



# SCHOOL BOARD MEETING REPORT

Board Meeting Date: May 16, 2018

Agenda #                     

Staff/Administrator: Debbie Simons

Superintendent: David Valenzuela

Type of Item:      *Informational*            *Action*

**Please state your proposal briefly and clearly. What do you want the board to know, discuss, or decide?**

I respectfully request that the Board of Directors approve the recommendation from Sodexo regarding the pricing of food service meals at the schools who do not qualify as no-charge schools.

**Provide history/background information on your proposal.**

The USDA National School Lunch Program (NSLP) requires that the price of Paid lunches increase similarly to reimbursement rates for Free meals. Evaluating our prices is a component of the annual renewal of our agreement with ODE for operating the NSLP. Sodexo has evaluated the attached options and is recommending Option A as an equitable way to minimize the impact on families while complying with the requirement.

**List the advantages of your proposal:**

**List possible disadvantages of your proposal:**

None at this time.

**List possible alternatives that could also offer a solution to your proposal. Why were they not recommended?**

None at this time.

**Superintendent's recommendation(s):**

Approve:   Yes    No

## Three Rivers SD 2018-19 Paid Lunch Equity Comparison

The USDA National School Lunch Program (NSLP) requires that the price of Paid lunches increase similarly to reimbursement rates for Free meals. Evaluating our prices is a component of the annual renewal of our agreement with ODE for operating the NSLP.

Current weighted average paid lunch price (SY 17-18): \$2.72

Required weighted average increase (SY 18-19): \$0.14

Increase rounded to the closest \$0.05\*: \$0.13

Increase capped at \$0.10†: \$0.10

	Current	Option A	Option B	Option C
Elementary	\$ 2.30	\$ 2.35	\$ 2.30	\$ 2.40
Middle	\$ 2.60	\$ 2.70	\$ 2.75	\$ 2.85
High	\$ 2.85	\$ 2.95	\$ 3.00	\$ 2.85
Weighted Increase	-	\$ 0.10	\$ 0.14	\$ 0.10
Revenue change	-	\$ 367.35	\$ 532.80	\$ 377.30

- OPTION A raises the price for all paid students, but avoids the \$3 mark in SY18-19.
- OPTION B reaches the full target increase, but only raises lunch prices for middle and high school, the bulk of our paid meals.
- OPTION C has the goal of raising the middle school price to match high school. It also avoids the \$3 mark in SY18-19.

Food Services recommends Option A as a more equitable way to share the burden of the increase while minimizing the financial impact to families. The resulting change in revenue to the district is negligible compared to total reimbursement, as is the difference between options.

We expect an additional price increase for SY19-20 regardless of which option is chosen for SY18-19.

This process does not impact our no charge Community Eligibility Provision (CEP) schools.

\*USDA allows lowering the increase to round the resulting weighted average to the nearest nickel (\$2.85 instead of \$2.86).

†USDA allows capping the annual increase at ten cents to allow a more gradual change. When capped at \$0.10, the remaining increase (in this case \$0.03 using the nickel rule) is carried forward to the following school year.