

**Beaufort County School District  
Mandatory Student Meal Price Increase  
Finance and Operations Committee  
May 9, 2016**

**TOPIC:           Equity in School Lunch Pricing – Section 205 of the Healthy, Hunger Free Kids Act of 2010**

**Background**

Effective July 1, 2011, section 205 of the Healthy, Hunger-Free Kids Act of 2010 requires school food authorities (SFAs) participating in the National School Lunch Program to provide the same level of support for lunches served to students who are not eligible for free or reduced price lunches (i.e. paid lunches) as they are for lunches served to students eligible for free lunches.

School districts that have programs that charge less than the USDA reimbursement amount of \$3.15 are required to gradually increase their prices over time until they meet the requirement. The attached worksheet demonstrates the calculation.

The last time BCSD was required to increase meal prices was in FY 2014 bringing the meal prices to the following levels:

Elementary - \$1.55  
Secondary - \$2.05

**Present**

According to the attached worksheet, we should raise each of the levels by \$.18, however, there is a \$.10 maximum cap. Therefore, for FY 216-2017 the following lunch prices must be put in place:

Elementary - \$1.65  
Secondary - \$2.15

**Recommended Motion:**

Motion to recommend the school lunch prices as follows: Elementary - \$1.65 and Secondary - \$2.15

SFA NAME: \_\_\_\_\_

## SY 2016-17 Price Adjustment Calculator

[Go to Instructions](#)

SY 2016-17 Weighted Average Price Requirement	
Requirement price to the nearest cent	<i>Optional price requirement</i> <b>ROUNDED DOWN</b> to nearest 5 cent
\$ 2.03	\$ 2.00
<i>Note: Above prices are based on adjusting SY 2015-2016 price requirement by the 2% rate increase plus the Consumer Price Index (2.97%)</i>	

SY 2015-16 Weighted Average Price Calculator			
Enter the paid prices and number of paid lunches sold at each price for October 2015.			
Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2015-16 Weighted Average Price
1.	30,100	\$ 2.05 \$ 61,705.00	
2.	25,388	\$ 1.55 \$ 39,351.40	
3.		\$ -	
4.		\$ -	
5.		\$ -	
6.		\$ -	
7.		\$ -	
8.		\$ -	
9.		\$ -	
10.		\$ -	
<b>TOTAL</b>	<b>55,488</b>	<b>\$ 101,056.40</b>	<b>\$ 1.82</b>
<i>Note: SY 2015-16 Weighted Average Price equal to or above \$2.78 are compliant for SY 2016-17. \$2.78 is the difference between the Free and Paid reimbursement rates for SY 2015-16.</i>			

\$1.65 Elementary  
\$2.15 Middle/High

Total Price Increase for SY 2016-17
\$ 0.18

Required price increase for SY 2016-17 (with 10 cent cap)
\$ 1.92

Remaining increase carried forward to SY 2017-18
\$ 0.08

Remaining credit carried forward to SY 2017-18
\$ -

[Go to SY2016-2017 Report](#)

## Step 3 (Optional)

Pricing Estimation Calculator			
Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.			
Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	Weighted Average Price
1.		\$ -	
2.		\$ -	
3.		\$ -	
4.		\$ -	
5.		\$ -	
6.		\$ -	
7.		\$ -	
8.		\$ -	
9.		\$ -	
10.		\$ -	
<b>TOTAL</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>

Note: This tool is created to allow the user to only enter the number of paid lunches and the related prices. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect new average price. Users should not modify the tool's current functionality. November 2015

**Breakfast and Lunch Price Comparisons  
FY 2015-2016**

	Breakfast		Lunch	
	Elementary	Middle/High	Elementary	Middle/High
Beaufort	\$1.00	\$1.00	\$1.55	\$2.05
Savannah	Free	Free	\$2.25	\$2.50 *
Dorchester	\$1.50	\$1.50	\$2.40	\$2.65
Charleston	\$1.40	\$1.40	\$2.25	\$3.50 *
Berkeley	\$1.25	\$1.50	\$1.50	\$1.75
Colleton	CEP		CEP	
Jasper	CEP		CEP	
Greenville	\$1.00	\$1.00	\$2.30	\$2.30
Florence 3	Free	Free	\$1.50	\$1.75

\* Elementary Price includes Middle School students

Free Lunch Reimbursement	\$3.09
Paid Lunch Reimbursement	\$0.31
Projected Lunch Price	<u>\$2.78</u>