

**State of Alaska
FY2004 Governor's Operating Budget**

**Department of Education and Early Development
Child Nutrition
Component Budget Summary**

Component: Child Nutrition

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Component Mission

To make benefits of the School Lunch, School Breakfast, Special Milk, Summer Food Service, and Child and Adult Care Food Programs available to eligible sponsors in Alaska. To provide resources to support federal child nutrition program sponsors in Alaska.

To provide USDA commodities to school districts, residential child care institutions, childcare centers, The Emergency Food Assistance Program (TEFAP), summer food service programs and charitable and correctional institutions.

Component Services Provided

Child Nutrition Services (CNS)

- CNS administers the National School Lunch, School Breakfast, Special Milk, Summer Food, and the Child and Adult Care Food Programs in Alaska for USDA.
- Eligible sponsors include schools, child care centers, licensed family day care homes, residential child care institutions, summer camps, homeless shelters, adult day care centers, and national youth sports programs
- Federal funds earned by sponsors for reimbursable meals served to eligible children and adults in approved agencies in Alaska in accordance with AS 14.50.010.
- Federal reimbursement subsidizes the meal costs incurred by the sponsor.
- CNS conducts on site reviews to ensure program integrity and compliance with federal regulations.

USDA Commodity Program

The USDA Commodity Program in Alaska distributes USDA food products to school districts, summer food service programs and childcare centers based on the number of reimbursable meals served annually. Commodities are provided to the Emergency Food Assistance Program (TEFAP) based on Alaska's population of low income and unemployed persons, as compared to national statistics. Each states share of commodities and funds shall be based 60 percent on the number of persons in households within the State having incomes below the poverty level and 40 percent on the number of unemployed person within the State. Bonus commodities (those in surplus) are made available to charitable and correctional institutions only in those instances when other eligible programs cannot use the commodities.

Component Goals and Strategies

Child Nutrition Services

- Market Child Nutrition Programs to school districts and child care programs that do not currently participate in federal nutrition programs.
- Market Child and Adult Care Food Program to Title XX for-profit sponsors.
- Increase the number of sponsors participating in the School Breakfast Program.
- Increase the number of sponsors participating in the Afterschool and At Risk Snack Programs.
- Increase the number of sponsors participating in the Homeless Nutrition Program.
- Improve access to technical assistance and training for sponsors.
- Provide training and materials that support enhanced services.
- Promote quality nutrition programs that include cost effectiveness, nutrition integrity, and comply with federal regulations.

USDA Commodity Program

- Increase commodity-processing opportunities on behalf of school districts in order to reduce food service expenditures.

- Order and distribute USDA food products equitably and in a cost-effective manner.
- Provide technical assistance and training during the annual Child Nutrition and Food Distribution Conference and Alaska School Food Service Association (ASFSA) Conference.
- Hold at least one annual State Food Distribution Advisory council meeting and two teleconferences. Obtain council recommendations for program operations and administration, ordering and receipt and preferences for commodity-processed products.

Key Component Issues for FY2003 – 2004

Child Nutrition Services

- Continue efforts to encourage participation in nutrition programs in Alaska for eligible children and adults.
- Continue efforts to encourage participation in snacks for in-school/after-school youth programs.
- Continue efforts to encourage participation in nutrition program for homeless children.
- Continue efforts to ensure sponsors comply with federal regulations.
- Continue outreach and training efforts to for-profit child care centers under Title XX.

USDA Commodity Program

- Provide USDA commodities to schools and other agencies in an efficient, cost-effective manner, while continuing to improve the quality of service to recipient agencies.
- Provide USDA commodities to areas of the State negatively impacted as a result of inadequate fisheries

Major Component Accomplishments in 2002

Child Nutrition Services

- 46 school districts and Residential Child Care Institutions participating in the school lunch program serving 49,691 students on an average daily basis.
- 29 school districts participating in the school breakfast program serving 10,081 students on an average daily basis.
- 106 Child Care Food Program sponsors serving 7,139 children and adult day care recipients on an average daily basis.
- 12 Family Day Care sponsors serving 2,823 children on an average daily basis.
- 19 SFSP sponsors serving approximately 1645 children on an average daily basis during summer FY 2002.
- Distributed over 26 million dollars in sponsor reimbursement in FY 01

USDA Commodity Program

- Distributed a total of \$3,195,329 in USDA commodities to eligible recipient agencies statewide during FY 02.
- Approximately 75% of Alaska School Districts took advantage of Commodity Processing during FY02. Commodity processing enabled districts to obtain products that they would normally pay a higher price for through commercial channels.
- Distributed \$30,000 in USDA food to the Bristol Bay area as a result of the fisheries disaster.
- Implemented a first ever-statewide food drive in conjunction with Alaska School Districts and food banks.

Statutory and Regulatory Authority

AS 14.50.010
AS 44.31.030
42 USC 1751 - 1769
7CFR 210, 220, 225, 226, 245, 250

Child Nutrition
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	491.8	483.1	543.4
72000 Travel	75.9	44.7	44.7
73000 Contractual	343.3	503.3	457.4
74000 Supplies	81.2	15.0	15.0
75000 Equipment	8.5	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	27,343.3	27,000.0	27,830.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	28,344.0	28,046.1	28,891.4
Funding Sources:			
1002 Federal Receipts	28,022.7	27,694.1	28,536.3
1003 General Fund Match	46.7	46.7	47.1
1014 Donated Commodity/Handling Fee Account	274.6	305.3	308.0
Funding Totals	28,344.0	28,046.1	28,891.4

Child Nutrition

Proposed Changes in Levels of Service for FY2004

Move Child Nutrition Component to Teaching and Learning Support

Child Nutrition increase in federal reimbursements (\$830.9)

The Child Nutrition program has increased the number of participants over the last several years. This has resulted in about a 3% increase per year. Between this and the implementation of the Summer Food Program Pilot Project (The Consolidated Appropriations Act, 2001 (Pub. L. 106-554), which was signed into law on December 21, 2000, authorizes SFSP pilot projects to increase the number of children participating in the program in States with low participation rates. The new authority for these pilot projects is in section 18(f) of the Richard B. Russell National School Lunch Act (NSLA) (42 U.S.C. 1769(f)) increased federal receipt authority is necessary.

Annualize FY2003 COLA increase for General Government and Supervisory Bargaining Units (\$9.2)

In FY2003 COLA increases were not in effect for the entire year for the General Government, Confidential and Supervisory bargaining units. This request adds funding to pay the COLA for these bargaining units for the full year in FY2004.

\$75 per Month Health Insurance for Non-covered Staff (\$5.2)

The employer contribution to health insurance for non-covered staff will increase by \$75.00 from \$630.00 per month to \$705.00 per month.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	46.7	27,999.4	0.0	28,046.1
Adjustments which will continue current level of service:				
-Annualize FY2003 COLA Increase for General Government and Supervisory Bargaining Units	0.0	9.2	0.0	9.2
-\$75 per Month Health Insurance for Non-covered Staff	0.4	4.8	0.0	5.2
Proposed budget increases:				
-Child Nutrition Program Increase	0.0	830.9	0.0	830.9
FY2004 Governor	47.1	28,844.3	0.0	28,891.4

Child Nutrition

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	9	10	Annual Salaries	400,503
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	150,240
			<i>Less 1.33% Vacancy Factor</i>	(7,343)
			Lump Sum Premium Pay	0
Totals	9	10	Total Personal Services	543,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	0	0	1	0	1
Administrative Clerk I	0	0	1	0	1
Administrative Clerk II	0	0	1	0	1
Education Prog Assistant	0	0	3	0	3
Project Asst	0	0	2	0	2
Project Coord	0	0	1	0	1
School Food Coordinator	0	0	1	0	1
Totals	0	0	10	0	10