

## CHILD NUTRITION MEMORANDUM

**To:** William Hanson, CFO/Executive Director of Business Services

**From:** Pamela Bowe, R.D.L.D. Supervisor Child Nutrition

**Date:** 3/2/2016

**Re:** Breakfast and Lunch Meal Price Increase

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Due to the Healthy Hunger-Free Kids Act of 2010, signed into law December, 2010, requiring schools to charge students for paid meals at a price that is, on average, equal to the difference between the federal free meal reimbursements and any state reimbursements, and paid meal reimbursement. Schools that currently charge less are required to gradually increase their prices over time until they meet the requirement. Because our current lunch price does not meet the paid lunch equity price we are required to increase our lunch price by ten cents.

Current Paid Lunch Prices		Proposed Paid Lunch Prices	
Elementary	\$2.30	Elementary	\$2.40
Secondary	\$2.55	Secondary	\$2.65

Also, the Act establishes a maximum annual increase in the required paid increases of \$.10 annually. The weighted average for a paid meal is \$2.78 and the Child Nutrition Department must adjust their average lunch price toward the \$2.78.

# Memo

**To:** William Hanson  
**From:** Pam Bowe, R.D.L.D.  
**Date:** 2/23/2016  
**Re:** Adult Meal Price Increase

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The Department of Education, Nutrition, Health and Youth Development and USDA have informed us that the minimum price for adult meals has increased. The minimum price of adult meals has increased to \$2.15 for breakfast and \$3.80 for lunch. Meals purchased by adults must be priced high enough so that the cost of the meal is fully paid by the customer. The Child Nutrition Department proposes that we raise our adult breakfast meal prices to \$2.25 per meal in order to cover raw food and labor costs. The Child Nutrition Department proposes that we raise our adult lunch prices to \$3.80 to match the recommended amount. This increase would begin on June 13, 2016.

Enclosure

**Minnesota** Department of  
**Education**

Food Service Operations

## **Summer Food Service Program**

### **2016 Minimum Meal Prices for Adults**

Summer Food Service Program funds may not subsidize non-program meals. Meals purchased by adults must be priced high enough so that the cost of the meal is fully paid by the customer.

The minimum meal prices for adults shown below are set by the current rate of federal reimbursement received for each meal type, including the value of U.S. Department of Agriculture (USDA) Foods, and rounded up to the nearest five cents.

#### **Minimum Adult Prices**

**Breakfast: \$2.15**

**Lunch: \$3.80**

**Snack: \$.95**

After the Healthy, Hunger –Free Kids Act of 2010 was signed into law in December of 2010, there was a provision that was enacted to ensure that sufficient funds are provided for lunches served to students not eligible for free or reduced price meals. This Paid Lunch Equity process was implemented by USDA beginning in 2011. Each school year USDA sets the charge for paid lunches. If the Child Nutrition Department does not meet the paid lunch equity price that is set by USDA, the Child Nutrition Department is required to raise its lunch prices to match the set price. The maximum amount a lunch price can be raised is .10 or ten cents per school year.

Beginning in 2011, the lunch price has gone up 10 cents. In 2014 and 2015, according to the set Paid Lunch Equity a price increase was not required. For 2016, the Paid Lunch Equity has been set at \$2.78.

### Meal Price History

	9/1/15	9/1/14	9/5/13	9/6/12	9/7/11	6/10/10	9/1/09	9/4/08	10/1/07	9/6/07	9/8/06	9/1/05
Elementary Lunch	\$ 2.30	\$ 2.30	\$ 2.30	\$ 2.20	\$ 2.10	\$ 2.00	\$ 2.00	\$ 2.00	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.50
Secondary Lunch	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.45	\$ 2.35	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.00	\$ 2.00	\$ 2.00	\$ 1.75
Reduced Lunch *	\$ -	\$ -	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40
Milk per carton	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.30	\$ 0.30	\$ 0.25
Adult Lunch	\$ 3.75	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.50	\$ 3.50	\$ 3.50	\$ 3.00	\$ 3.00	\$ 2.75	\$ 2.75
Adult Breakfast	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.00	\$ 1.75	\$ 1.75	\$ 1.50	\$ 1.50	\$ 0.75	\$ 1.35
Student Breakfast **	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.50	\$ 1.50	\$ 1.50	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.60
Student Reduced Breakfast**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30

\*The Governor and State Legislature adopted legislation to pay the .40 cents per meal for families that qualified for reduced lunches. This reimbursement is paid on the Monthly Meals Claim.

\*\*The Child Nutrition Department began district wide to offer breakfast at no charge to any student in an effort to prevent overt identification of free or reduced students and encourage breakfast participation.