

April 27, 2011

Mary Larson
Director of Business Services
Parkrose School District
10636 NE Prescott St
Portland, OR 97220

Mary,

The Healthy, Hunger-Free Kids Act of 2010 (Child Nutrition and WIC Reauthorization) was signed into law by President Obama on December 13, 2010. There are many sections of this comprehensive Act that still need clarification regarding the guidelines for implementation. However Section 205, Equity in school lunch pricing must be implemented for the SY beginning July 1, 2011.

This will require schools to charge students for paid meals at a price that is on average equal to the difference between free meal reimbursement and paid meal reimbursement. Schools that currently charge less are required to gradually increase their prices over time until they meet the requirement. The maximum annual increase in the required paid meal is \$.10 per grade level to be compliant, but allows schools to establish higher increases at their discretion.

Below is a chart of Parkrose School District current pricing by grade level and SY 10 -11 reimbursement rates:

| Grade Level | Paid rate | Reimbursement | Total | Free Reimbursement | Increase Needed |
|-------------|-----------|---------------|---------|--------------------|-----------------|
| Elementary | \$ 1.75 | \$ 0.28 | \$ 2.03 | \$ 2.74 | \$ 0.71 |
| Middle | \$2.00 | \$ 0.28 | \$ 2.28 | \$ 2.74 | \$ 0.46 |
| High | \$2.15 | \$ 0.28 | \$ 2.43 | \$ 2.74 | \$ 0.31 |
| Average | \$1.97 | \$ 0.28 | \$ 2.25 | \$ 2.74 | \$ 0.49 |

Based on the requirements, the elementary and middle school lunch prices would need to be increased to move closer to the free reimbursement rate. At minimum a \$0.10 increase would result in the chart below:

| Grade Level | Combined Rate | Min. Increase | SY 11 – 12 Rate | Free Reimbursement | Future increase req. |
|-------------|---------------|---------------|-----------------|--------------------|----------------------|
| Elementary | \$ 2.03 | \$ 0.10 | \$ 2.13 | \$ 2.74 | \$ 0.61 |
| Middle | \$ 2.28 | \$ 0.10 | \$ 2.38 | \$ 2.74 | \$ 0.36 |
| High | \$ 2.43 | \$ 0.10 | \$2.53 | \$ 2.74 | \$ 0.21 |
| Average | \$ 2.25 | \$ 0.10 | \$ 2.35 | \$ 2.74 | \$ 0.39 |

Federal reimbursement rates National School Lunch for SY 2011 – 12 have not been announced at this time. It is hopeful that the reimbursement rates will be higher than current year due to inflationary cost and new program requirements. If this occurs, the paid meal price will need to be increased once again.

Student meal prices have not been increased of the last two years for various reasons, but with rising cost and mandated requirement from the Healthy, Hunger-Free Kids Act of 2010, paid meal prices must be increased. At minimum, Paid Meal price for Elementary and Middle Schools should be increased by \$ 0.10 for SY 2011 – 12 to be in compliance with the Healthy, Hunger-Free Kids Act of 2010.

Thank you for your consideration,

Ellen Christensen
Nutrition Services Director
Chartwell School Food Service
Parkrose School District.