



Discussion Item

Date: May 5, 2025

Division: Finance

Subject: Meal Prices for the 2025-2026 School Year

Background Information:

- LISD participates in the National School Lunch and Breakfast programs provided by the United States Department of Agriculture (USDA) and administered by the Texas Department of Agriculture (TDA).
- The USDA requires the use of the Paid Lunch Equity (PLE) tool to calculate minimum prices for full-price student lunch meals. The intent of this tool is to ensure that the reimbursements from the National School Lunch and Breakfast Programs do not subsidize the full-price meal program. The PLE tool does not apply to student breakfast or adult meal prices.
- LISD is required by federal regulations to meet minimum adult meal prices based on formulas provided by the USDA.
- LISD last increased student lunch meal prices for school year 2022-2023 by \$0.10.
- LISD previously took advantage of an exemption to the PLE requirement to assist with spending, which reduced excessive 240 Child Nutrition Fund. The Child Nutrition Fund no longer carries a large excessive fund balance.

Administrative Consideration:

- LISD's student and adult meal prices are currently below the average of meal prices among neighboring school districts in North Texas.
- Based on the 2024-2025 PLE tool guidelines, LISD's student lunch prices are \$0.89 below equity targets.
- Based on previous formulas, it is expected that LISD adult meal prices will need to increase by \$0.15 for adult breakfast meals and \$0.20 for adult lunch meals to meet the *minimum* allowed adult charge.
- The LISD student breakfast price has remained unchanged at \$1.35 since the 2020-2021 school year and no longer reflects current costs incurred in preparing student breakfast meals.
- Any potential increase in meal prices would not impact the reduced-price meal rate which is currently \$0.30 for reduced-price student breakfast meals and \$0.40 for reduced-price student lunch meals.