



March 3, 2011

To: Dan Huber-Kantola  
Superintendent  
Three Rivers School District

From: John Stone  
District Manager  
Sodexo School Services

Subject: 2011-12 Meal Prices

Dan,

One of the requirements of the recently passed Healthy Hunger Free Kids Act (also known as the re-authorization of the National School Lunch Program) was that effective the school year beginning July 1, 2011, school nutrition programs will be required to move towards charging paid meal category students at a price that is on average equal to the difference between free meal reimbursement and paid meal reimbursement. Schools that charge less than this amount are required to *gradually* increase their prices over time until they meet the requirement. The law establishes a recommended maximum annual increase in the federally required paid meal price of 10 cents annually, but schools may choose to increase the price at a higher amount. The law also allows school nutrition programs to cover the difference with non-Federal funds instead of raising paid meal prices. Please see section 205 of the attached summary sheet.

Based on the current year free reimbursement rate of \$2.74 and the current paid reimbursement rate of .28, the minimum average price for a paid lunch would need to be \$2.46 ( $2.74 - .28$ ). Current lunch prices in Medford are \$1.85 for Elementary, \$2.10 for Middle School and \$2.35 for High School for a current average price of \$2.10, which is \$.36 cents below the requirement outlined in section 205 of the Act. It is also important to know that each year the average reimbursement rates increase by approximately 3% so districts will need to continue to increase meal prices to keep pace with the increases in reimbursement rates.

Our suggestion for the 2011-12 school year would be to increase the price of student meals as follows:

Elementary Paid from \$1.85 to \$2.00 an increase of \$.15 cents or 8%

Middle School Paid from \$2.10 to \$2.25 an increase of \$.15 cents or 7%

High School Paid, from \$2.35 to \$2.50 an increase of \$.15 cents or 6%

This would bring the districts average lunch price to \$2.25, which is still .21 cents below the \$2.46 requirement but makes progress to meeting that goal.

Our suggestion for the 2012-13 school year would be to increase the price of student meals as follows:

Elementary Paid from \$2.00 to \$2.10 an increase of \$.10 cents or 5%

Middle School Paid from \$2.25 to \$2.40 an increase of \$.15 cents or 6.5%

High School Paid from \$2.50 to \$2.65 an increase of \$.15 cents or 6%

This would bring the districts average lunch price to \$2.38. If the federal reimbursement rates increase by 3% the minimum average meal price would increase from the current \$2.46 to 2.54 so the district would still be .16 cents below the required level but continues to make adequate progress to meeting that goal.

Our suggestion for the 2013-14 school year would be to increase the price of student meals as follows:

Elementary Paid from \$2.10 to \$2.20 an increase of \$.10 cents or 5%

Middle School Paid from \$2.40 to \$2.50 an increase of \$.10 cents or 4%

High School Paid from \$2.65 to \$2.75 an increase of \$.10 cents or 4%

This would bring the districts average lunch price to \$2.48. If the federal reimbursement rates increase by 3% the minimum average meal price would increase from \$2.54 to \$2.61 so the district would still be .13 cents below the required level but continues to make adequate progress to meeting that goal.

For comparison purposes, the current average pricing among Oregon School Districts is \$2.05 for Elementary Lunch, \$2.35 for Middle Lunch and \$2.55 for High School Lunch.

*John*

John Stone  
Oregon District Manger  
Sodexo School Nutrition

# Equity in Meal Pricing Worksheet 2011-12

Oregon Department of Education

Enter data in yellow cells only!

Sponsor Name:

Agreement Number:

Paid Lunch Price Elementary:

Paid Lunch Price Middle School:

Paid Lunch Price High School:

Additional Paid Lunch price

Additional Paid Lunch price

Additional Paid Lunch price

Count of Paid Lunch Prices from above entered (enter 1-6):

Average Paid Lunch Price

\$2.28

Inflation Rate:

Adjusted Inflation rate (+ 2 points):

0.0314

Inflation Adjusted Average Price

\$2.3464

Free Reimbursement

Paid Reimbursement

Difference

\$2.46

Different between Free Rate and Inflation Adjusted Price

\$0.1136

Free Reimbursement to Price Comparison

Price Increase Required

Price Increase Required (rounded to lowest 5 cents):

\$0.10

Actual Price Increase Approved

Elementary:

Middle School:

High School:

Additional Paid Lunch price

Additional Paid Lunch price

Additional Paid Lunch price

No price increase made, non-federal support of paid meals made from: