



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: August 21, 2017

AGENDA ITEM: Consider Approval of 2017-2018 Adult Meal Price

PRESENTER: Earl Husfeld and Patty Willhite

ALIGNS TO BOARD GOAL(S): Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

BACKGROUND INFORMATION:

- Due to requirements implemented by the United States Department of Agriculture (USDA) through the Healthy, Hunger-Free Kids Act of 2010, school districts are required to calculate meal prices according to the Paid Lunch Equity Tool on a yearly basis.
- The meal prices calculated are established by a weighted average price formula.
- USDA also stipulates that adult meal pricing may not be supplemented by Child Nutrition Department revenues.

ADMINISTRATIVE CONSIDERATIONS:

- During the June 19th board meeting, the Board of Trustees approved adjustments to the 2017-2018 child nutrition meal prices. We shared with you during that meeting the adult meal prices may need to be adjusted at a later date because the USDA had not yet published the federal reimbursement rates.
- USDA guidance in the Administrator's Reference Manual (ARM) requires specified school districts to use an approved USDA calculation to determine prices for adult meals. Prices charged for lunch, breakfast, and snacks must be greater than the federal free reimbursement rate plus all other federal reimbursements or payments. Lunch price calculations must also add the per meal value of USDA foods.
- At the rates of reimbursements recently published by the USDA, the adult meal price for breakfast is required to be greater than \$1.71 and the adult meal price for lunch is required to be greater than \$3.64.
- No change is recommended for the adult breakfast price, currently \$2.00.
- An increase of 15 cents to \$3.75 from \$3.60 is recommended for the adult lunch price. This is the same increase as the student increase approved on June 19th.

FISCAL NOTE:

Funds generated must be used for the Child Nutrition Program.

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees approve the 2017-2018 adult lunch meal price at \$3.75 as presented.

Adult Meal Calculator Worksheet

This worksheet provides the information needed to calculate adult meal prices using both approved methods. Choose the method of calculation (see the *Administrator's Reference Manual, Section 15, Meal Pricing* for additional information on which method to use). If the rate applies, record the rate in the *Amount CE Receives* cell. If using Method 1, record the local student paid charge in the designated *Local Student Paid Charge* cell. If using Excel, this worksheet will automatically calculate the amounts in the *Minimum Adult Charge* and *Total Federal Funds* cells. All amounts are carried to 4 digits and must be rounded up when determining the adult meal price. Non-pricing programs must always use Method 2.

| Method 1 Lunch | |
|---|--------------------|
| Federal Funds/Reimbursement Rate | Amount CE Receives |
| Paid Reimbursement Rate (SY 2016-2017=\$0.30) | .3100 |
| Performance-Based Reimbursement (SY 2016-2017=\$0.06) | .0600 |
| Severe Need Lunch (SY 2016-2017=\$0.02) | |
| USDA Foods (SY 2016-2017=\$0.32) | .3425 |
| Total Federal Funds | |
| Local Student Paid Charge | 3.1500 |
| Minimum Adult Charge | 3.8625 3.87 |

| Method 1 Breakfast | |
|---|--------------------|
| Federal Funds/Reimbursement Rate | Amount CE Receives |
| Paid Reimbursement Rate (SY 2016-2017=\$0.29) | |
| Severe Need Breakfast (SY 2016-2017=\$0.33) | |
| | |
| | |
| Total Federal Funds | |
| Local Student Paid Charge | |
| Minimum Adult Breakfast Charge | |

| Method 2 Lunch | |
|---|--------------------|
| Federal Funds/Reimbursement Rate | Amount CE Receives |
| Free Reimbursement Rate (SY 2016-2017=\$3.16) | 3.2300 |
| Performance-Based Reimbursement (SY 2016-2017=\$0.06) | .0600 |
| Severe Need Lunch (SY 2016-2017=\$0.02) | |
| USDA Foods (SY 2016-2017=\$0.32) | .3425 |
| Total Federal Funds | 3.6325 |
| Minimum Adult Charge | 3.64 |

| Method 2 Breakfast | |
|---|--------------------|
| Federal Funds/Reimbursement Rate | Amount CE Receives |
| Free Reimbursement Rate (SY 2016-2017=\$1.71) | |
| Severe Need Breakfast (SY 2016-2017=\$0.33) | |
| | |
| Total Federal Funds | |
| Minimum Adult Breakfast Charge | |



NSLP Reimbursement Rates

| | |
|--|---|
| NSLP Training | These rates are effective from July 1, 2017, through June 30, 2018. |
| NSLP Policy & ARM | |
| NSLP Administration & Forms | Lunch |
| NSLP Income Eligibility Guidelines | <ul style="list-style-type: none"> • Paid - \$0.31 • Reduced - \$2.83 • <u>Free - \$3.23</u> |
| National School Lunch Program Compliance | Contracting entities serving at least 60 percent free and reduced-price lunches in school year 2015-2016 will receive a 2-cent supplemental lunch reimbursement. In addition, contracting entities certified to receive the performance-based cash assistance will receive an additional 6 cents added to the lunch reimbursement. These additional reimbursements will be applied and paid automatically to eligible contracting entities through the Texas Unified Nutrition Programs System (TX-UNPS). |
| NSLP Reimbursement Rates | |
| NSLP CFDA and FAIN Numbers | |
| Professional Standards | |
| Smart Snacks | |
| Special Provisions | |
| CEP Guide | |
| Direct Certification | After School Care Program |
| Local Wellness Policies | <ul style="list-style-type: none"> • Paid - \$0.08 • Reduced - \$0.44 • Free - \$0.88 |
| Outreach Materials | |
| NSLP Statistics | |
| National School Lunch Week | USDA Foods Published Rate Of Assistance |
| | <ol style="list-style-type: none"> 1. SY 2017 Commodity Meal Rate - The published rate for the period July 1, 2017, to June 30, 2018, is \$0.2325 for NSLP schools. 2. USDA added an additional \$0.11 to the SY 2018 Commodity Meal Rate to include the shortfall in USDA purchases for SY 2017 for a national rate of \$0.3425 cents per meal. 3. Texas' rate is currently estimated at <u>\$0.3425 per meal</u>. |

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Office of the Assistant Secretary for Civil Rights
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Washington, D.C. 20250-9410
(2) fax: (202) 690-7442; or
(3) email: programintake@usda.gov.

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