

Action Sheet

MEETING DATE:

January 20, 2021

AGENDA ITEM:

Discuss and consider approval of purchase of food service equipment, not to exceed \$350,000, using Child Nutrition fund balance.

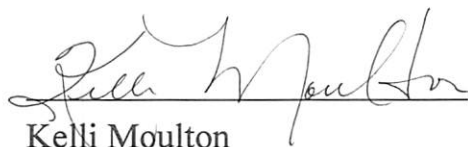
To maintain the nonprofit status of the School Lunch Program (NSLP) and the School Breakfast Program (SBP), Galveston ISD should have a Child Nutrition fund balance of no more than three months of operating expense on hand. When the fund balance exceeds this amount, Texas Department of Agriculture (TDA) requires districts to have a plan in place to spend the excess funds.


Currently, the 2020-2021 Child Nutrition Fund Balance has excess funds in the amount of \$1,067,921; therefore, the District is required to have a plan in place to spend down these funds. Due to the anticipated reduction in child nutrition sales because of the pandemic, a deficit budget was approved for 2020-21 in the amount \$521,507. Taking that into consideration, the District must have a plan to spend the remaining excess funds of \$546,414. The District's plan is as follows:

1. Purchase outdated kitchen equipment in an amount not to exceed \$350,000 (January 2021).
2. Upgrade outdated ventilation equipment in an amount not to exceed \$200,000 (February 2021- another agenda item will be forthcoming in February).

RECOMMENDATION:

I move that the board approve the purchase of food service equipment from cooperative vendors, in an amount not to exceed \$350,000, using Child Nutrition fund balance.


Kelli Moulton
Superintendent


Connie Morgenroth
Assistant Superintendent of Business & Operations