Food Production Standards

Key Terms:

**MPLH:** Meals Per Labor Hour

**Meal Equivalents:** The rate used to compare the amount of labor needed to prepare breakfasts, snacks, or a la carte, with the labor needed to prepare one school lunch

**Productivity Standard:** The number of meals produced per labor hour

**Participation:** Taking part or sharing

Most CNP managers do not make decisions to reduce labor or allocate labor hours. However, it is important that the manager be supportive of the decisions made by administrators and work with the CNP team to make the necessary changes. It is easier to be supportive of decisions when they are understood. The following information on how staffing is determined will help you understand and support central office decisions for staffing changes.

- Productivity is measured in meals produced for labor hours worked (meals per labor hour – MPLH). When more meals are produced in an hour, the labor cost for each meal is reduced. This means there is more money available to spend in other areas (food, supplies, equipment).

- Two ways to increase the productivity rate and produce more meals per hour of paid labor –
  - Decrease the number of labor hours, or
  - Increase the number of meal equivalents.

How Total Labor Hours are Determined

It is important for managers to understand how total labor hours needed are determined based on meal equivalents.

- A meal equivalent is the rate used to compare the amount of labor needed to prepare one lunch with labor needed to prepare breakfasts, snacks, or a la carte. School lunch is used as the basis of comparison because it is the main source of revenue and it takes the most time to prepare; 1 lunch = 1 meal equivalent. The following Meal Equivalents are provided by the Alabama Department of Education to be used by school systems in calculating rates of productivity and identifying staffing needs. (Updated August, 2007).

**Meal Equivalents***
- 1 lunch = 1 meal equivalent
- 3 breakfasts = 2 meal equivalent
- 3 snacks = 1 meal equivalent
- $3.00 a la carte sales = 1 meal equivalent
*These meal equivalents have been based on using a mix of school-prepared and convenience foods for lunch, mostly convenience foods for breakfast and a la carte sales, and preparing snacks during regular lunch production and saving for service later. These equivalency rates can be used with confidence by most schools to calculate their productivity rate.

Generally, the CNP central office provides managers information on total labor hours per day for their cafeteria. This information may be given as the number of personnel allotted to the school and the hours each person should work. This staffing is based on a productivity standard or the number of meals that are produced per labor hour.

In Alabama, the productivity standard for Child Nutrition Programs is 16-19 meals per labor hour.

The following formula is used to determine labor hours.

**Step 1:** Determine the current meal equivalents.

A. Average number of breakfasts per day divided by 3 multiplied by 2 =
B. Average number of reimbursable lunches per day =
C. Average snacks per day divided by 3 =
D. Dollars of a la carte sales divided by $3.00* =
   *(use current year’s figure, see Revenues & expenses section of the Manager’s Guide for more information)
E. Add A + B + C = Total number of Meal Equivalents

**Example: Jackson Primary School**

A. Average number of breakfasts per day

   \[ 260 \div 3 = 86.6 \times 2 = 173 \text{ meal equivalents} \]

B. Average number of lunches

   \[ 420 = 420 \text{ meal equivalents} \]
C. Average number of snacks

\[ \frac{40}{3} = 13 \text{ meal equivalents} \]

D. Dollars of a la carte sales

\[ \frac{480.00}{3.00} = 160 \text{ meal equivalents} \]

E. Total number of meal equivalents

\[ A + B + C + D = E \]

\[ 173 + 420 + 13 + 160 = 766 \text{ meal equivalents} \]

**Step 2:** Determine total labor hours being worked.

A. Number manager hours

B. Total hours of full-time staff

C. Total hours of any part-time staff

D. Total any other hours contributed to CNP

E. Total hours per day

**Example: Jackson Primary School**

\begin{align*}
\text{Manager hours per day} & : 8 \text{ hours} \\
2 \text{ employees} @ 7 \text{ hours} & : 14 \text{ hours} \\
2 \text{ employees} @ 6 \text{ hours} & : 12 \text{ hours} \\
2 \text{ employees} @ 3 \text{ hours} & : 6 \text{ hours} \\
\text{Total Hours} & : 40 \text{ hours}
\end{align*}

**Step 3:** Divide the meal equivalents by the total number of labor hours worked to determine the MPLH.

A. Total number of meal equivalents

B. Divided by total labor hours worked

C. Equals meals per labor hour

**Example: Jackson Primary School**

\[ \frac{766}{40} = 19 \text{ meals per labor hour} \]
**Determining Productivity of the Happy High School Cafeteria:**

Happy High School averages 180 breakfast and 1,306 lunch meals, 45 snacks and an average of $525.00 in daily extra food sales.

Using the meal equivalent formula, determine the productivity rate for this cafeteria staff, which works an average of 104 labor hours per day.

**STEP 1: Determine the current meal equivalents.**

- **A.** Average number of breakfasts per day \(\div 3 \times 2\) = 
- **B.** Average number of reimbursable lunches served per day = 
- **C.** Average snacks served per day \(\div 3\) = 
- **D.** Dollars of a la carte sales \(\div 3.00\) = 
- **E.** Add A + B + C + D = Total number of meal equivalents

**STEP 2: Determine total labor hours.**

Use total hours for one day

**STEP 3: Calculate the meals per labor hour (MPLH)**

Use the information collected in Steps 1 and 2 to calculate MPLH. Total meals (STEP 1) divided by the Total Hours (STEP 2) equals MPLH.
Happy High School Cafeteria

Determining Productivity of the Happy High School Cafeteria:

Happy High School averages 180 breakfast and 1,306 lunch meals, 45 snacks and an average of $525.00 in daily extra food sales.

Using the meal equivalent formula, determine the productivity rate for this cafeteria staff, which works an average of 104 labor hours per day.

STEP 1: Determine the current meal equivalents.

A. Average number of breakfasts per day (÷3 x 2) = 120
B. Average number of reimbursable lunches served per day = 1,306
C. Average snacks served per day / 3 = 15
D. Dollars of a la carte sales / $3.00 = 175
E. Add A + B + C + D = Total number of meal equivalents 1616

STEP 2: Determine total labor hours

Use total hours for one day 104

STEP 3: Calculate the meals per labor hour (MPLH)

Use the information collected in Steps 1 and 2 to calculate MPLH. Total meals (STEP 1) divided by the Total Hours (STEP 2) equals MPLH.

\[
\frac{1616}{104} = 15.53
\]

Ways to Increase the Number of Meal Equivalents

The manager is primarily responsible for increasing the number of meal equivalents. This presents a challenge: When labor hours must be reduced for the number of meal equivalents,
you can usually keep the same amount of labor if the number of meal equivalents per day is increased.

- What are some ways to increase meal equivalents?
- What are some ideas for increasing participation?

Every Child Nutrition Program must operate as a financially sound business. When there is not enough revenue to cover expenditures, there are two choices: reduce expenditures or increase revenue. Most businesses, including Child Nutrition Programs, would like to increase the amount of money they receive. Even if an operation is meeting its current expenses, future needs for renovations and new equipment generally require that the Child Nutrition Program find additional sources for revenue.

**Example of an attainable goal:** If the average revenue per breakfast meal is $1.02 and you set a goal to increase breakfast participation by 5 meals a day, at the end of the school year you will generate an additional $892.50.

**5 breakfast meals x 180 school days = 900 x $1.02 (average revenue for breakfast) = $918.**

**Practice!**

If the average revenue per lunch meal is $1.76 and you set a goal to increase lunch participation by 5 meals a day, at the end of the school year, how much additional revenue will have been generated?

**5 lunch meals x 180 days = 900 x $1.76 = _______________.**

The most important way to generate more revenue is to increase the number of reimbursable meals served.

**How to Generate More Revenue by Serving More Meal Equivalents**

1. Work with the CNP Director to determine if more revenue is needed. What are some indicators that you may need to increase revenue?

2. Set a goal for the amount of revenue or number of meal equivalents needed.

**Example:** Need to increase meal equivalents by 32. (There are a number of ways that any school can increase their meal equivalents. They could serve more lunches, more breakfasts, or more a la carte sales.)

**To increase lunches only** – How many more lunches would need to be served to students for this increase? Remember: 1 lunch = 1 meal equivalent
32 meal equivalents x 1 = 32 lunches

To increase breakfasts only – How many more breakfasts would need to be served to students for this increase? Remember: 3 breakfasts = 2 meal equivalent

32 meal equivalents ÷ 3 x 2 = 21 breakfasts

To increase a la carte only – How many more dollars of a la carte sales would be needed for this increase? Remember: State Standard – $3.00 = 1 meal equivalent

32 meal equivalents x $3.00 = $96.00

3. Determine whether participation can be increased to generate more revenue.

Unless the CNP staff is feeding all of the students, faculty and staff every day that are in attendance, there are possibilities for increasing revenue. The CNP manager can use eligibility information to help determine where revenue can be increased. Every student who is enrolled and every adult who is employed by the school is a potential customer.

Increasing adult participation not only helps generate more revenue, but offers additional benefits as well. Student behavior and attitudes toward the Child Nutrition Program often improve when faculty participation improves. It is important to serve adults the appropriate serving sizes (7-12 age/grade portions) for the cost of the lunch. The adult price for lunches is based on serving the same size portions as high school students receive. It is also important to remember to collect money for all adult meals (excluding full-time CNP staff). School lunch, breakfast and snack are federally funded programs designed to serve school children only.

Look at the information below for Jackson Primary School. Where can revenue be increased?

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Number Served Breakfast</th>
<th>Number Served Lunch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid Students</td>
<td>136</td>
<td>60 _____</td>
</tr>
<tr>
<td>Free Students</td>
<td>212</td>
<td>125 _____</td>
</tr>
<tr>
<td>Reduced-Price Students</td>
<td>24</td>
<td>18 _____</td>
</tr>
</tbody>
</table>

The manager and CNP staff cannot increase the amount a student pays per meal or the amount of reimbursement per meal, but they can increase the total amount received in each category by increasing participation and the total amount of sales.
### Ideas for Increasing Participation

- Use direct certification of Food Stamp families to qualify students for free meals.
- Use family applications to approve all school age siblings in a family whose income qualifies for free and reduced-price meals. This works well when the district has a computer software program for approving free/reduced-price meal applications.
- Re-notify students who qualify for free or reduced-price meals and make it easy for them to start receiving the meals. For example, it could help to include a meal ticket or account number with the re-notification letter.
- Survey students, teachers, and parents to find out why students are not participating in the school food service program.
- Respond to negatives noted in the surveys.
- Market and promote the school food service program to students, parents, teachers, administrators and the community. See the Marketing section of the Manager’s Guide for more information on how to market your program.
- Modernize facilities and make the atmosphere of the service line and dining areas more appealing.
- Provide customer service training to food service staff. Have food service employees exhibit upbeat, positive attitudes that are customer oriented.
- Improve menus, food quality and appearance and offer more choices.
- Plan a sufficient number of lunch periods and allow sufficient time and space for students to eat. (Collaborate with school administrators.)

You may also set goals to increase a la carte sales; however, the focus of CNP is serving reimbursable meals and increasing the number of meals is more important than increasing sales of a la carte foods.