

Orange County Public Schools



**“Tipping the Labor
Cost Below 40%”**

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Labor Cost Facts

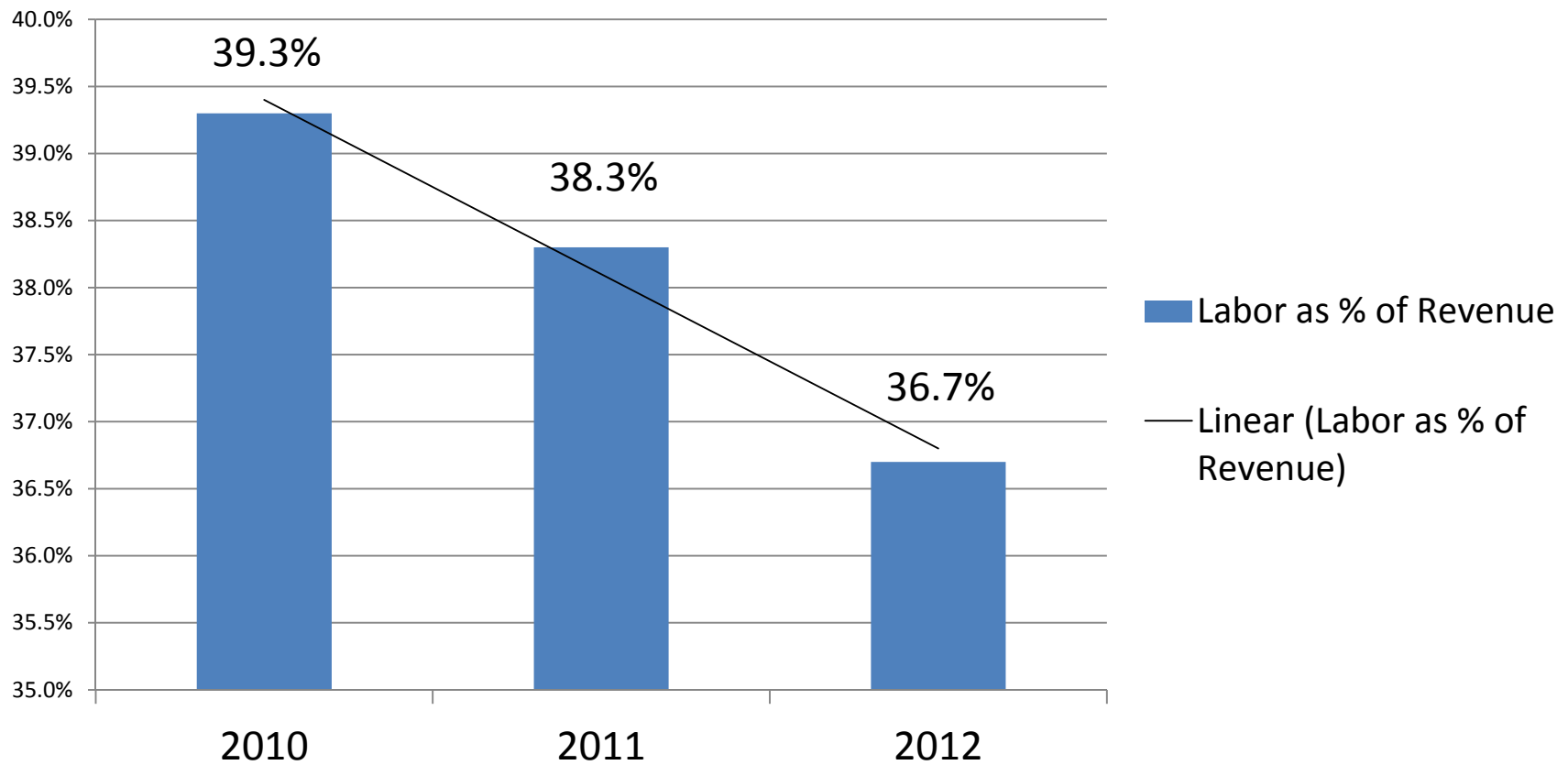
- One of the highest expenses in a food service operation
- Labor cost should not be >40% of revenue
- It can be difficult to manage due to fluctuations in revenues
- Unmanaged labor costs can lead to decrease profitability

Labor Cost Facts

- Certain increases of labor cost is beyond the operation's control
- It is a FIXED expense- Food Services cannot operate without it
- Labor costs can be control if monitored consistently

Labor Cost

Labor as % of Revenue



Ways to Control Labor Cost

- Monitor Meals Per Labor Hour (MPLH)
Administrative staff uses a MPLH worksheet consistently
- Publish Meals Per Labor Hours
Labor hours for each school is calculated and published

MPLH WORKSHEET

Meals Per Labor Hour Worksheet

Employee Name	# of Paid Hours/Day	Total Labor Hours						
			# of Hours/Day X			(Paid days in the month)		
			0 Total # of Labor hours per Month					
			Meal Equivalents					
			Total # of Lunches			x 1 =	0	
			Total # of Breakfast			/ 3 =	0	
			Total # of Snacks			/ 3 =	0	
			Total # of A La Carte \$			/ 2.50 =	0	
			Total Meal Equivalents					
			* Fill in the boxes with the yellow color ONLY and the Meals per labor hour will be calculated for you.					
Total # paid hours per day								
Meals per Labor Hour =			* Average per day					

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Published MPLH

SCHOOLS	B-adlt	B-stfr	B-stin	B-stpd	B-strd	B-total	B-Avg	B-meq	Snacks	SnacksL-meq	ADULT	L-STFR	L-STIN	L-STPD	L-STRD	L-total.	L-Avg.	b+l+s	ADP	Allowable Hours
Oct-13																				
*=headstart																				
Finishing Kitchens																				
Apopka	61	4,161	15	443	289	4,969	237	79	1,786	595	274	8,596	191	1,785	1,104	11,950	569	648		34
Clarcona	4	4,698	1	592	338	5,633	268	89	1,370	457	125	10,308	341	3,282	914	14,970	713	802		42
Clay Springs	4	2,378		259	77	2,718	129	43			152	7,015	44	2,442	630	10,283	490	533		28
Dream Lake	96	2,801	2	430	272	3,601	171	57	2,346	782	279	7,810	213	2,888	1,122	12,312	586	643		27
Ferncreek	4	3,307		528	598	4,437	211	70			61	5,568	53	276	284	6,242	297	368		15

Ways to Control Labor Cost

- Train school based managers
- Identify inefficiencies
- Identify low levels of productivity
- Implement different nutrition programs

Who gets to see the kids everyday?



Ways to Control Labor Cost

- Utilize appropriate SFSA level
- Require work schedules
- Restructure cafeteria operations with low meal participation

Assembly Line



OCPS New Initiatives to aide in Labor Cost Control

- Training Program
 - New employees will be trained prior to going to assigned work location.
 - FEAST (New Employee Orientation Session)
Foodservice Employees Accelerating Successfully Together
- Give employees on light duty central office assignments

OCPS New Initiatives to aide in Labor Cost Control

- Tracking employee turnover
 - Publish career path of food services
- FARE Team -
 - F**oodservice **A**rea **R**epresentatives for **E**mployees

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QUESTIONS

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