORDINATOR
Pat Richardson, MEd

EXECUTIVE DIRECTOR
Aleshia Hall-Campbell, PhD, MPH

Key Area 3: Administration
USDA Professional Standards Code: 3340
Introduction and Background Information

Instructor’s Note: The purpose of the background information section is to help you become familiar with the context of the training. It is not a part of the training detail.

Welcome to the Institute of Child Nutrition’s (ICN) Key Performance Indicators Mini-Series for Managers. The purpose of these short mini trainings is to provide school nutrition professionals with an easy-to-use reference for identifying and applying the key performance indicators (KPIs) that focus on the most critical aspects of a nutrition program’s performance to achieve success.

The KPIs for Managers is a series of short 15-minute trainings. Each training presents the content, has an example describing how to calculate the key performance indicator, and provides an activity to determine if the participant understands how to calculate the KPI. These trainings can be presented one at a time and in any order depending on the area that needs training.

The suggested audience for these trainings is school nutrition (SN) directors to teach managers or seasoned SN directors to teach new SN directors.

Performance measurement is an essential managerial function. It exposes the gaps between current and desired performance, and provides evidence that progress has been made toward closing the gaps. These measures offer a numbers-oriented approach to specific areas of emphasis and objectively assess results. Key performance indicators allow users to set standards of expectation, identify problem areas, and measure progress in correcting these problems. KPIs can be used to determine where resources should be invested to have the most positive impact, such as equipment or labor. They can be used to track the progress of major initiatives, for example, breakfast in the classroom, salad bars, and farm to school, on participation, cost, and revenue.

The 12 individual key performance indicator trainings are grouped into three general areas. The trainings are set up so that you can print the one(s) on which you want to train.

Meal Counts and Participation
1. Meal Equivalents (MEQ)
2. Average Daily Participation (ADP)

Financial and Inventory Management
3. Revenues
4. Expenditures
5. Revenue Per Meal Equivalent
6. Cost Per Meal Equivalent
7. Cost as a Percentage of Revenue
8. Break-Even Point (BEP)
9. Inventory Turnover Rate
KPI Mini-Series: Introduction and Background

**Productivity and Labor**
- 10. Meals Per Labor Hour (MPLH)
- 11. Staff Turnover Rate
- 12. Absenteeism Rate

Adult learners utilize a variety of learning styles. These short trainings offer opportunities for the participant to benefit from learning styles that suit their needs. Participants should be encouraged to use methods that will allow them to understand and recall financial management concepts and principles.

**Training Prompts**

When administering this training, strive to follow the script and model the program provided in training. This script features the following prompts for transitioning between topics, activities, and other aspects of this training:

**SAY:** What the instructor is to say to participants. This content teaches the learning objectives.

**ASK:** This prompt is used when the instructor should ask the participants a question. If the question warrants feedback, it will be followed by the FEEDBACK prompt.

**FEEDBACK:** This prompt is used to ensure certain elements are covered in discussions. The feedback may include possible answers for instructors to give.

**DO:** This prompt is used to explain what the instructor/participants are to do. It may be used to lead into activities, do demonstrations, show videos, or any other action the instructor would need to know to do.
Functional Area and Competencies for School Nutrition Directors

Functional Area 2: Financial Management

**Competency 2.1:** Develops financial management guidelines that support school nutrition program operational goals and comply with regulations.

Knowledge Statement:
- Knows basic principles of accounting and the application of those principles.
- Knows the impact of changing demographics and enrollment trends on the school nutrition program budget.

**Competency 2.2:** Establishes cost control goals to effectively manage the school nutrition program.

Knowledge Statement:
- Knows the importance of appropriate staffing and scheduling to control labor cost.
- Knows the role of the menu in controlling costs.


Functional Area and Competencies for School Nutrition Managers

Functional Area 7: Financial Management and Accountability

**Competency 7.1:** Ensures compliance with Federal, State, and local regulations, policies, and procedures for financial accountability in the school nutrition program.

Knowledge Statements
- Knows financial elements of the school nutrition program (i.e., average daily participation [ADP] and food costs).
- Understands school nutrition program financial goals and objectives.

**Competency 7.4:** Organizes effective business operations to ensure all records and management techniques are maintained in accordance to Federal, State, and local regulations and policies.

Knowledge Statements
- Knows procedures for documenting and evaluating amounts of food planned, prepared, and served.
- Knows the importance of operating a financially sound program.
- Knows school nutrition program financial goals and objectives.
KPI Mini-Series: Introduction and Background

**Competency 7.5:** Follows cost controls for the school nutrition program.

Knowledge Statements

- Knows the importance of meal costs on the financial status of the school nutrition program.
- Knows cost-effective techniques relevant to school nutrition operations.
- Knows the financial impact of cost saving production techniques.
- Knows how to calculate meals per labor hour and the significance of the results.


**PROFESSIONAL STANDARDS**

**Financial Management – 3300**

Employee will be able to manage procedures and records for compliance with Resource Management with efficiency and accuracy in accordance with all Federal, State, and local regulations, as well as the Administrative Review.

3340 – Financial Analysis

**Key Area 3: Administration**
Ground Rules

The following ground rules posters can be found at https://theicn.org/icn-resources-a-z/ground-rules-for-training-mini-posters/ on the ICN website.

These posters are available to print.

• Show up on time and come prepared. Be prompt in arriving and in returning from breaks. Come with a positive attitude.
• Stay mentally and physically present. Be present and stay on task. Listen attentively to others and avoid disruptive side conversations.
• Let everyone participate. Be patient when listening to others speak. Treat all participants with the same respect that you would want from them.
• Listen with an open mind. Stay open to new ways of doing things, and listen for understanding. You can respect another person’s point of view without agreeing with them.
• Think before speaking. Seek first to understand, then to be understood. Avoid using idioms, three-letter acronyms, and phrases that can be misunderstood.
• Attack the problem not the person. Respectfully challenge the idea, not the person. Honest and constructive discussions are necessary to get the best results.