

Jenison & Hudsonville Schools Food Service

We feed the FUTURE.

Mary Darnton • Director • Food Service Department

To: Christine Marcy, Director of Finance and Operations

From: Mary Darnton, Food Service Director, Jenison/Hudsonville Food Service

Date: Wednesday September 3, 2025

Re: Food Service Meal Price Increase for 2025-26 (If necessary)

Background

In 2023-24, the State of Michigan included the Michigan School Meals (MSM) program in the School Aid Budget, which made Breakfast and Lunch free to all K-12 Public School Students in Michigan. The program was continued in the 2024-25 Fiscal year. Funding is only guaranteed through September 30, 2025.

In the absence of a completed School Aid Budget for 2025-26, and the potential for the MSM program to end, we need to re-establish Paid Meal Prices for students to being on October 1, 2025.

From 2018 through 2025, we did not have to raise prices per the USDA's Paid Lunch Equity regulation because we had a positive fund balance, and meals were free for students in several of those interceding years.

Our district does not qualify for the Community Eligibility Provision, which allows higher-poverty schools to offer breakfast and lunch at no cost to all students, eliminating the need for individual meal applications and household income verification. Schools are eligible if their Identified Student Percentage (ISP)—reaches a threshold of 25%. (CEP is based on the number of directly certified students who receive SNAP funds, Medicare, are in foster care, homeless, or certified by local liaisons.)

I've spoken to several area Food Service Directors from all over West Michigan. I have attached a table that we've shared with one another to see where they may set Meal Prices.

Food costs have risen over 40% in the last 3 years. Everyone feels this in their wallets, and our department is no different. Receiving the full USDA-set reimbursement rates for the last 2 years gave schools a consistent revenue source of equal funds for each meal we served. Reverting back to the traditional Federal Reimbursement structure will mean multiple revenue sources for each meal, leading to an overall drop in per-meal revenue. I also anticipate our meal counts dropping by 25-30%.

We've used the last 3 years to build a stronger Central Kitchen system to help offset higher product increases by converting previous ready-made items to scratch cooking. We can still maintain our commitment to purchasing local Food.

We cannot use our Excess Fund Balance to offset the Paid Meal Cost. This is not allowed under Federal Regulations.

Historical Meal Prices for Jenison & Hudsonville

	Elementary Breakfast	Elementary Lunch	Secondary Breakfast	Secondary Lunch	<u>Notes</u>
2017-18	\$1.25	\$2.50	\$1.50	\$3.00	Prices were raised for the 2017-18 School Year
2018-19	\$1.25	\$2.50	\$1.50	\$3.00	Traditional F-R-P System
2019-20	\$1.25	\$2.50	\$1.50	\$3.00	Traditional F-R-P through March 12, 2020 FREE from March 13 - June 30, 2020 (USDA COVID Waivers)
2020-21	\$0.00	\$0.00	\$0.00	\$0.00	Free (USDA COVID Waivers)
2021-22	\$0.00	\$0.00	\$0.00	\$0.00	Free (USDA COVID Waivers)
2022-23	\$1.25	\$2.50	\$1.50	\$3.00	Traditional F-R-P System
2023-24	\$0.00	\$0.00	\$0.00	\$0.00	Michigan School Meals (K-12 Public Free Breakfast & Lunch)
2024-25	\$0.00	\$0.00	\$0.00	\$0.00	Michigan School Meals (K-12 Public Free Breakfast & Lunch)
2025-26	\$2.00	\$3.00	\$2.00	\$3.50	Proposed Pricing; this puts us in compliance with the USDA's Paid Lunch Equity* rule.

Published Meal Prices from 2022-23 School Year

	Elementary Breakfast	Elementary Lunch	Secondary Breakfast	Secondary Lunch
2022-23	\$1.25	\$2.50	\$1.50	\$3.00

Recommendation

I am recommending that meal prices be increased beginning October 1, 2025 if the State of Michigan's Free Meals program is discontinued.

	Elementary Breakfast	Elementary Lunch	Secondary Breakfast	Secondary Lunch
2025-26 Proposed	\$2.00	\$3.00	\$2.00	\$3.50

^{*}Paid Lunch Equity (PLE) is a National School Lunch Program (NSLP) requirement from the U.S. Department of Agriculture (USDA) that mandates schools charge paying students an "equitable price" for their meals, calculated by a tool that ensures non-federal funds cover the difference between free and paid reimbursement rates. The target moves every year.