

Administrative Policy No. 6.11

Subject: Institution Meal Pricing Cost Reporting

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Authorizing Source: Finance Services Division

Effective Date: June 15, 1990

Revised: November 23, 2021

Approved By: Original signed by Lori Melchiori
Senior Director, Office of Policy and Rules

Purpose

The purpose of this policy is:

- To establish a fee for meals paid for by employees and the public at all Department of Social and Health Services (DSHS) residential facilities, hospitals, and institutions;
- To collect monthly data from residential facilities, hospitals, and institutions for the purpose of identifying meal cost trends, contract and consolidation opportunities, and areas of potential cost savings.

Scope

This policy applies to all DSHS residential facilities, hospitals, and institutions.

Additional Guidance

DSHS Administrative Policy

[8.13 Food Service for Patients and Residents](#)

[Executive Order 13-06, Improving the Health and Productivity of State Employees and Access to Healthy Foods in State Facilities](#)

Policy

To calculate meal pricing, DSHS residential facilities, hospitals, and institutions add food costs and salary and benefit costs together for each month of the fiscal year and divide by the total number of meals served for that month. These monthly figures are used to determine an annual average price per meal. The new meal price takes effect August 1st, and will remain in effect until the following August.

$$\text{Meal Pricing} = \frac{\text{Fiscal Year Food Costs} + \text{Fiscal Year Salary and Benefit Costs}}{\text{Total Number of Meals Served}}$$

Food managers must report the monthly meal cost summary data electronically on the Office of Accounting Services [Supply Chain SharePoint site](#) by the 15th of the month following the report month. Reporting of food cost data and meal count data is required. Reporting of food service salary and benefits information is optional. Detailed [written](#) and [video](#) instructions are available on the [Supply Chain SharePoint site](#).

The Office of Accounting Services will use the information to produce the [Annual Meal Cost Memo](#) and to identify meal cost trends, contract and consolidation opportunities, and other areas of potential cost savings. The information collected may be used to respond to Legislative inquiries.