

**Beaufort County School District
Mandatory Student Meal Price Increase
June 8, 2017**

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 lunch (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 of \$3.22 are required to gradually to increase their prices over time until they meet the requirement. The attached worksheet demonstrates the calculation.

BCSD was required to increase meal prices for the 2016-17 school year bringing the meal prices to the following levels:

Elementary	\$1.65
Secondary	\$2.15

Present:

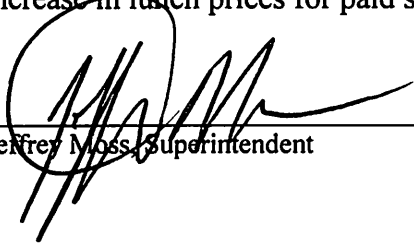
According the attached worksheet, we should raise elementary and secondary lunch prices by \$.09 (rounding to \$.10). Therefore, for FY2017-18, the following lunch prices must be put in place:

Elementary	\$1.75
Secondary	\$2.25


This price change does not affect the price of lunch for reduced households or the price of breakfast.

Recommended Motion:

The administration is recommending that the Board approve the USDA-mandated \$.10 increase in lunch prices for paid students.



Jeffrey Moss, Superintendent



Tonya Crosby, Chief Finance & Operations Officer

6/8/17

SY 2017-18 Price Adjustment Calculator

[Go to Instructions](#)

SY 2017-18 Weighted Average Price Requirement	
Requirement price to the nearest cent	Optional price requirement ROUNDED DOWN to nearest 5 cent
\$ 2.08	\$ 2.05
<i>Note: Above prices are based on adjusting SY 2016-2017 price requirement by the 2% rate increase plus the Consumer Price Index (2.64%)</i>	

Paid Lunch

\$1.75 Elementary
\$2.25 Secondary

Paid Breakfast

\$1.00

Reduced

\$.30 Breakfast
\$.40 Breakfast

SY 2016-17 Weighted Average Price Calculator			
Enter the paid prices and number of paid lunches sold at each price for October 2016.			
Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2016-17 Weighted Average Price
1.	48,030	\$ 1.65	\$ 79,249.50
2.	77,332	\$ 2.15	\$ 166,263.80
3.		\$ -	
4.		\$ -	
5.		\$ -	
6.		\$ -	
7.		\$ -	
8.		\$ -	
9.		\$ -	
10.		\$ -	
TOTAL	125,362	\$ 245,513.30	\$ 1.96
<i>Note: SY 2016-17 Weighted Average Price equal to or above \$2.86 are compliant for SY 2017-18. \$2.86 is the difference between the Free and Paid reimbursement rates for SY 2016-17.</i>			

Total Price Increase for SY 2017-18	
\$	0.09

Required price increase for SY 2017-18 (with 10 cent cap)	
\$	2.05

Remaining increase carried forward to SY 2018-19	
\$	-

Remaining credit carried forward to SY 2018-19	
\$	-

[Go to SY2017-2018 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.		\$ -	
TOTAL	-	\$ -	\$ -

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. March 2017

**Breakfast and Lunch Price Comparisons
FY 2015-16**

	Breakfast		Lunch	
	Elementary	Secondary	Elementary	Secondary
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
2017-18 Beaufort	\$1.00	\$1.00	\$1.75	\$2.25

* Elementary Price includes Middle School Students

Free Lunch Reimbursement	\$3.22
Paid Lunch Reimbursement	\$0.36
Projected Lunch Price	<u>\$2.86</u>